

GENESEE INTERMEDIATE SCHOOL DISTRICT

REPORT ON FINANCIAL STATEMENTS  
(with required supplementary and additional  
supplementary information)

JUNE 30, 2018

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October 29, 2018

## INDEPENDENT AUDITOR'S REPORT

To the Board of Education of  
Genesee Intermediate School District

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Genesee Intermediate School District, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the 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.

### Auditor's 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 auditor's 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, the business-type activities, each major fund, and the aggregate remaining fund information of Genesee Intermediate School District, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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### **Emphasis of Matter – Change in Accounting Principle**

As discussed in Note 15 to the financial statements, Genesee Intermediate School District implemented Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of funding progress and employer contributions for the pension plan, the schedules of funding progress and employer contributions for OPEB, and budgetary comparison information, as 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 the Genesee Intermediate School District's basic financial statements. The combining and individual non-major fund and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

Such combining and individual non-major fund and other schedules and the schedule of expenditures of federal awards are 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, this information 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 29, 2018, on our consideration of the Genesee Intermediate School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements 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 Genesee Intermediate School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Genesee Intermediate School District's internal control over financial reporting and compliance.

*Lewis & Knopf, P.C.*

LEWIS & KNOPF, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

GENESEE INTERMEDIATE SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS

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As administration of Genesee Intermediate School District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018.

**Financial Highlights**

- \* The liabilities and deferred inflows of the District exceeded its assets and deferred outflows at the close of the most recent fiscal year by \$58,470,007 (net position).
- \* The District's total net position increased by \$2,637,221. The increase was primarily due to increased revenue from property taxes and increases in District assets.

**Governmental Activities**

- \* The general fund had an increase in fund balance of \$752,638. Total fund balance for the general fund was \$9,469,306, or 18%, of total general fund expenditures.
- \* The special education fund had an increase in fund balance of \$636,716. Total fund balance for the special education fund was \$11,510,391, or 14%, of total special education fund expenditures.
- \* The vocational education fund had a decrease in fund balance of \$1,759,826. Total fund balance for the vocational education fund was \$3,969,120, or 22%, of total vocational education fund expenditures.

**Business-Type Activities**

- \* The general local district services fund had an decrease in fund balance of \$1,522,741. Total net position for the general local district services fund was (\$6,742,731).
- \* The special education local district services fund had an increase in fund balance of \$54,651. Total net position for the special education district services fund was (\$6,202,013).

**Using this Annual Report**

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District financially as a whole. The District-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 financial statements then proceed to provide an increasingly detailed look at specific financial activities included in the fund financial statements. 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 provide information about the School District's most significant funds - the General Fund, Special Education Fund, Career Technical Education Fund, and Special Education Capital Projects Fund. All other funds are presented in one column as non-major funds.

**Reporting the District as a Whole**

**The Statement of Net Position and Statement of Activities** - One of the most important questions asked about the District's finances is, "Is the District better off or worse off 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 about the District as a whole and about its activities in a manner that helps to answer this question. These statements include all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting used by private-sector corporations. However, the School District's goal is to provide services to our students, not to generate profits as private-sector corporations do. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS

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**Reporting the District as a Whole** (Continued)

The statement of net position and the statement of activities present information about the following:

**Governmental Activities** - All of the District's basic services are considered to be governmental activities, including instruction, support services, community services, food services, and transfers to other local districts. Property taxes, intergovernmental revenues (unrestricted and restricted State Aid), and charges for services finance most of these activities. These two statements report the District's net position and changes therein. The change in net position provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other nonfinancial factors such as property tax base, political conditions at the State Capitol, student enrollment growth, birth rates, and facility conditions in arriving at their conclusion regarding the overall health of the District.

**Proprietary funds** – Consists of county-wide interactive voice, data and video network (GENNET), shared services for technology, business, and custodial, energy savings consortium, Interactive Television (ITV) and online courses, transportation services for special education students in the county and transportation services for vocational education students in the county to and from the Genesee Career Institute.

The government-wide financial statements can be found on pages 1 - 2 of this report.

**Reporting the District's Most Significant Funds**

**Fund Financial Statements** - The fund financial statements provide detailed information about the most significant funds - not the District as a whole. The fund financial statements begin on page 3 and provide detailed information about the most significant funds. The fund statements are formatted to comply with the legal requirements of the Michigan Department of Education's "Accounting Manual." The District's two types of funds: governmental funds and fiduciary funds use different accounting approaches as further discussed in the notes to the financial statements. In the fund financial statements, capital assets purchased by cash are reported as expenditures in the year of acquisition. No asset is reported. The issuance of debt is recorded as a financial resource. The current year's payments of principal and interest on long-term obligations are recorded as expenditures. Future year's debt obligations are not recorded.

**Governmental Funds** - Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or less financial resources available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages 3 and 4 of this report.

**Proprietary Funds** - use the accrual basis of accounting, the same as on the government-wide statements, therefore the statements will essentially match the business-type activities portion of the government-wide statements.

The financial statements can be found on page 5 - 7 of this report.

**Fiduciary Funds** - The District is the fiduciary for various student group activities. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations. The District's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets.

The basic fiduciary fund financial statement can be found on page 8 of this report.

**Additional Information** - The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 9 - 34 of this report.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS

**SUMMARY OF NET POSITION:**

For the year ended June 30, 2018 Genesee Intermediate School District implemented Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. These changes are significant at the government-wide level.

The 2017 figures have not been updated for the adoption of GASB 75.

	(IN MILLIONS)					
	GOVERNMENTAL		BUSINESS-TYPE		TOTAL	
	ACTIVITIES	ACTIVITIES	ACTIVITIES	ACTIVITIES	ACTIVITIES	ACTIVITIES
	2018	2017	2018	2017	2018	2017
<u>Assets</u>						
Other Assets	\$76.8	\$76.3	\$9.4	\$9.1	\$86.2	\$85.4
Capital Assets	33.6	30.9	4.7	4.2	38.3	35.1
Total Assets	\$110.4	\$107.2	\$14.1	\$13.3	\$124.5	\$120.5
<u>Deferred Outflows of Resources</u>						
Total Assets and Deferred Outflows of Resources	26.7	14.1	5.9	2.9	32.6	17.0
	\$137.1	\$121.3	\$20.0	\$16.2	\$157.1	\$137.5
<u>Liabilities</u>						
Other Liabilities	163.7	128.4	30.1	19.8	193.8	148.2
Long-Term Liabilities	7.9	8.2	0.0	0.0	7.9	8.2
Total Liabilities	\$171.6	\$136.6	\$30.1	\$19.8	\$201.7	\$156.4
<u>Deferred Inflows of Resources</u>						
Total Liabilities and Deferred Inflows of Resources	11.3	0.5	2.5	0.0	13.8	0.5
	\$182.9	\$137.1	\$32.6	\$19.8	\$215.5	\$156.9
<u>Net Position</u>						
Net Investment in Capital Assets	26.1	23.2	4.7	4.2	30.8	27.4
Restricted	0.0	1.7	0.0	0.0	0.0	1.7
Unrestricted	(71.9)	(40.6)	(17.3)	(7.8)	(89.2)	(48.4)
<b><u>TOTAL NET POSITION</u></b>	<b><u>(\$45.8)</u></b>	<b><u>(\$15.7)</u></b>	<b><u>(\$12.6)</u></b>	<b><u>(\$3.6)</u></b>	<b><u>(\$58.4)</u></b>	<b><u>(\$19.3)</u></b>

The above analysis focuses on the net position. The change in net position of the School District's governmental activities is discussed below. The net position differs from fund balances and the reconciliation appears on page 3.

The District's net position reflects its investment in capital assets, and capital projects (i.e. land, buildings, vehicles, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



GENESEE INTERMEDIATE SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS

**SUMMARY OF NET POSITION:** (Continued)

An additional portion of the District's net position, \$3,721, represents resources that are subject to external restrictions on how they may be used. In the case of the School District, these amounts are restricted for food service and debt retirement.

The results of this year's operations for the School District as a whole are reported in the statement of activities (see table above), which shows the changes in net position for fiscal year 2018.

**RESULTS OF OPERATIONS:**

For the fiscal years ended June 30, 2018 and 2017, the District wide results of operations were:

	(IN MILLIONS)					
	GOVERNMENTAL		BUSINESS-TYPE		TOTAL	
	ACTIVITIES	ACTIVITIES	ACTIVITIES	ACTIVITIES	ACTIVITIES	ACTIVITIES
	2018	2017	2018	2017	2018	2017
Revenues:						
Program Revenues:						
Charges for Services	\$1.5	\$1.6	\$21.7	\$21.5	\$23.2	\$23.1
Operating Grants and Contributions	61.4	60.5	0.0	0.0	61.4	60.5
General Revenues:					0.0	
Property Taxes	36.2	35.3	0.0	0.0	36.2	35.3
Grants and State Aid	49.3	45.3	0.0	0.0	49.3	45.3
Other	2.8	2.8	1.2	1.1	4.0	3.9
Total Revenues	<u>\$151.2</u>	<u>\$145.5</u>	<u>\$22.9</u>	<u>\$22.6</u>	<u>\$174.1</u>	<u>\$168.1</u>
Functions/Program Expenses						
Instruction	44.8	38.8	0.0	0.0	44.8	38.8
Support Services	66.1	60.0	0.0	0.0	66.1	60.0
Community Services	1.7	0.9	0.0	0.0	1.7	0.9
Depreciation and Other	2.9	2.1	0.0	0.0	2.9	2.1
Local District Services	0.0	0.0	24.3	21.8	24.3	21.8
Total Expenses	<u>\$115.5</u>	<u>\$101.8</u>	<u>\$24.3</u>	<u>\$21.8</u>	<u>\$139.8</u>	<u>\$123.6</u>
Excess Before Transfers	\$35.7	\$43.7	(\$1.4)	\$0.8	\$34.3	\$44.5
Transfers to Local Districts	31.7	31.7	0.0	0.0	31.7	31.7
<u>Change in Net Position</u>	<u>\$4.0</u>	<u>\$12.0</u>	<u>(\$1.4)</u>	<u>\$0.8</u>	<u>\$2.6</u>	<u>\$12.8</u>

GENESEE INTERMEDIATE SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS

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**RESULTS OF OPERATIONS:** (Continued)

The District's net position increased by \$2.6 million during the current fiscal year. The increase in net position differs from the change in fund balances and the reconciliation appears on page 4.

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 the School District's 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.

**Budgeting and Operating Highlights**

The School District's budgets are prepared according to Michigan law. The most significant budgeted funds are the General Fund, Special Education Fund and Career Technical Education Fund.

During the fiscal year ended June 30, 2018, the School District amended the budgets of the General Fund, Special Education and Vocational Education three times. State law requires that the budget be amended to ensure that expenditures do not exceed appropriation. A schedule showing the School District's General Fund, Special Education Fund and Vocational Education Fund original and final budget amounts compared with amounts actually paid and received is provided in required supplemental information of these financial statements.

**General Fund**

The general fund actual revenue and other financing sources was \$54.1 million. The amount is less than the final budget estimate of \$56.5 million. The variance was \$2.4 million, or 4%. The variance is primarily due to aligning grant revenue for Great Start Readiness Program, 21<sup>st</sup> Century, Head Start, and Early Head Start.

The actual expenditures and other financing uses of the general fund was \$53.4 million, which is below the final budget estimate of \$56.5 million. The variance was \$3.1 million, or 6%. The variance is primarily due to reduced stipends paid for by Genesee Opportunity funds, as well as aligning grant expenditures for Head Start, Early Head Start, Great Start Readiness Program, and National Institute of Justice.

The general fund had total revenues of \$54.1 million and total expenditures of \$53.4 million with a net increase in fund balance of \$753 thousand and an ending fund balance of \$9.5 million.

**Special Education Fund**

The special education fund actual revenue and other financing sources was \$81.5 million. The amount is less than the final budget estimate of \$82.1 million. The variance was \$574 thousand, or 1%.

The actual expenditures and other financing uses of the special education fund was \$80.9 million, which is below the final budget estimate of \$82.6 million. The variance was \$1.7 million, or 2%. The variance was primarily due to aligning grant expenditures for Flint Water Emergency, Medicaid, and IDEA Flowthrough.

The special education fund had total revenues of \$81.5 million and total expenditures of \$80.9 million with a net increase in fund balance of \$637 thousand and an ending fund balance of \$11.5 million.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS

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**Budgeting and Operating Highlights** (Continued)

Vocational Education Fund

The vocational education fund actual revenue and other financing sources was \$16.3 million. The amount is more than the final budget estimate of \$15.9 million. The variance was \$474 thousand, or 3%. The variance was due to additional tax revenue received and an increase in State Aid Section 62 Vocational Education Equalization funds.

The actual expenditures and other financing uses of the vocational education fund was \$18.1 million, which is below the final budget estimate of \$18.8 million. The variance was \$683 thousand, or 4%. The variance was due to a decrease in transfers to local school districts' Educational Development Plan funds, as well as decreased anticipated expenditures for furniture and equipment, legal services, student tuition, and custodial and maintenance costs including utilities.

The vocational education fund had total revenues of \$16.3 million and total expenditures of \$18.1 million with a net decrease in fund balance of \$1.8 million and an ending fund balance of \$4.0 million.

**Capital Asset and Debt Administration**

A. Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2018 amounted to \$31.5 million (net of accumulated depreciation). This investment in capital assets included land, building, land improvements, machinery and equipment, and licensed vehicles. Capital assets at fiscal year-end included the following:

	Capital Assets (Net of Depreciation)	
	<u>2018</u>	<u>2017</u>
Land	\$186,167	\$186,167
Buildings and Improvements	17,839,576	18,909,326
Land Improvements	11,379,996	9,849,432
Furniture and Equipment	1,169,747	1,177,014
Vehicles and Buses	919,994	745,029
<b><u>Total capital assets, net</u></b>	<b><u>\$31,495,480</u></b>	<b><u>\$30,866,968</u></b>

The District's investment in capital assets for its business-type activities as of June 30, 2018 amounted to \$4.7 million (net of accumulated depreciation). This investment in capital assets included furniture, equipment and buses. Capital assets at fiscal year-end included the following:

	Capital Assets (Net of Depreciation)	
	<u>2018</u>	<u>2017</u>
Furniture and Equipment	\$782,513	\$769,650
Buses	3,928,456	3,449,556
<b><u>Total capital assets, net</u></b>	<b><u>\$4,710,969</u></b>	<b><u>\$4,219,206</u></b>

Additional information on the District's capital assets can be found in Note 5.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS

**B. Debt**

At the end of the current fiscal year, the District had total long-term debt outstanding of \$8.1 million. Long-term debt at fiscal year-end included the following:

	<u>Governmental</u>		<u>Business-Type</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Bonds Payable	\$7,320,000	\$7,555,000	\$0	\$0
Bond Premium	130,258	141,751	0	0
Sick & Severance Pay	482,715	490,441	133,314	124,670
<b>Total Long-Term Debt</b>	<b><u>\$7,932,973</u></b>	<b><u>\$8,187,192</u></b>	<b><u>\$133,314</u></b>	<b><u>\$124,670</u></b>

Additional information on the District's long-term debt can be found in Note 7.

**Economic Factors and Next Year's Budget**

The following factors will affect the District in the future and were considered in preparing the District's budget for the 2018-2019 fiscal year:

\* Foundation Allowance – The foundation allowance for 2018-2019 is budgeted to remain flat.

\* Retirement Rate

The continuing cost of health insurance to current and potential retirees continues to drive the rate increase the Michigan School Employees Retirement System recommends to the legislature for approval. In 2018-19, the rate is anticipated to increase to 27.16% for the 2018-2019 fiscal year. Additionally, the District will be required to pay 12.21%, for all wages earned October 1, 2017 and later, for the Unfunded Actuarial Accrued Liability (UAAL). Additional funding through state aid Section 147c MPSERS UAAL Stabilization is projected to assist with the increased retirement rate, although the annual reconciliation recognized a \$340,000 shortfall in expenses in comparison to the amount of Section 147c funds received.

\* The Genesee Intermediate School District 2018/2019 adopted budget is as follows:

	<u>General</u>	<u>Special Ed.</u>	<u>Career Tech.</u>	<u>Total</u>
<u>REVENUE</u>	\$52,677,974	\$88,344,618	\$15,873,041	\$156,895,633
<u>EXPENDITURES</u>	<u>53,607,416</u>	<u>87,510,086</u>	<u>15,484,246</u>	<u>156,601,748</u>
<u>NET OVER (UNDER) BUDGET</u>	<u>(\$929,442)</u>	<u>\$834,532</u>	<u>\$388,795</u>	<u>\$293,885</u>

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Genesee Intermediate School District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Cynthia McCain  
Assistant Superintendent for Business  
Genesee Intermediate School District  
2413 West Maple Avenue, Flint, Michigan 48507-3493  
Fax (810) 591-4864, Office Telephone (810) 591-4400  
or Email - cmccain@geneseeisd.org

## BASIC FINANCIAL STATEMENTS

GENESEE INTERMEDIATE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30 2018

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$37,818,628	\$8,455,146	\$46,273,774
Investments	11,007,199	0	11,007,199
Accounts Receivable	1,838,948	1,677,221	3,516,169
Due from (to) Other Funds	850,000	(850,000)	0
Taxes Receivable	8,510	0	8,510
Due from Other Governmental Units	24,215,353	89	24,215,442
Inventory	9,395	0	9,395
Prepaid Expenditures	1,092,940	115,024	1,207,964
Capital Assets, Not Being Depreciated - Construct. in Progress	2,091,316	0	2,091,316
Capital Assets, Not Being Depreciated - Land	186,167	0	186,167
Capital Assets, Net of Accumulated Depreciation	31,309,313	4,710,969	36,020,282
Total Assets	<u>\$110,427,769</u>	<u>\$14,108,449</u>	<u>\$124,536,218</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Related to Pensions	24,505,696	5,470,691	29,976,387
Related to Postemployment Benefits	2,146,936	479,285	2,626,221
Total Deferred Outflows of Resources	<u>\$26,652,632</u>	<u>\$5,949,976</u>	<u>\$32,602,608</u>
<u>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>			
	\$137,080,401	\$20,058,425	\$157,138,826
<u>LIABILITIES</u>			
Accounts Payable	11,668,677	273,737	11,942,414
Due to Other Governmental Units	1,142,625	0	1,142,625
Salaries Payable	2,242,940	750	2,243,690
Accrued Expenditures	738,306	729	739,035
Unearned Revenue	14,605,310	0	14,605,310
Long-Term Obligations - Due in One Year	261,493	0	261,493
Long-Term Obligations - Due in More than One Year	7,671,480	133,314	7,804,794
Net Pension Liability	99,386,006	22,187,091	121,573,097
Net Other Postemployment Benefits Liability	33,903,629	7,568,699	41,472,328
Total Liabilities	<u>\$171,620,466</u>	<u>\$30,164,320</u>	<u>\$201,784,786</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Related to State Aid Funding for Pension & OPEB	4,744,671	1,059,208	5,803,879
Related to Pensions	5,410,298	1,207,803	6,618,101
Related to Other Postemployment Benefits	1,146,190	255,877	1,402,067
Total Deferred Inflows of Resources	<u>\$11,301,159</u>	<u>\$2,522,888</u>	<u>\$13,824,047</u>
<u>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>			
	\$182,921,625	\$32,687,208	\$215,608,833
<u>NET POSITION</u>			
Net Investment in Capital Assets	26,136,538	4,710,969	30,847,507
Restricted	3,721	0	3,721
Unrestricted	(71,981,483)	(17,339,752)	(89,321,235)
<u>TOTAL NET POSITION</u>	<u>(\$45,841,224)</u>	<u>(\$12,628,783)</u>	<u>(\$58,470,007)</u>

See notes to the financial statements.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30 2018

FUNCTIONS/PROGRAMS	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges For Services	Program Specific Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities						
Instruction	\$44,834,695	\$0	\$0	(\$44,834,695)	\$0	(\$44,834,695)
Support Services	66,111,908	1,461,983	44,859,087	(19,790,838)	0	(19,790,838)
Community Services	1,669,807	0	0	(1,669,807)	0	(1,669,807)
Outgoing Transfers and Other Uses	310,019	0	0	(310,019)	0	(310,019)
Transfers to Local Districts	31,744,425	0	16,506,152	(15,238,273)	0	(15,238,273)
Food Service	383,121	25,651	0	(357,470)	0	(357,470)
Depreciation - Unallocated	2,208,336	0	0	(2,208,336)	0	(2,208,336)
Total Governmental Activities	<u>\$147,262,311</u>	<u>\$1,487,634</u>	<u>\$61,365,239</u>	<u>(\$84,409,438)</u>	<u>\$0</u>	<u>(\$84,409,438)</u>
Business-Type Activities:						
Local District Services	<u>24,310,211</u>	<u>21,751,327</u>	<u>0</u>	<u>0</u>	<u>(2,558,884)</u>	<u>(2,558,884)</u>
<b><u>TOTALS</u></b>	<b><u>\$171,572,522</u></b>	<b><u>\$23,238,961</u></b>	<b><u>\$61,365,239</u></b>	<b><u>(\$84,409,438)</u></b>	<b><u>(\$2,558,884)</u></b>	<b><u>(\$86,968,322)</u></b>
General Revenues:						
Property Taxes, Levied for General Purpose				3,972,013	0	3,972,013
Property Taxes, Levied for Special Education Purpose				23,065,931	0	23,065,931
Property Taxes, Levied for Career Technical Education Purpose				9,222,953	0	9,222,953
State Aid				42,551,989	0	42,551,989
Interdistrict Sources				6,262,898	0	6,262,898
Grants and Contributions Not Restricted to Specific Program:				521,468	0	521,468
Investment Earnings				377,880	0	377,880
Miscellaneous				1,605,190	2,025,221	3,630,411
Transfers				850,000	(850,000)	0
Total General Revenues and Transfer:				<u>\$88,430,322</u>	<u>\$1,175,221</u>	<u>\$89,605,543</u>
<b>Change in Net Position</b>				<u>\$4,020,884</u>	<u>(\$1,383,663)</u>	<u>\$2,637,221</u>
Net Position - Beginning of Year - As Restated				<u>(49,862,108)</u>	<u>(11,245,120)</u>	<u>(61,107,228)</u>
<b><u>Net Position - End of Year</u></b>				<b><u>(\$45,841,224)</u></b>	<b><u>(\$12,628,783)</u></b>	<b><u>(\$58,470,007)</u></b>

See notes to the financial statements

GENESEE INTERMEDIATE SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30 2018

	General Fund	Special Education Fund	Career Technical Education Fund	Special Education Capital Projects
<u>ASSETS</u>				
Cash and Cash Equivalents	\$7,498,200	\$7,027,439	\$3,986,178	\$9,812,675
Investments	1,690,245	9,104,743	212,211	0
Receivables:				
Accounts Receivable	1,665,585	99,175	73,250	0
Taxes Receivable	930	5,415	2,165	0
Due From Other Governmental Units	10,544,965	12,101,428	1,547,683	0
Due From Other Funds	1,577	0	2,554	1,995,087
Inventory	0	0	0	0
Prepaid Expenditures	978,536	76,937	7,492	0
<u>TOTAL ASSETS</u>	<u>\$22,380,038</u>	<u>\$28,415,137</u>	<u>\$5,831,533</u>	<u>\$11,807,762</u>
<u>LIABILITIES</u>				
Accounts Payable	\$4,140,367	\$5,634,406	\$1,219,974	\$68,917
Due to Other Governmental Units	887,646	218,774	36,205	0
Due to Other Funds	126	1,995,566	60	0
Salaries Payable	421,349	1,367,578	454,013	0
Accrued Expenditures	92,315	454,197	152,161	0
Unearned Revenue	7,368,929	7,234,225	0	0
Total Liabilities	<u>\$12,910,732</u>	<u>\$16,904,746</u>	<u>\$1,862,413</u>	<u>\$68,917</u>
<u>FUND BALANCES</u>				
Non-Spendable				
Inventory	0	0	0	0
Prepaid Expenditures	978,536	76,937	7,492	0
Committed				
Capital Projects	0	0	0	11,738,845
Restricted				
School Service	0	0	0	0
Special Education	0	11,433,454	0	0
Career Technical Education	0	0	3,961,628	0
Assigned	5,363,586	0	0	0
Unassigned	3,127,184	0	0	0
Total Fund Balances	<u>\$9,469,306</u>	<u>\$11,510,391</u>	<u>\$3,969,120</u>	<u>\$11,738,845</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$22,380,038</u>	<u>\$28,415,137</u>	<u>\$5,831,533</u>	<u>\$11,807,762</u>

See notes to the financial statements.



GENESEE INTERMEDIATE SCHOOL DISTRICT  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30 2018

		Total Governmental Fund Balances:	\$46,482,748
		Amounts reported for governmental activities in the statement of net position are different because:	
Non-Major Governmental Funds	Total Governmental Funds		
		Deferred Outflows of Resources - Related to Pensions	24,505,696
\$9,494,136	\$37,818,628	Deferred Outflows of Resources - Related to OPEB	2,146,936
0	11,007,199	Deferred Inflow Related to State Aid Funding for Pension & OPEB	(4,744,671)
938	1,838,948	Deferred Inflows of Resources - Related to Pensions	(5,410,298)
0	8,510	Deferred Inflows of Resources - Related to OPEB	(1,146,190)
21,277	24,215,353	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds	
850,665	2,849,883	Capital Assets	\$58,209,523
9,395	9,395	Less: Accumulated Depreciation	(26,714,043)
29,975	1,092,940	Capital Assets, Net of Accumulated Depreciation	31,495,480
<u>\$10,406,386</u>	<u>\$78,840,856</u>	Construction in Progress	2,091,316
\$605,013	\$11,668,677	Accrued Interest on Long-Term Debt	(39,633)
0	1,142,625	Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:	
4,131	1,999,883	Compensated Absences Payable	\$482,715
0	2,242,940	Bonds Payable	7,320,000
0	698,673	Premium on Bonds	130,258
2,156	14,605,310	Total	(7,932,973)
<u>\$611,300</u>	<u>\$32,358,108</u>	Net Pension Liability	(99,386,006)
9,395	9,395	Net Other Postemployment Benefits Liability	(33,903,629)
29,975	1,092,940		
9,723,050	21,461,895	<u>TOTAL NET POSITION -</u>	
32,666	32,666	<u>GOVERNMENTAL ACTIVITIES</u>	<u>(\$45,841,224)</u>
0	11,433,454		
0	3,961,628		
0	5,363,586		
0	3,127,184		
<u>\$9,795,086</u>	<u>\$46,482,748</u>		
<u>\$10,406,386</u>	<u>\$78,840,856</u>		

GENESEE INTERMEDIATE SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30 2018

	General Fund	Special Education Fund	Career Technical Education Fund	Special Education Capital Projects
<u>REVENUES</u>				
Local Sources	\$6,931,916	28,325,827	\$9,621,842	\$16,572
State Sources	21,877,923	33,662,493	5,259,305	0
Federal Sources	18,859,125	17,926,993	1,227,386	0
Interdistrict Sources	5,720,453	542,445	0	0
Total Revenues	<u>\$53,389,417</u>	<u>\$80,457,758</u>	<u>\$16,108,533</u>	<u>\$16,572</u>
<u>EXPENDITURES</u>				
Instruction	17,054,386	20,805,046	5,499,049	0
Student Services	3,866,732	15,582,666	306,162	0
Instructional Staff	9,033,578	1,734,791	2,483,477	0
General Administration	1,118,949	470,646	91,574	0
School Administration	765,530	1,323,558	640,042	0
Business Administration	885,434	1,650,793	211,382	0
Operation & Maintenance	2,677,466	2,015,337	1,177,028	0
Transportation	1,213,140	8,026,481	798,460	0
Support Services - Other	4,348,599	3,325,701	349,429	0
Community Services	1,652,915	16,892	0	0
Outgoing Transfers and Other Uses	32,779	12,605	477,522	0
Food Service	0	0	0	0
Capital Outlay	0	0	0	1,741,042
Total Expenditures	<u>\$42,649,508</u>	<u>\$54,964,516</u>	<u>\$12,034,125</u>	<u>\$1,741,042</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$10,739,909	\$25,493,242	\$4,074,408	(\$1,724,470)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers (to) Local Districts	(9,032,395)	(20,595,655)	(2,116,375)	0
Transfers In From Other Funds	743,116	1,084,965	109,371	5,150,000
Transfers Out to Other Funds	(1,715,000)	(5,350,000)	(3,941,308)	(570,000)
Other Transfers	17,008	4,164	114,078	0
Total Other Financing Sources (Uses)	<u>(\$9,987,271)</u>	<u>(\$24,856,526)</u>	<u>(\$5,834,234)</u>	<u>\$4,580,000</u>
Net Change in Fund Balance	\$752,638	\$636,716	(\$1,759,826)	\$2,855,530
<u>FUND BALANCE - BEGINNING OF YEAR</u>				
	<u>8,716,668</u>	<u>10,873,675</u>	<u>5,728,946</u>	<u>8,883,315</u>
<u>FUND BALANCE - END OF YEAR</u>				
	<u>\$9,469,306</u>	<u>\$11,510,391</u>	<u>\$3,969,120</u>	<u>\$11,738,845</u>

See notes to the financial statements.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30 2018

Non-Major Governmental Funds	Total Governmental Funds		
		Total net change in fund balances - governmental funds	\$4,481,185
		Amounts reported for governmental activities in the statement of activities are different because:	
\$39,395	\$44,935,552	Governmental funds report capital outlays as expenditures.	
5,077	60,804,798	However, in the statement of activities, the cost of those assets is	
281,193	38,294,697	allocated over their estimated useful lives as depreciation expense.	
0	6,262,898	Capital Outlay	\$2,836,848
\$325,665	\$150,297,945	Depreciation Expense	(2,208,336)
		Total	628,512
0	43,358,481	Construction in Progress	2,018,093
0	19,755,560		
0	13,251,846	Principal Payments on Bonds	235,000
0	1,681,169		
0	2,729,130	Amortization of Bond Premium	11,493
0	2,747,609		
0	5,869,831	Change in accrued interest on long-term liabilities	784
0	10,038,081		
0	8,023,729	Change in accrued compensated absences	7,726
0	1,669,807		
22,897	545,803	Some expenses reported in the statement of activities do not require the use of	
383,121	383,121	current financial resources and, therefore, are not reported as expenditures in	
3,262,376	5,003,418	the governmental Funds.	
\$3,668,394	\$115,057,585	State Aid Funding for Pension & OPEB	(4,744,671)
		Pension Related Items	174,851
(\$3,342,729)	\$35,240,360	OPEB Related Items	1,207,911
		<u>CHANGE IN NET POSITION OF</u>	
		<u>GOVERNMENTAL ACTIVITIES</u>	<u>\$4,020,884</u>
0	(31,744,425)		
6,206,308	13,293,760		
(867,452)	(12,443,760)		
0	135,250		
\$5,338,856	(\$30,759,175)		
\$1,996,127	\$4,481,185		
7,798,959	42,001,563		
\$9,795,086	\$46,482,748		

GENESEE INTERMEDIATE SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30 2018

	General Local District Services	Special Education Local District Services	Non-Major Career Tech Education Local District Services	Total
<u>ASSETS</u>				
<u>CURRENT ASSETS</u>				
Cash	\$2,760,086	\$4,502,559	\$1,192,501	\$8,455,146
Accounts Receivable	1,281,748	340,120	55,353	1,677,221
Due from Other Governmental Units	89	0	0	89
Prepaid Expenditures	115,024	0	0	115,024
Total Current Assets	<u>\$4,156,947</u>	<u>\$4,842,679</u>	<u>\$1,247,854</u>	<u>\$10,247,480</u>
<u>NON-CURRENT ASSETS</u>				
Capital Assets, Net of Accumulated Depreciation	782,513	3,581,782	346,674	4,710,969
<u>TOTAL ASSETS</u>	<u>\$4,939,460</u>	<u>\$8,424,461</u>	<u>\$1,594,528</u>	<u>\$14,958,449</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Related to Pensions	2,203,264	3,006,632	260,795	5,470,691
Related to Postemployment Benefits	193,027	263,410	22,848	479,285
Total Deferred Outflows of Resources	<u>\$2,396,291</u>	<u>\$3,270,042</u>	<u>\$283,643</u>	<u>\$5,949,976</u>
<u>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	<u>\$7,335,751</u>	<u>\$11,694,503</u>	<u>\$1,878,171</u>	<u>\$20,908,425</u>
<u>LIABILITIES</u>				
<u>CURRENT LIABILITIES</u>				
Accounts Payable	129,072	128,682	15,983	273,737
Due to Other Funds	850,000	0	0	850,000
Salaries Payable	750	0	0	750
Accrued Expenditures	729	0	0	729
Total Current Liabilities	<u>\$980,551</u>	<u>\$128,682</u>	<u>\$15,983</u>	<u>\$1,125,216</u>
<u>NON-CURRENT LIABILITIES</u>				
Pension Liability	8,935,623	12,193,782	1,057,686	22,187,091
Net Other Postemployment Benefits Liability	3,048,216	4,159,674	360,809	7,568,699
Compensated Absences	98,025	27,826	7,463	133,314
Total Non-Current Liabilities	<u>\$12,081,864</u>	<u>\$16,381,282</u>	<u>\$1,425,958</u>	<u>\$29,889,104</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Related to State Aid Funding for Pension & OPEB	426,585	582,129	50,494	1,059,208
Related to Pensions	486,430	663,796	57,577	1,207,803
Related to Other Postemployment Benefits	103,052	140,627	12,198	255,877
Total Deferred Inflows of Resources	<u>\$1,016,067</u>	<u>\$1,386,552</u>	<u>\$120,269</u>	<u>\$2,522,888</u>
<u>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>	<u>\$14,078,482</u>	<u>\$17,896,516</u>	<u>\$1,562,210</u>	<u>\$33,537,208</u>
<u>NET POSITION</u>				
<u>NET POSITION</u>				
Net Investment in Capital Assets	782,513	3,581,782	346,674	4,710,969
Unrestricted	(7,525,244)	(9,783,795)	(30,713)	(17,339,752)
<u>TOTAL NET POSITION</u>	<u>(\$6,742,731)</u>	<u>(\$6,202,013)</u>	<u>\$315,961</u>	<u>(\$12,628,783)</u>

See notes to the financial statements.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30 2018

	General Local District Services	Special Education Local District Services	Non-Major Career Tech Education Local District Services	Total After Interfund Eliminations
<u>OPERATING REVENUES</u>				
Charges for Services	\$10,052,293	\$10,651,442	\$1,047,592	\$21,751,327
Other Miscellaneous Revenue	1,483,741	498,890	42,590	2,025,221
Total Operating Revenues	<u>\$11,536,034</u>	<u>\$11,150,332</u>	<u>\$1,090,182</u>	<u>\$23,776,548</u>
<u>OPERATING EXPENSES</u>				
Salaries & Wages	3,002,269	4,110,921	358,095	7,471,285
Employee Benefits	1,991,889	3,087,024	246,228	5,325,141
Purchased Services	5,034,343	1,146,882	120,211	6,301,436
Supplies & Materials	77,798	1,352,715	186,228	1,616,741
Capital Outlay	11,291	150	0	11,441
Other Expenses	747,054	76,527	405	823,986
Depreciation Expense	134,963	492,846	20,884	648,693
Pension Expense	1,256,900	986,289	137,956	2,381,145
OPEB (Revenue) Expense	(108,601)	(148,201)	(12,855)	(269,657)
Total Operating Expenses	<u>\$12,147,906</u>	<u>\$11,105,153</u>	<u>\$1,057,152</u>	<u>\$24,310,211</u>
Net Operating Revenue (Expense)	(\$611,872)	\$45,179	\$33,030	(\$533,663)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers from Other Funds	0	9,472	2,720,810	0
Transfers to Other Funds	(910,869)	0	(2,669,413)	(850,000)
Total Other Financing Sources (Uses)	<u>(\$910,869)</u>	<u>\$9,472</u>	<u>\$51,397</u>	<u>(\$850,000)</u>
Net Revenue (Expense)	(\$1,522,741)	\$54,651	\$84,427	(\$1,383,663)
<u>NET POSITION - BEGINNING OF YEAR -</u>				
<u>AS RESTATED</u>	<u>(5,219,990)</u>	<u>(6,256,664)</u>	<u>231,534</u>	<u>(11,245,120)</u>
<u>NET POSITION - END OF YEAR</u>				
	<u>(\$6,742,731)</u>	<u>(\$6,202,013)</u>	<u>\$315,961</u>	<u>(\$12,628,783)</u>

See notes to the financial statements.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30 2018

	General Local District Services	Special Education Local District Services	Non-Major Career Tech Education Local District Services	Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>				
Receipts from Local Districts	\$10,579,751	\$10,673,731	\$1,060,819	\$22,314,301
Receipts from Other Sources	1,423,533	508,362	93,987	2,025,882
Payments to Suppliers	(5,829,503)	(2,553,717)	(301,637)	(8,684,857)
Payments to Employees	(4,983,459)	(7,199,832)	(604,491)	(12,787,782)
Net Cash Provided By Operating Activities	<u>\$1,190,322</u>	<u>\$1,428,544</u>	<u>\$248,678</u>	<u>\$2,867,544</u>
<u>CASH FLOWS FROM INVESTING AND RELATED FINANCING ACTIVITIES</u>				
Purchases of Capital Assets	(147,826)	(992,630)	0	(1,140,456)
<u>NET INCREASE IN CASH AND CASH EQUIVALENTS</u>				
	\$1,042,496	\$435,914	\$248,678	\$1,727,088
<u>BALANCES - BEGINNING OF YEAR</u>				
	1,717,590	4,066,645	943,823	6,728,058
<u>BALANCES - END OF YEAR</u>				
	<u>\$2,760,086</u>	<u>\$4,502,559</u>	<u>\$1,192,501</u>	<u>\$8,455,146</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)</u>				
<u>By Operating Activities</u>				
Operating Income (Loss)	(\$1,522,741)	\$54,651	\$84,427	(\$1,383,663)
Adjustments to Reconcile Operating Income to Net Cash				
Provided By (Used In) Operating Activities:				
Depreciation Expense	134,963	492,846	20,884	648,693
Change in Assets and Liabilities:				
Receivables	527,458	22,289	13,227	562,974
Prepays	39,865	0	0	39,865
Compensated Absences	10,699	(1,887)	(168)	8,644
Payables	1,118	22,557	5,207	28,882
Due to Other Funds	850,000	0	0	850,000
Unearned Revenue	(68)	0	0	(68)
Pension Related Assets & Liabilities	1,148,299	838,088	125,101	2,111,488
Accrued Expenses	729	0	0	729
<u>Net Cash Provided By Operating Activities</u>	<u>\$1,190,322</u>	<u>\$1,428,544</u>	<u>\$248,678</u>	<u>\$2,867,544</u>

See notes to the financial statements.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30 2018

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	<u>Trust &amp; Agency</u>
<u>ASSETS</u>	
Cash and Cash Equivalents	<u>\$268,034</u>
<u>TOTAL ASSETS</u>	<u><u>\$268,034</u></u>
<u>LIABILITIES</u>	
Due to Student Groups	\$266,873
Due to Employee Groups	<u>1,161</u>
<u>TOTAL LIABILITIES</u>	<u><u>\$268,034</u></u>

See notes to the financial statements.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) DESCRIPTION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. All fiduciary activities are reported only in the fund financial statements. Governmental activities normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions.

B) REPORTING ENTITY

The District is governed by an elected five-member Board of Education. The accompanying basic financial statements have been prepared in accordance with criteria established by the GASB 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 part of the District's reporting entity and which organizations are legally separate component units of the District. Based on application of the criteria, the District does not contain component units.

The District receives funding from local, state, federal and interdistrict government sources and must comply with the accompanying requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" body that has separate legal standing and is fiscally independent of the governmental entities. As such, the Board of Education has decision-making authority, the authority to levy taxes, and determine its budget, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

C) BASIS OF PRESENTATION

Government-wide Financial Statements – The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the School District and for each function or program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements – Fund financial statements report detailed information about the School District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.



GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C) BASIS OF PRESENTATION (Continued)

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus.

D) BASIC FINANCIAL STATEMENTS

Financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net assets/fund equity, revenues, and expenditures/expenses.

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

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type, and
2. The same element of the individual governmental fund or proprietary fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and proprietary funds combined.

The District reports the following major funds:

*Major Governmental Funds*

**General Fund** – The general fund is used to account for all financial resources except those required to be accounted for and reported in another fund. A new fund, Genesee Opportunity fund, was created in the current year. This fund is included in the general fund and its net fund balance is shown as restricted. The general fund balance is available for any purpose provided it is expended or transferred according to the laws of the State of Michigan.

**Special Education Fund** – The special education fund is used to account for financial resources to be used specifically for providing special education services to students within the School District.

**Career Technical Education Fund** - The career technical education fund is used to account for financial resources to be used specifically for providing vocational education services to students within the School District.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D) BASIC FINANCIAL STATEMENTS (Continued)

*Major Governmental Funds(Continued)*

**Capital Projects Fund (Special Education Capital Projects)** – The capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

*Major Proprietary Funds*

**General Local Districts Services Fund** - The activities of the General Fund within the Proprietary Fund are county-wide interactive voice, data and video network (GENNET), shared services for technology, business, and custodial, energy savings consortium, Interactive Television (ITV) and online courses.

**Special Education Local Districts Services Fund** - The activity of Special Education within the Proprietary Fund is transportation services for special education students in the county.

The District reports the following non-major funds:

*Non-Major Governmental Funds*

**Capital Projects Funds** – The capital projects funds account for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

**Special Revenue Funds** – The Special Revenue Funds are used to segregate the transactions of particular activities from regular revenue and expenditure accounts. The District maintains full control of these funds. The District maintains one special revenue fund: School Service.

**Capital Projects Fund (Career Technical Education Capital Projects)** – The capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

*Non-Major Proprietary Funds*

**Career Technical Education Local Districts Services Fund** - The activity of Career Technical Education within the Proprietary Fund is transportation services for vocational education students in the county to and from the Genesee Area Skill Center.

**Fiduciary Funds** – Fiduciary fund reporting focuses on net assets and changes in net assets. The District's fiduciary funds consist of agency funds which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The agency funds are used to account for amount held for student and employee groups.

During the course of operations the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in the fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in the fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E) BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

Revenues – Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available, means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within approximately sixty days of the fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenues from nonexchange transactions must also be available before it can be recognized.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and of the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Unearned Revenue – Unearned Revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are recorded as Unearned Revenue. The long-term portion of the receivable for fees charged to local districts for the GENNET project have also been recorded as Unearned Revenue.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as Unearned Revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F) CASH AND CASH EQUIVALENTS/INVESTMENTS

Cash and cash equivalents include amounts in demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Certain investments are valued at fair value as determined by quoted market prices, or by estimated fair values when quoted market prices are not available. The standards also provide that certain investments are valued at cost (or amortized cost) when they are of a short-term duration, the rate of return is fixed, and the district intends to hold the investment until maturity.

State statutes authorize the District to invest in bonds and other direct and certain indirect obligations of the U.S. Treasury, certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank, savings and loan association, or credit union, which is a member of the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, or National Credit Union Administration, respectively; in commercial paper rated at the time of purchase within the three highest classifications established by no less than two standard rating services and which matures not more than 270 days after the date of purchase. The District is also authorized to invest in U.S. Government or federal agency obligation repurchase agreements, bankers' acceptances of U.S. banks, and mutual funds composed of investments as outlined above.

G) INVENTORIES AND PREPAID COSTS

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 and are recorded as prepaid costs in both government-wide and fund financial statements.

H) CAPITAL ASSETS

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) using a \$5,000 capitalization threshold. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an assets life are not. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities</u> <u>Estimated Lives</u>
Buildings and Improvements	20 – 50 years
Land Improvements	5 – 20 years
Furniture and Equipment	5 – 10 years
Vehicles and Buses	5 – 10 years

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I) INTERFUND BALANCES

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

J) COMPENSATED ABSENCES

The liability for compensated absences reported in the government-wide statements consists of earned but unused accumulated vacation, sick leave, and severance 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 are included both for employees who are currently eligible to receive termination payments and for other employees who are expected to become eligible in the future to receive such payments upon termination.

K) LONG-TERM OBLIGATIONS

In the government-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, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period.

The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

L) DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred Outflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. They are the pension and other postemployment benefits related items reported in the government-wide statement of net position. A deferred outflow is recognized for pension and other postemployment benefit related items. These amounts are expensed in the plan year in which they apply.

Deferred Inflows

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualifies for reporting in this category. The first is restricted section 147c state aid deferred to offset deferred outflows related to section 147c pension and other postemployment benefit contributions subsequent to the measurement period. The second and third items are future resources yet to be recognized in relation to the pension and other postemployment benefit actuarial calculation. These future resources arise from differences in the estimates used by the actuary to calculate the pension and other postemployment benefit liability and the actual results. The amounts are amortized over a period determined by the actuary.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M) DEFINED BENEFIT PLAN

For purposes of measuring the net pension and other postemployment benefit liability, deferred outflows of resources and deferred inflows of resources related to pensions and other postemployment benefits, and pension and other postemployment benefits expense, information about the fiduciary net position of the Michigan Public 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.

N) FUND BALANCE

Fund balances for each of the District's governmental funds (General Fund, special revenue funds, capital projects funds, and debt service funds) are displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- \* Nonspendable fund balance - amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.
- \* Restricted fund balance - amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation. The District's Genesee Opportunity Fund (included in General Fund), Special Education Fund, Career Technical Education Fund, and School Service balances are considered restricted.
- \* Committed fund balance - amounts that can be spent only for specific purposes determined by a formal action resolution of the District's highest level of decision-making authority, the Board of Education.
- \* Assigned fund balance - amounts the District intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. The intent is expressed by the Board of Education.
- \* Unassigned fund balance - amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

The District would typically use restricted fund balance first, followed by committed resources, and then assigned resources as appropriate opportunities arise, but reserve the right to selectively spend unassigned resources first to defer the use of these classified funds.

O) NET POSITION

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P) REVENUES

Program Revenues – Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, unrestricted state aid, interest, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, those revenues are primary fees collected for providing transportation of special education students, fees collected for transportation of students in the Flint Community School Districts and fees collected for local district use of the GENNET interactive voice, data and video system.

Q) CONTRIBUTIONS OF CAPITAL

Contributions of capital in proprietary fund financial statements arise from outside contributions of fixed assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

R) INTERFUND ACTIVITY

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

S) EXTRAORDINARY AND SPECIAL ITEMS

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year ended June 30, 2018.

T) BUDGETARY DATA

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and special revenue fund. The capital projects fund is appropriated on a project-length basis. Other funds do not have appropriated budgets.

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

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

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

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T) BUDGETARY DATA (Continued)

3. Prior to July 1, the budget is legally adopted by School Board resolution pursuant to the Uniform Budgeting and Accounting Act (1968 PA 2). The Act requires that the budget be amended prior to the end of the fiscal year when necessary to adjust appropriations if it appears that revenues and other financing sources will be less than anticipated or so that expenditures will not be in excess of original estimates. Expenditures shall not be made or incurred, unless authorized in the budget, in excess of the amount appropriated. Violations, if any, in the general fund are noted in the required supplementary information section.
4. Transfers may be made for budgeted amounts between major expenditure functions within any fund; however, these transfers and any revisions that alter the total expenditures of any fund must be approved by the School Board.
5. The budget was amended during the year with supplemental appropriations, the last one approved prior to year-end June 30, 2018. The District does not consider these amendments to be significant.

2) DEPOSITS AND INVESTMENTS

As of June 30, 2018, the District had the following investments.

<u>Investment Type</u>	<u>Fair value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Standard &amp; Poor's Rating</u>	<u>%</u>
MILAF External Investment Pool - MICMS	9,104,743.00	N/A	AAA	82.72%
MILAF External Investment Pool - MIMAX	1,902,456.00	N/A	AAA	17.28%
<b><u>TOTAL</u></b>	<b><u>\$ 11,007,199</u></b>			<b><u>100.00%</u></b>

The District voluntarily invests certain excess funds in external pooled investment funds which included money market funds. One of the pooled investment funds utilized by the District is the Michigan Investment Liquid Asset Fund (MILAF). MILAF is an external pooled investment fund of “qualified” investments for Michigan school districts. MILAF is not regulated nor is it registered with the SEC. MILAF reports as of June 30, 2018, the fair value of the District’s investments is the same as the value of the pooled shares.

MILAF funds are considered external investment pools as defined by the GASB and as such are recorded at amortized cost which approximate fair value. The MILAF (MAX Class) fund requires notification of redemptions prior to 14 days to avoid penalties. These funds are not subject to the fair value disclosures.

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

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

**Custodial credit risk – deposits.** In the case of deposits, this is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. As of June 30, 2018, \$52,422,910 of the District’s bank balance of \$53,233,144 was exposed to custodial credit risk.



GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

2) DEPOSITS AND INVESTMENTS (Continued)

**Custodial credit risk – investments.** For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The District will minimize custodial credit risk, which is the risk of loss due to the failure of the security issuer or backer, by; limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business.

**Foreign currency risk.** The District is not authorized to invest in investments which have this type of risk.

**Fair value measurement.** The District is required to disclose amounts within a framework established for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

- Level 1: Quoted prices in active markets for identical securities.
- Level 2: Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayment speeds, credit risk and others.
- Level 3: Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect the District’s own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

The asset or liability’s fair measurement level with the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

MILAF-MIMAX investments fair value measurement is level 2.

The above amounts as previously report in Note 2:

Cash Agency Fund	\$ 268,034
Cash – District Wide – Governmental Funds	37,818,628
Cash – Proprietary Funds	8,455,146
Investments – District Wide – Governmental Funds	11,007,199
 <u>TOTAL</u>	 \$ 57,549,007

The above amounts are reported in the financial statements as follows:

Petty Cash	\$ 1,780
Checking/Savings Accounts – Governmental Funds Including Fiduciary Funds (\$268,034)	38,084,882
Checking/Savings Accounts – Proprietary Funds	8,455,146
Investments – Governmental Funds	11,007,199
 <u>TOTAL</u>	 \$ 57,549,007

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

3) PROPERTY TAXES

Property taxes levied by the District are collected by various municipalities and periodically remitted to the District. The District levies its property taxes in summer and winter and various municipalities collect its property taxes and remit them to the District through February. The delinquent real property taxes of the District are purchased by the County, and delinquent personal property taxes continue to be collected by the municipalities and recorded as revenue as they are collected. The county sells tax notes, the proceeds of which have been used to pay the District for these delinquent real property taxes. These delinquent real property taxes have been recorded as revenue in the current year.

4) RECEIVABLES

Receivables at June 30, 2018, consist of taxes, accounts (fees), intergovernmental grants and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

A summary of the principal items of intergovernmental receivables (due from other governmental units) follows:

<u>GOVERNMENTAL ACTIVITIES</u>	<u>AMOUNT</u>
State Aid	\$ 10,119,376
Federal Grants	13,796,152
Other Grant Programs & Fees	<u>299,914</u>
 <u>TOTAL GOVERNMENTAL ACTIVITIES</u>	 <u>\$ 24,215,442</u>

5) CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Balance Beginning	Additions	Deductions	Balance Ending
<u>GOVERNMENTAL ACTIVITIES</u>				
Land, Not Being Depreciated	\$186,167	\$0	\$0	\$186,167
Buildings and Improvements	28,322,235	0	0	28,322,235
Land Improvements	15,769,935	2,279,765	0	18,049,700
Furniture and Equipment	9,249,005	202,535	0	9,451,540
Vehicles and Buses	1,845,333	354,548	0	2,199,881
Totals at Historical Cost	<u>\$55,372,675</u>	<u>\$2,836,848</u>	<u>\$0</u>	<u>\$58,209,523</u>
Less: Accumulated Depreciation				
Buildings and Improvements	(9,412,909)	(1,069,750)	0	(10,482,659)
Land Improvements	(5,920,503)	(749,201)	0	(6,669,704)
Furniture and Equipment	(8,071,991)	(209,802)	0	(8,281,793)
Vehicles and Buses	(1,100,304)	(179,583)	0	(1,279,887)
Total Accumulated Depreciation	<u>(\$24,505,707)</u>	<u>(\$2,208,336)</u>	<u>\$0</u>	<u>(\$26,714,043)</u>
 <u>GOVERNMENTAL ACTIVITIES</u>				
<u>CAPITAL ASSETS - NET</u>	<u>\$30,866,968</u>	<u>\$628,512</u>	<u>\$0</u>	<u>\$31,495,480</u>

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

5) CAPITAL ASSETS (Continued)

	Balance Beginning	Additions	Deductions	Balance Ending
<u>BUSINESS - TYPE ACTIVITIES</u>				
Furniture and Equipment	\$13,365,496	\$147,826	\$0	\$13,513,322
Buses	11,579,329	992,630	(808,090)	11,763,869
Totals at Historical Cost	\$24,944,825	\$1,140,456	(\$808,090)	\$25,277,191
Less: Accumulated Depreciation				
Furniture and Equipment	(12,595,846)	(134,963)		(12,730,809)
Buses	(8,129,773)	(513,730)	808,090	(7,835,413)
Total Accumulated Depreciation	(\$20,725,619)	(\$648,693)	\$808,090	(\$20,566,222)
<u>BUSINESS - TYPE ACTIVITIES</u>				
<u>CAPITAL ASSETS - NET</u>	<u>\$4,219,206</u>	<u>\$491,763</u>	<u>\$0</u>	<u>\$4,710,969</u>

Depreciation expense was unallocated on the Statement of Activities as the District considers all fixed assets to have mixed use.

6) SHORT-TERM DEBT

The District has various options for short-term financing including tax anticipation notes, state aid anticipation notes and lines of credit. The District entered into no short-term financing arrangements during the fiscal year ended June 30, 2018.

7) GENERAL LONG-TERM DEBT

The payment dates of sick days payable is undeterminable.

A) 2014 School Improvement Bonds

The District issued School Improvement Bonds dated November 12, 2014 for improvements to the Genesee Career Institute. These general obligation tax bonds require fifteen annual principal payments beginning May 1, 2016, and semi-annual interest payments at rates ranging from 2.0% to 4.0%. The balance at June 30, 2018 was \$7,320,000.

B) Annual Principal Requirements

The annual principal requirements for all debts outstanding as of June 30, 2018 are as follows:

	Bonds Payable	Interest	Total
June 30, 2019	\$250,000	\$237,800	\$487,800
June 30, 2020	255,000	232,800	487,800
June 30, 2021	265,000	227,700	492,700
June 30, 2022	630,000	221,076	851,076
June 30, 2023	655,000	205,324	860,324
June 30, 2024-2028	3,630,000	710,400	4,340,400
June 30, 2029-2030	1,635,000	98,599	1,733,599
<u>TOTAL</u>	<u>\$7,320,000</u>	<u>\$1,933,699</u>	<u>\$9,253,699</u>

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

7) GENERAL LONG-TERM DEBT (Continued)

C) Changes in General Long-Term Debt

	Balance			Balance	Amount Due
<u>Governmental Activities:</u>	Beginning	Additions	Deductions	Ending	in One Year
Bonds Payable	\$7,555,000	\$0	\$235,000	\$7,320,000	\$250,000
Bond Premium	141,751	0	11,493	130,258	11,493
Compensated Absences Payable	490,441	0	7,726	482,715	0
<b><u>TOTAL</u></b>	<b><u>\$8,187,192</u></b>	<b><u>\$0</u></b>	<b><u>\$254,219</u></b>	<b><u>\$7,932,973</u></b>	<b><u>\$261,493</u></b>
 <u>Business Type Activities</u>					
Compensated Absences Payable	\$124,670	\$8,644	\$0	\$133,314	\$0

8) INTERFUND ACTIVITY

Interfund balances at June 30, 2018 consisted of the following:

		<b>DUE TO</b>			
		General	Career	Capital	
<b>DUE FROM</b>		Fund	Technical	Projects	Total
			Education Fund	Fund	
	General Fund	\$0	\$0	\$126	\$126
	Special Ed Fund	0	0	1,995,566	1,995,566
	Career Tech Fund	0	0	60	60
	Capital Projects Fund	1,577	2,554	0	4,131
	Enterprise Fund	0	0	850,000	850,000
	<b><u>TOTAL</u></b>	<b><u>\$1,577</u></b>	<b><u>\$2,554</u></b>	<b><u>\$2,845,752</u></b>	<b><u>\$2,849,883</u></b>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursed expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

9) INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2018, consisted of the following:

		<b>TRANSFERS FROM</b>					
		General	Special	Career	Capital	Enterprise	Total
<b>TRANSFERS TO</b>		Fund	Education	Technical	Projects	Fund	
			Fund	Ed. Fund	Fund	Fund	
	General Fund	\$300,000	\$0	\$0	\$443,116	\$0	\$743,116
	Special Education Fund	0	200,000	0	884,965	0	1,084,965
	Career Tech Ed. Fund	0	0	0	109,371	0	109,371
	Capital Projects Fund	1,415,000	5,150,000	3,941,308	0	850,000	11,356,308
	Enterprise Fund	0	0	0	0	2,730,282	2,730,282
	<b><u>TOTAL</u></b>	<b><u>\$1,715,000</u></b>	<b><u>\$5,350,000</u></b>	<b><u>\$3,941,308</u></b>	<b><u>\$1,437,452</u></b>	<b><u>\$3,580,282</u></b>	<b><u>\$16,024,042</u></b>

Transfers were used to finance various capital projects accounted for in other funds in accordance with budgetary authorizations.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

10) FUND BALANCE

Assigned fund balances consisted of the following:

	General Fund
Mott Middle College	\$42,406
Genesee Early College	674,109
Greater Flint Educational Consortium	136,112
Genesee Opportunity	2,542,833
GF - Technology	180,340
GF - Professional Development	511,034
Subsequent Year Expenditures	<u>1,276,752</u>
<u>TOTAL</u>	<u>\$5,363,586</u>

11) OPERATING LEASES

The District had multiple leases for copiers from IKON Office Solutions, Inc. The leases call for 60 monthly payments and expire at varying times through June 30, 2021.

The future minimum payments are as follows:

2019	\$ 214,007
2020	208,295
2021	<u>122,075</u>
<u>TOTAL</u>	<u>\$ 544,377</u>

12) TAX ABATEMENTS

The District receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions granted by cities and townships. Industrial facility exemptions are intended to promote construction of new industrial facilities, or to rehabilitate historical facilities. The property taxes abated for all funds by municipality under these programs are as follows:

<u>Municipality</u>	<u>Taxes Abated</u>
Davison City	\$ 339
Fenton City	303
Fenton Township	10,586
Flint City	56,672
Flint Township	3,242
Flushing City	94
Grand Blanc Township	17,925
Mt Morris Township	15,497
Mundy Township	644
Richfield Township	1,797
Tyrone Township	<u>1,682</u>
<u>TOTAL</u>	<u>\$ 108,781</u>

The taxes abated for the general fund operating millage is considered by the State of Michigan when determining the District's section 22 funding of the State School Aid Act.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

13) RESTRICTED NET POSITION

Restricted net position consists of the following:

Food Service	\$43,354
Less: Accrued Interest	<u>(39,633)</u>
 <u>TOTAL</u>	 <u><u>\$3,721</u></u>

14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS

**Plan Description**

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

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

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

**Benefits Provided - Overall**

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

<u>Plan name</u>	<u>Plan Type</u>	<u>Plan status</u>
Basic	Defined Benefit	Closed
Member Investment Plan (MIP)	Defined Benefit	Closed
Pension Plus	Hybrid	Closed
Pension Plus 2	Hybrid	Open
Defined Contribution	Defined Contribution	Open

**Benefits Provided – Pension**

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

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

**Benefits Provided – Pension** (Continued)

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

**Pension Reform 2010**

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

**Pension Reform 2012**

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

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

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

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

\* Basic plan members: 4% contribution

\* Member Investment Plan (MIP)-Fixed, MIP-Graded, and MIP-Plus members: a flat 7% contribution

**Option 2** – Members voluntarily elected to increase their contribution to the pension fund as stated in option 1 and retain the 1.5% pension factor in their pension formula. The increased contribution would begin as of their transition date and continue until they reach 30 years of service. If and when they reach 30 years of service, their contribution rates will return to the previous level in place as of the day before their transition date (0% for Basic plan members, 3.9% for MIP-Fixed, up to 4.3% for MIP-Graded, or up to 6.4% for MIP-Plus). The pension formula for any service thereafter would include a 1.25% person factor.

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

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

**Pension Reform 2012** (Continued)

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

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

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

**Final Average Compensation (FAC)** - Average of the highest 60 consecutive months (36 months for MIP members). FAC is calculated as of the last day worked unless the member elected option 4, in which case the FAC is calculated at the Transition Date.

**Pension Reform of 2017**

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

**Benefits Provided – Other postemployment benefit (OPEB)**

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



GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

**Retiree Healthcare Reform of 2012**

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

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

**Regular Retirement (no reduction factor for age)**

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

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

**Member Contributions**

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

**Employer Contributions**

Employers are required by Public Act 300 of 1980, as amended, to contribute amounts necessary to finance the coverage of members and retiree Other Post-Employment Benefits (OPEB). Contribution provisions are specified by State statute and may be amended only by action of the State Legislature.

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The 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.

For retirement and OPEB benefits, the unfunded (overfunded) actuarial accrued liability as of September 30, 2016 valuation will be amortized over a 22-year period for fiscal 2017.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

**Employer Contributions** (Continued)

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

	Pension	Other Postemployment Benefits
October 1, 2016 – September 30, 2017	15.27% - 19.03%	5.69% - 5.91%
October 1, 2017 – September 30, 2018	13.54% - 19.74%	7.42% - 7.67%

The District's pension contributions for the year ended June 30, 2018 were equal to the required contribution total. Pension contributions were approximately \$12,803,000, with \$12,621,000 specifically for the Defined Benefit Plan.

The District's OPEB contributions for the year ended June 30, 2018 were equal to the required contribution total. OPEB benefits were approximately \$3,337,000, with \$3,168,000 specifically for the Defined Benefit Plan.

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

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

**Pension Liabilities**

At June 30, 2018, the District reported a liability of \$121,573,097 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation date of September 30, 2016 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2017 and 2016, the District's proportion was 0.46913606 and 0.45509892 percent.

<u>MPSERS (Plan) Non-University Employers</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>
Total Pension Liability	\$72,407,218,688	\$67,917,445,078
Plan Fiduciary Net Position	46,492,967,573	42,968,263,308
Net Pension Liability	25,914,251,115	24,949,181,763
Proportionate Share	0.46913606%	0.45509892%
Net Pension Liability for the District	121,573,097	113,543,457

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

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

For the year ended September 30, 2017, the District recognized pension expense of \$14,083,636.

At June 30, 2018, the Reporting Unit reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	\$4,419,202	(\$209,573)
Differences Between Expected and Actual Experience	1,056,553	(596,534)
Changes of Assumptions	13,319,299	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	(5,811,994)
Reporting Unit's Contributions Subsequent to the Measurement Date	<u>11,181,333</u>	<u>0</u>
<b><u>TOTAL</u></b>	<b><u>\$29,976,387</u></b>	<b><u>(\$6,618,101)</u></b>

\$11,181,333 is reported as deferred outflows of resources related to pensions resulting from District employer contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the subsequent fiscal year.

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

<u>Year Ending Sept. 30,</u>	<u>Amount</u>
2018	\$3,697,444
2019	5,580,086
2020	2,740,351
2021	159,072

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

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

**OPEB Liabilities**

At June 30, 2018, the District reported a liability of \$41,472,328 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of September 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation date of September 30, 2016 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net OPEB liability was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2017, the District's proportion was 0.46832436 percent.

<u>MPSERS (Plan) Non-University Employers</u>	<u>September 30, 2017</u>
Total Other Postemployment Benefits Liability	\$13,920,945,991
Plan Fiduciary Net Position	5,065,474,948
Net Other Postemployment Benefits Liability	8,855,471,043
Proportionate Share	0.46832436%
Net Other Postemployment Benefits Liability for the District	41,472,328

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

For the year ended September 30, 2017, the District recognized OPEB expense of \$2,792,578.

At June 30, 2018, the Reporting Unit reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions	\$83,196	\$0
Differences Between Expected and Actual Experience	0	(441,558)
Changes of Assumptions	0	0
Net Difference Between Projected and Actual OPEB Plan Investment Earnings	0	(960,509)
Reporting Unit's Contributions Subsequent to the Measurement Date	2,543,025	0
<b><u>TOTAL</u></b>	<b>2,626,221</b>	<b>(\$1,402,067)</b>

\$ 2,543,025 is reported as deferred outflows of resources related to OPEB resulting from District employer contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

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

<u>Year Ending Sept. 30,</u>	<u>Amount</u>
2018	(\$320,219)
2019	(320,219)
2020	(320,219)
2021	(320,219)
2022	(37,995)

**Actuarial Assumptions**

**Investment rate of return for Pension** - 7.5% a year, compounded annually net of investment and administrative expenses for the Non-Hybrid groups and 7.0% a year, compounded annually net of investment and administrative expenses for the Hybrid group (Pension Plus Plan).

**Investment rate of return for OPEB** - 7.5% a year, compounded annually net of investment and administrative expenses.

**Salary increases** - The rate of pay increase used for individual members is 3.5%.

**Inflation** – 3.0%

**Mortality assumptions** - RP2000 Combined Healthy Life Mortality table, adjusted for mortality improvements to 2025 using projection scale BB (for men, 80% of the table rates were used and for women, 70% of the table rates were used).

**Experience study** - The annual actuarial valuation report of the System used for these statements is dated September 30, 2016. 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 long-term expected rate of return on pension and other postemployment benefit plan investments** - The pension rate was 7.5% (7% Pension Plus Plan), and the other postemployment benefit rate was 7.5%, net of investment and administrative expenses was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

**Healthcare cost trend rate for other postemployment benefit** – 7.5% for year one and graded to 3.5% to year twelve.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

**Actuarial Assumptions** (Continued)

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

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

Survivor Coverage – 80% of male retirees and 67% of female retirees are assumed to have coverage continuing after the retiree’s death.

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

The target asset allocation at September 30, 2017 and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>Investment Category</b>	<b>Target Allocation*</b>	<b>Long-term Expected Real Rate of Return*</b>
Domestic Equity Pools	28.0%	5.6%
Private Equity Pools	18.0%	8.7%
International Equity	16.0%	7.2%
Fixed Income Pools	10.5%	(0.1)%
Real Estate and Infrastructure Pools	10.0%	4.2%
Absolute Return Pools	15.5%	5.0%
Short Term Investment Pools	2.0%	(0.9)%
<b>Total</b>	<b>100.0%</b>	

\* Long term rates of return are net of administrative expenses and 2.3% inflation.

**Pension Discount rate** - The discount rate used to measure the total pension liability was 7.5% (7.0% for Pension Plus Plan). This discount rate was based on the long-term rate of return on pension plan investments of 7.5% (7.0% for the Pension Plus Plan). The projection of cash flows used to determine the discount rate assumed that plan members contributions will be made at the current contribution rate and that contributions from school districts will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**OPEB Discount rate** – The discount rate of 7.5% was used to measure the total OPEB liability. This discount rate was based on the long-term expected rate of return on OPEB plan investments of 7.5%. 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 school district’s contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

**Actuarial Assumptions** (Continued)

**Sensitivity of the net pension liability to changes in the discount rate** - The following presents the Reporting Unit's proportionate share of the net pension liability calculated using the discount rate of 7.5% (7.0% for Pension Plus Plan), as well as what the Reporting Unit's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<b>Pension</b>		
	<b>1% Decrease (6.5% / 6.0%)</b>	<b>Discount Rate (7.5% / 7.0%)</b>	<b>1% Increase (8.5% / 8.0%)</b>
Reporting Unit's proportionate share of the net pension liability	\$158,369,308	\$121,573,097	\$90,593,030

**Sensitivity of the net OPEB liability to changes in the discount rate** - The following presents the Reporting Unit's proportionate share of the net OPEB liability calculated using the discount rate of 7.5%, as well as what the Reporting Unit's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<b>Other Postemployment Benefit</b>		
	<b>1% Decrease (6.5%)</b>	<b>Discount Rate (7.5%)</b>	<b>1% Increase (8.5%)</b>
Reporting Unit's proportionate share of the net other postemployment benefit liability	\$48,576,083	\$41,472,328	\$35,443,465

**Sensitivity to the net OPEB liability to changes in the healthcare cost trend rates** - The following presents the Reporting Unit's proportionate share of the net other postemployment benefit liability calculated using the healthcare cost trend rate of 7.5% (decreasing to 3.5%), as well as what the Reporting Unit's proportionate share of the net other postemployment benefit liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<b>Other Postemployment Benefit</b>		
	<b>1% Decrease (6.5% decreasing to 2.5%)</b>	<b>Healthcare cost trend rates (7.5% decreasing to 3.5%)</b>	<b>1% Increase (8.5% decreasing to 4.5%)</b>
Reporting Unit's proportionate share of the net other postemployment benefit liability	\$35,121,487	\$41,472,328	\$48,683,265

**Pension and OPEB Plan Fiduciary Net Position**

Detailed information about the pension and OPEB's fiduciary net position is available in the separately issued Michigan Public School Employees Retirement System 2017 Comprehensive Annual Financial Report.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

14) DEFINED BENEFIT PLAN AND POST RETIREMENT BENEFITS (Continued)

**Payable to the Pension and OPEB Plan** - At year-end, the School District is current on all required pension and other postemployment benefit plan payments. Amounts accrued at year-end for accounting purposes are separately stated in the financial statements as a liability titled accrued retirement. These amounts represent current payments for June paid in July, accruals for summer pay primarily for teachers, and the contributions due from state revenue Section 147c restricted to fund the MPSERS Unfunded Actuarial Accrued Liability (UAAL).

**Other Information**

On December 20, 2017, the Michigan Supreme Court affirmed that Public Act 75 of 2010 is unconstitutional as it substantially impaired the employee's employment contracts by involuntarily reducing the employee's wages by 3%. As a result, the funds collected pursuant to Public Act 75 before the effective date of Public Act 300 of 2012, must be refunded to the employees in accordance with the Michigan Court of Claims judgment on the aforementioned court case. Effective September 30, 2017, the 3% contribution collected under Public Act 75, which amounted to approximately \$554 million (including interest), was posted as a liability on the plan's CAFR report.

15) NEW ACCOUNTING STANDARDS

For the year ended June 30, 2018, the District implemented the following new pronouncements: GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

**Summary:**

GASB Statement No. 75 requires governments that participate in defined benefit other post-employment benefit (OPEB) plans to report in the statement of net position a net OPEB liability. The net OPEB liability is the difference between the total OPEB liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside in a trust and restricted to paying benefits to current employees, retirees, and their beneficiaries. The Statement requires cost-sharing employers to record a liability and expense equal to their proportionate share of the collective net OPEB liability and expense for the cost-sharing plan. The Statement also will improve the comparability and consistency of how governments calculate their OPEB liabilities and expense.

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
Net Position as previously stated July 1, 2017	(\$15,751,314)	(\$3,630,172)	(\$19,381,486)
Adoption of GASB statement No. 75			
Net Other Postemployment Benefits Liability	(35,760,841)	(7,983,307)	(43,744,148)
Deferred Outflows	2,720,309	607,286	3,327,595
Deferred Inflows	<u>(1,070,262)</u>	<u>(238,927)</u>	<u>(1,309,189)</u>
 <u>NET POSITION AS RESTATED JULY 1, 2017</u>	 <u>(\$49,862,108)</u>	 <u>(\$11,245,120)</u>	 <u>(\$61,107,228)</u>



GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO FINANCIAL STATEMENTS

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16) RISK MANAGEMENT

The District is exposed to various risks of loss in conducting its operations, from property and casualty, theft, damage to various tort and liability claims and workman's compensation claims. The District limits its exposure to such claims through its participation in and payments of premiums to SET-SEG, Inc. Insurance Trust. The pool maintains a loss fund and is also required by the terms of the participation agreement to obtain insurance and reinsurance as necessary.

The terms of the participation agreement with the pool indicate that, should losses of the pool incurred in a given coverage period exceed the loss fund and the aggregate excess reinsurance, the fund may access its member districts on a pro-rata basis to cover excess losses. In past years the loss fund has exceeded the amount necessary to maintain prudent loss reserves, resulting in annual premium refunds to member districts. The District's management believes that participation in this pool provides sufficient coverage to protect the District from significant adverse financial impact.

17) CONTINGENCIES AND COMMITMENTS

The District is involved in several legal matters as a result of worker's compensation claims and other business matters. The suits are being handled by the District's insurance carrier. The amounts of potential liability to the District, if any, is unknown as of the date of the auditor's opinion.

18) UPCOMING ACCOUNTING PRONOUNCEMENTS

A) Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, was issued by the GASB in January 2017 and will be effective for the District's 2020 year end. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities for all state and local governments. The focus on the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Districts with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position.

B) Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, was issued by the GASB in June 2017 and will be effective for the District's 2021 year end. The objective of this Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use the underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

REQUIRED SUPPLEMENTARY  
INFORMATION

GENESEE INTERMEDIATE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED JUNE 30 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Local Sources	\$5,477,840	\$6,877,906	\$6,931,916	\$54,010
State Sources	19,417,764	23,663,192	21,877,923	(1,785,269)
Federal Sources	17,326,441	19,593,590	18,859,125	(734,465)
Total Revenues	<u>\$42,222,045</u>	<u>\$50,134,688</u>	<u>\$47,668,964</u>	<u>(\$2,465,724)</u>
<u>EXPENDITURES</u>				
Instruction	15,956,097	18,197,857	17,054,386	1,143,471
Student Services	2,622,607	3,801,940	3,866,732	(64,792)
Instructional Staff	7,892,868	9,147,488	9,033,578	113,910
General Administration	1,081,914	1,149,682	1,118,949	30,733
School Administration	785,842	781,390	765,530	15,860
Business Administration	1,053,890	997,909	885,434	112,475
Operation & Maintenance	1,927,598	2,881,906	2,677,466	204,440
Transportation	1,120,947	1,301,220	1,213,140	88,080
Support Services - Other	4,078,468	4,647,421	4,348,599	298,822
Community Services	2,340,936	1,911,350	1,652,915	258,435
Total Expenditures	<u>\$38,861,167</u>	<u>\$44,818,163</u>	<u>\$42,616,729</u>	<u>\$2,201,434</u>
Excess of Revenues Over Expenditures	\$3,360,878	\$5,316,525	\$5,052,235	(\$264,290)
<u>OTHER FINANCING SOURCES (USES)</u>				
Other Financing Sources	5,173,831	6,404,236	6,480,577	76,341
Other Financing (Uses)	(8,988,550)	(11,700,779)	(10,780,174)	920,605
Total Other Financing Sources (Uses)	<u>(\$3,814,719)</u>	<u>(\$5,296,543)</u>	<u>(\$4,299,597)</u>	<u>996,946</u>
Net Change in Fund Balance	(\$453,841)	\$19,982	\$752,638	\$732,656
<u>FUND BALANCE - BEGINNING OF YEAR</u>			<u>8,716,668</u>	
<u>FUND BALANCE - END OF YEAR</u>			<u>\$9,469,306</u>	

GENESEE INTERMEDIATE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL EDUCATION FUND  
YEAR ENDED JUNE 30 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES</u></b>				
Local Sources	\$27,208,898	\$28,150,452	\$28,325,827	\$175,375
State Sources	37,048,646	34,034,861	33,662,493	(372,368)
Federal Sources	17,930,850	18,223,615	17,926,993	(296,622)
Total Revenues	<u>\$82,188,394</u>	<u>\$80,408,928</u>	<u>\$79,915,313</u>	<u>(\$493,615)</u>
<b><u>EXPENDITURES</u></b>				
Instruction	21,510,042	20,388,126	20,805,046	(416,920)
Student Services	15,867,544	16,082,767	15,582,666	500,101
Instructional Staff	1,756,514	1,820,110	1,734,791	85,319
General Administration	502,036	470,681	470,646	35
School Administration	1,380,409	1,344,756	1,323,558	21,198
Business Administration	1,758,585	1,742,028	1,650,793	91,235
Operation & Maintenance	3,417,118	2,109,501	2,015,337	94,164
Transportation	8,398,095	8,104,812	8,026,481	78,331
Support Services - Other	3,260,583	3,577,075	3,325,701	251,374
Community Services	116,740	22,214	16,892	5,322
Total Expenditures	<u>\$57,967,666</u>	<u>\$55,662,070</u>	<u>\$54,951,911</u>	<u>\$710,159</u>
Excess of Revenues Over Expenditures	\$24,220,728	\$24,746,858	\$24,963,402	\$216,544
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Other Financing Sources	596,178	1,711,713	1,631,574	(80,139)
Other Financing (Uses)	<u>(23,397,770)</u>	<u>(26,957,882)</u>	<u>(25,958,260)</u>	<u>999,622</u>
Total Other Financing Sources (Uses)	<u>(\$22,801,592)</u>	<u>(\$25,246,169)</u>	<u>(\$24,326,686)</u>	<u>\$919,483</u>
Net Change in Fund Balance	\$1,419,136	(\$499,311)	\$636,716	\$1,136,027
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>			<u>10,873,675</u>	
<b><u>FUND BALANCE - END OF YEAR</u></b>			<u>\$11,510,391</u>	

GENESEE INTERMEDIATE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
CAREER TECHNICAL EDUCATION FUND  
YEAR ENDED JUNE 30 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES</u></b>				
Local Sources	\$9,131,701	\$9,250,138	\$9,621,842	\$371,704
State Sources	5,023,445	5,084,328	5,259,305	174,977
Federal Sources	1,311,649	1,300,399	1,227,386	(73,013)
Total Revenues	<u>\$15,466,795</u>	<u>\$15,634,865</u>	<u>\$16,108,533</u>	<u>\$473,668</u>
<b><u>EXPENDITURES</u></b>				
Instruction	5,552,780	5,707,982	5,499,049	208,933
Student Services	379,634	306,316	306,162	154
Instructional Staff	1,962,575	2,649,775	2,483,477	166,298
General Administration	98,717	100,704	91,574	9,130
School Administration	708,911	660,061	640,042	20,019
Business Administration	242,667	222,856	211,382	11,474
Operation & Maintenance	1,346,588	1,309,457	1,177,028	132,429
Transportation	788,472	814,158	798,460	15,698
Support Services - Other	475,078	374,664	349,429	25,235
Total Expenditures	<u>\$11,555,422</u>	<u>\$12,145,973</u>	<u>\$11,556,603</u>	<u>\$589,370</u>
Excess of Revenues Over Expenditures	\$3,911,373	\$3,488,892	\$4,551,930	\$1,063,038
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Other Financing Sources	0	222,931	223,449	518
Other Financing (Uses)	<u>(3,634,187)</u>	<u>(6,628,589)</u>	<u>(6,535,205)</u>	<u>93,384</u>
Total Other Financing Sources (Uses)	<u>(\$3,634,187)</u>	<u>(\$6,405,658)</u>	<u>(\$6,311,756)</u>	<u>\$93,902</u>
Net Change in Fund Balance	\$277,186	(\$2,916,766)	(\$1,759,826)	\$1,156,940
<b><u>FUND BALANCE - BEGINNING OF YEAR</u></b>			<u>5,728,946</u>	
<b><u>FUND BALANCE - END OF YEAR</u></b>			<u><u>\$3,969,120</u></u>	

GENESEE INTERMEDIATE SCHOOL DISTRICT  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL EDUCATION CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Local Sources	\$3,200	\$17,000	\$16,572	(\$428)
<u>EXPENDITURES</u>				
Capital Outlay	1,310,750	2,584,797	1,741,042	843,755
Excess of Revenues Over Expenditures	(\$1,307,550)	(\$2,567,797)	(\$1,724,470)	\$843,327
<u>OTHER FINANCING SOURCES (USES)</u>				
Net Change in Fund Balance	2,400,000	5,150,000	4,580,000	(570,000)
	\$1,092,450	\$2,582,203	\$2,855,530	\$273,327
<u>FUND BALANCE - BEGINNING OF YEAR</u>			8,883,315	
<u>FUND BALANCE - END OF YEAR</u>			<u>\$11,738,845</u>	

GENESEE INTERMEDIATE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE REPORTING UNIT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT PLAN  
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH FISCAL YEAR)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Reporting unit's proportion of net pension liability (%)							0.46914%	0.45510%	0.45049%	0.44009%
Reporting unit's proportionate share of net pension liability							\$121,573,097	\$113,543,457	\$110,032,613	\$96,935,396
Reporting unit's covered-employee payroll							\$39,788,920	\$38,596,598	\$37,131,323	\$37,099,793
Reporting unit's proportionate share of net pension liability as a percentage of its covered-employee payroll							305.55%	294.18%	296.33%	261.28%
Plan fiduciary net position as a percentage of total pension liability							64.21%	63.27%	63.17%	66.20%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, reporting units should present information for those years for which information is available.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE REPORTING UNIT'S CONTRIBUTIONS - PENSION  
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT PLAN  
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 6/30 OF EACH FISCAL YEAR)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contributions							\$11,003,731	\$10,705,007	\$8,690,561	\$6,834,787
Contributions in relation to statutorily required contributions							<u>11,003,731</u>	<u>10,705,007</u>	<u>8,690,561</u>	<u>6,834,787</u>
Contribution deficiency (excess)							<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Reporting unit's covered- employee payroll							\$40,585,356	\$38,535,567	\$37,036,903	\$37,100,955
Contributions as a percentage of covered-employee payroll							27.11%	27.78%	23.46%	18.42%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, reporting units should present information for those years for which information is available.



GENESEE INTERMEDIATE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE REPORTING UNIT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT PLAN  
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 9/30 OF EACH FISCAL YEAR)

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Reporting unit's proportion of net OPEB liability (%)									0.46832%
Reporting unit's proportionate share of net OPEB liability									\$41,472,328
Reporting unit's covered-employee payroll									\$39,788,920
Reporting unit's proportionate share of net OPEB liability as a percentage of its covered-employee payroll									104.23%
Plan fiduciary net position as a percentage of total OPEB liability (Non-university employers)									36.39%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, reporting units should present information for those years for which information is available.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE REPORTING UNIT'S CONTRIBUTIONS - OPEB  
MICHIGAN PUBLIC SCHOOL EMPLOYEES RETIREMENT PLAN  
LAST 10 FISCAL YEARS (AMOUNTS WERE DETERMINED AS OF 6/30 OF EACH FISCAL YEAR)

	<u>2027</u>	<u>2026</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Statutorily required contributions										\$3,646,102
Contributions in relation to statutorily required contributions										<u>3,646,102</u>
Contribution deficiency (excess)										<u>\$0</u>
Reporting unit's covered-employee payroll										\$40,585,356
Contributions as a percentage of covered-employee payroll										8.98%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, reporting units should present information for those years for which information is available.

GENESEE INTERMEDIATE SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**BUDGETARY INFORMATION**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Special Education Fund and Career Technical Education Fund. All annual appropriations lapse at fiscal year-end.

The budget document presents information by fund and function. The legal level of budgetary control adopted by the governing body (i.e., the level at which expenditures may not legally exceed appropriations) is the function level. State law requires the School District to have its budget in place by July 1. Expenditures in excess of amounts budgeted are a violation of Michigan law. State law permits districts to amend their budgets during the year. During the year, the budget was amended in a legally permissible manner. The School District increased/decreased budgeted amounts during the year in response to changes in funding and related expenditures.

Amounts encumbered for purchase orders, contracts, etc. are not tracked during the year. Budget appropriations are considered to be spent once the goods are delivered or the services rendered.

During the year, Genesee Intermediate School District did not have any significant expenditure budget variances.

**PENSION AND OPEB RELATED**

**Changes of benefit terms:** There were no changes of benefit terms for the plan year ended September 30, 2017.

**Changes of assumptions:** There were no changes of benefit assumptions for the plan year ended September 30, 2017.

ADDITIONAL SUPPLEMENTARY  
INFORMATION

GENESEE INTERMEDIATE SCHOOL DISTRICT  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30 2018

	<u>School Service Fund</u>	<u>Career Technical Capital Projects</u>	<u>General Capital Projects</u>	<u>Durant Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>					
Cash and Cash Equivalents	\$15,984	\$6,825,648	\$2,521,342	\$131,162	\$9,494,136
Accounts Receivable	938	0	0	0	938
Due from Other Governmental Units	21,277	0	0	0	21,277
Due from Other Funds	0	0	850,665	0	850,665
Inventory	9,395	0	0	0	9,395
Prepaid Expenditures	1,293	0	0	28,682	29,975
<b><u>TOTAL ASSETS</u></b>	<b><u>\$48,887</u></b>	<b><u>\$6,825,648</u></b>	<b><u>\$3,372,007</u></b>	<b><u>\$159,844</u></b>	<b><u>\$10,406,386</u></b>
<b><u>LIABILITIES</u></b>					
Accounts Payable	\$3,377	\$532,083	\$68,444	\$1,109	\$605,013
Due to Other Funds	0	2,554	1,577	0	4,131
Unearned Revenue	2,156	0	0	0	2,156
<b>Total Liabilities</b>	<b><u>\$5,533</u></b>	<b><u>\$534,637</u></b>	<b><u>\$70,021</u></b>	<b><u>\$1,109</u></b>	<b><u>\$611,300</u></b>
<b><u>FUND BALANCE</u></b>					
Non-Spendable					
Inventory	9,395	0	0	0	9,395
Prepaid Expenditures	1,293	0	0	28,682	29,975
Committed	0	6,291,011	3,301,986	130,053	9,723,050
Restricted					
School Service Fund	32,666	0	0	0	32,666
<b>Total Fund Balance</b>	<b><u>\$43,354</u></b>	<b><u>\$6,291,011</u></b>	<b><u>\$3,301,986</u></b>	<b><u>\$158,735</u></b>	<b><u>\$9,795,086</u></b>
<b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	<b><u>\$48,887</u></b>	<b><u>\$6,825,648</u></b>	<b><u>\$3,372,007</u></b>	<b><u>\$159,844</u></b>	<b><u>\$10,406,386</u></b>

GENESEE INTERMEDIATE SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30 2018

	School Service Fund	Career Technical Capital Projects	General Capital Projects	Durant Capital Projects	Total Non-Major Governmental Funds
<u>REVENUES</u>					
Local Sources	\$25,651	\$9,137	\$4,183	\$424	\$39,395
State Sources	5,077	0	0	0	5,077
Federal Sources	281,193	0	0	0	281,193
Total Revenues	<u>\$311,921</u>	<u>\$9,137</u>	<u>\$4,183</u>	<u>\$424</u>	<u>\$325,665</u>
<u>OTHER FINANCING SOURCES</u>					
Transfers In	0	3,941,308	2,265,000	0	6,206,308
Total Revenues and Other Financing Uses	<u>\$311,921</u>	<u>\$3,950,445</u>	<u>\$2,269,183</u>	<u>\$424</u>	<u>\$6,531,973</u>
<u>EXPENDITURES</u>					
Food Service	383,121	0	0	0	383,121
Capital Outlay	0	2,296,726	796,262	169,388	3,262,376
Total Expenditures	<u>\$383,121</u>	<u>\$2,296,726</u>	<u>\$796,262</u>	<u>\$169,388</u>	<u>\$3,645,497</u>
<u>OTHER FINANCING USES</u>					
Prior Period Adjustment	0	0	22,897	0	22,897
Transfers to Other Funds	0	70,000	797,452	0	867,452
Total Other Financing Uses	<u>\$0</u>	<u>\$70,000</u>	<u>\$820,349</u>	<u>\$0</u>	<u>\$890,349</u>
Total Expenditures and Other Financing Uses	<u>\$383,121</u>	<u>\$2,366,726</u>	<u>\$1,616,611</u>	<u>\$169,388</u>	<u>\$4,535,846</u>
Net Change in Fund Balance	(\$71,200)	\$1,583,719	\$652,572	(\$168,964)	\$1,996,127
<u>FUND BALANCE - BEGINNING OF YEAR</u>	<u>114,554</u>	<u>4,707,292</u>	<u>2,649,414</u>	<u>327,699</u>	<u>7,798,959</u>
<u>FUND BALANCE - END OF YEAR</u>	<u>\$43,354</u>	<u>\$6,291,011</u>	<u>\$3,301,986</u>	<u>\$158,735</u>	<u>\$9,795,086</u>

INDIVIDUAL FUND SCHEDULES OF  
REVENUES, EXPENDITURES AND  
OTHER FINANCING SOURCES AND USES

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
YEAR ENDED JUNE 30 2018

REVENUES FROMLocal Sources

Current Tax Levy	\$3,959,555
Payments in Lieu of Taxes	12,458
Earnings on Investments and Deposits	36,934
Other Local Grants	504,393
Mott Middle College	150,000
Charges for Services	1,267,984
Miscellaneous	1,000,592
Total Local Sources	<u>\$6,931,916</u>

State Sources

Intermediate Districts - Section 81	3,574,734
Renaissance Zone - Section 26a	55,457
Bus Driver Safety - Section 74	136,547
Math and Science - Section 99.1	63,884
Other State Grants	18,047,301
Total State Sources	<u>\$21,877,923</u>

Federal Sources

Title I Regional Assistance	246,074
Headstart	14,522,342
Homeless Children and Youth	85,074
Title III Immigrant Education	95,976
21st Century Learning	2,022,734
Other Federal Grants	1,126,341
PeNut Foundation	760,584
Total Federal Sources	<u>\$18,859,125</u>

Interdistrict Sources

Total Revenues	<u>5,720,453</u>
	<u>\$53,389,417</u>

OTHER FINANCING SOURCES

Due from Other Funds	743,116
Other Transfers	17,008
Total Other Financing Sources	<u>\$760,124</u>

TOTAL REVENUES AND OTHER FINANCING SOURCES

	<u>\$54,149,541</u>
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GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SPECIAL EDUCATION FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
YEAR ENDED JUNE 30 2018

REVENUES FROMLocal Sources

Current Tax Levy	\$23,013,229
Payments in Lieu of Taxes	52,702
Earnings on Investments and Deposits	269,287
Miscellaneous	146,756
Contributions	17,075
Charges for Services	9,045
Other Local Grants	161,136
Medicaid Fee-for-Service Program	4,656,597
Total Local Sources	<u>\$28,325,827</u>

State Sources

Special Education Foundation - Section 51a.2	5,752,606
Special Education - Section 51a	10,021,866
Court Placed - Section 53a	62,431
Other State Grants	9,824,032
School for the Deaf/Blind - Section 54	703,328
Special Education - Section 56	7,298,230
Total State Sources	<u>\$33,662,493</u>

Federal Sources

IDEA Flowthrough	16,532,559
Enhancing Opportunities for Student with Disabilities	60,000
Preschool Incentive	472,364
Other Federal Grants	705,982
Transition Services	70,000
Medicaid Administrative Outreach Claims	86,088
Total Federal Sources	<u>\$17,926,993</u>

Interdistrict Sources

Total Revenues	<u>542,445</u>
	<u>\$80,457,758</u>

OTHER FINANCING SOURCES

Transfers from Other Funds	1,084,965
Other Transfers	4,164
Total Other Financing Sources	<u>\$1,089,129</u>

TOTAL REVENUES AND OTHER FINANCING SOURCES

	<u>\$81,546,887</u>
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GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
CAREER TECHNICAL EDUCATION FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
YEAR ENDED JUNE 30 2018

REVENUES FROMLocal Sources

Current Tax Levy	\$9,201,879
Payments in Lieu of Taxes	21,074
Earnings on Investments and Deposits	41,343
Charges for Services	34,954
Miscellaneous	322,592
Total Local Sources	<u>\$9,621,842</u>

State Sources

Career Technical Education Administration - Section 61a.2	21,268
Career Technical Education - Section 61a.1	1,146,360
Career Technical Education Millage Equalization - Section 62	3,495,008
Other State Grants	596,669
Total State Sources	<u>\$5,259,305</u>

Federal Sources

Secondary Regional Allocation	<u>1,227,386</u>
Total Revenues	<u>\$16,108,533</u>

OTHER FINANCING SOURCES

Transfers from Other Funds	109,371
Other Transfers	114,078
Total Other Financing Sources	<u>\$223,449</u>

TOTAL REVENUES AND OTHER FINANCING SOURCES

\$16,331,982

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
YEAR ENDED JUNE 30 2018

INSTRUCTION

Salaries - Professional	\$1,444,785
Salaries - Non-Professional	9,880
Insurances	260,784
Fica, Retirement, Etc.	646,585
Other Benefits	23,303
Purchased Services	13,104,439
Supplies & Materials	1,335,465
Capital Outlay	66,770
Other	162,375
Total Instruction	<u>\$17,054,386</u>

SUPPORT SERVICESSTUDENT SERVICES

Salaries - Professional	533,918
Salaries - Non-Professional	3,606
Insurances	80,800
Fica, Retirement, Etc.	219,702
Other Benefits	6,288
Purchased Services	2,876,489
Supplies & Materials	117,235
Capital Outlay	25,846
Other	2,848
Total Student Services	<u>\$3,866,732</u>

INSTRUCTIONAL STAFF

Salaries - Professional	2,213,800
Salaries - Non-Professional	481,109
Insurances	419,584
Fica, Retirement, Etc.	1,504,957
Other Benefits	60,540
Purchased Services	3,513,186
Supplies & Materials	814,021
Other	26,381
Total Instructional Staff	<u>\$9,033,578</u>

GENERAL ADMINISTRATION

Salaries - Professional	\$340,599
Salaries - Non-Professional	149,238
Insurances	51,527
Fica, Retirement, Etc.	208,025
Other Benefits	2,038
Purchased Services	303,532
Supplies & Materials	63,965
Other	25
Total General Administration	<u>\$1,118,949</u>

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
YEAR ENDED JUNE 30 2018

SUPPORT SERVICES (Continued)

SCHOOL ADMINISTRATION

Salaries - Professional	\$226,297
Salaries - Non-Professional	181,238
Insurances	68,949
Fica, Retirement, Etc.	181,064
Other Benefits	9,323
Purchased Services	77,723
Supplies & Materials	16,997
Other	3,939
Total School Administration	\$765,530

BUSINESS ADMINISTRATION

Salaries - Professional	265,115
Salaries - Non-Professional	163,055
Insurances	79,378
Fica, Retirement, Etc.	192,101
Other Benefits	8,209
Purchased Services	123,472
Supplies & Materials	6,160
Other	47,944
Total Business Administration	\$885,434

OPERATION & MAINTENANCE

Salaries - Professional	\$34,480
Salaries - Non-Professional	25,871
Insurances	14,515
Fica, Retirement, Etc.	28,520
Purchased Services	1,809,439
Supplies & Materials	457,869
Capital Outlay	3,250
Other	303,522
Total Operation & Maintenance	\$2,677,466

TRANSPORTATION

Salaries - Professional	47,712
Salaries - Non-Professional	147,611
Insurances	42,029
Fica, Retirement, Etc.	88,128
Other Benefits	5,682
Purchased Services	730,937
Supplies & Materials	120,434
Capital Outlay	30,432
Other	175
Total Transportation	\$1,213,140

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
YEAR ENDED JUNE 30 2018

SUPPORT SERVICES (Continued)

SUPPORT SERVICES - OTHER

Salaries - Professional	\$563,284
Salaries - Non-Professional	495,692
Insurances	251,445
Fica, Retirement, Etc.	498,334
Other Benefits	34,460
Purchased Services	965,274
Supplies & Materials	355,717
Other	1,184,393
Total Support Services - Other	\$4,348,599

Total Support Services \$23,909,428

COMMUNITY SERVICES

Salaries - Professional	218
Salaries - Non-Professional	2,758
Insurances	891
Fica, Retirement, Etc.	1,225
Purchased Services	1,547,800
Supplies & Materials	94,629
Other	5,394
Total Community Services	\$1,652,915

Total Expenditures \$42,616,729

OTHER FINANCING USES

Transfers to Other Funds	1,715,000
Transfers to Other Districts	9,032,395
Other Transfers	1,875
Capital Improvement	30,904
Total Other Financing Uses	\$10,780,174

TOTAL EXPENDITURES AND OTHER FINANCING USES

\$53,396,903

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SPECIAL EDUCATION FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
YEAR ENDED JUNE 30 2018

INSTRUCTION

Salaries - Professional	\$5,912,591
Salaries - Non-Professional	4,825,168
Insurances	2,816,023
Fica, Retirement, Etc.	5,765,255
Other Benefits	216,319
Purchased Services	723,866
Supplies & Materials	345,234
Other	200,590
Total Instruction	<u>\$20,805,046</u>

SUPPORT SERVICESSTUDENT SERVICES

Salaries - Professional	7,022,430
Salaries - Non-Professional	345,651
Insurances	1,471,283
Fica, Retirement, Etc.	3,286,505
Other Benefits	90,670
Purchased Services	3,102,886
Supplies & Materials	262,917
Other	324
Total Student Services	<u>\$15,582,666</u>

INSTRUCTIONAL STAFF

Salaries - Professional	391,109
Salaries - Non-Professional	250,658
Insurances	137,047
Fica, Retirement, Etc.	285,708
Other Benefits	7,235
Purchased Services	437,337
Supplies & Materials	224,468
Other	1,229
Total Instructional Staff	<u>\$1,734,791</u>

GENERAL ADMINISTRATION

Salaries - Professional	92,461
Insurances	21,970
Fica, Retirement, Etc.	40,859
Other Benefits	124
Purchased Services	141,786
Supplies & Materials	328
Other	173,118
Total General Administration	<u>\$470,646</u>

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SPECIAL EDUCATION FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
YEAR ENDED JUNE 30 2018

SUPPORT SERVICES (Continued)

SCHOOL ADMINISTRATION

Salaries - Professional	\$517,861
Salaries - Non-Professional	263,198
Insurances	148,050
Fica, Retirement, Etc.	346,649
Other Benefits	12,886
Purchased Services	24,844
Supplies & Materials	5,662
Other	4,408
Total School Administration	\$1,323,558

BUSINESS ADMINISTRATION

Salaries - Professional	298,187
Salaries - Non-Professional	479,411
Insurances	186,965
Fica, Retirement, Etc.	357,813
Other Benefits	24,293
Purchased Services	282,382
Supplies & Materials	14,481
Other	7,261
Total Business Administration	\$1,650,793

OPERATION & MAINTENANCE

Salaries - Professional	53,896
Salaries - Non-Professional	206,350
Insurances	62,661
Fica, Retirement, Etc.	127,671
Purchased Services	1,132,708
Supplies & Materials	431,681
Other	370
Total Operation & Maintenance	\$2,015,337

TRANSPORTATION

Purchased Services	660,187
Supplies & Materials	16,994
Other	7,349,300
Total Transportation	\$8,026,481

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SPECIAL EDUCATION FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
YEAR ENDED JUNE 30 2018

<u>SUPPORT SERVICES (Continued)</u>	
<u>SUPPORT SERVICES - OTHER</u>	
Salaries - Professional	\$640,650
Salaries - Non-Professional	556,720
Insurances	177,954
Fica, Retirement, Etc.	531,994
Other Benefits	41,472
Purchased Services	936,499
Supplies & Materials	66,410
Other	374,002
Total Support Services - Other	\$3,325,701
 Total Support Services	 \$34,129,973
 <u>COMMUNITY SERVICES</u>	
Purchased Services	840
Supplies & Materials	15,952
Other	100
Total Community Services	\$16,892
 Total Expenditures	 \$54,951,911
 <u>OTHER FINANCING USES</u>	
Transfers to Other Districts	20,595,655
Transfers to Other Funds	5,350,000
Other Transfers	30
Capital Improvement	12,575
Total Other Financing Uses	\$25,958,260
 <u>TOTAL EXPENDITURES AND OTHER FINANCING USES</u>	 \$80,910,171



GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
CAREER TECHNICAL EDUCATION FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
YEAR ENDED JUNE 30 2018

INSTRUCTION

Salaries - Professional	\$2,178,112
Salaries - Non-Professional	281,667
Insurances	509,893
Fica, Retirement, Etc.	1,266,031
Other Benefits	45,798
Purchased Services	332,081
Supplies	750,687
Capital Outlay	121,051
Other	13,729
Total Instruction	<u>\$5,499,049</u>

SUPPORT SERVICESSTUDENT SERVICES

Salaries - Professional	189,335
Insurances	37,644
Fica, Retirement, Etc.	78,652
Purchased Services	531
Total Student Services	<u>\$306,162</u>

INSTRUCTIONAL STAFF

Salaries - Professional	475,131
Salaries - Non-Professional	50,437
Insurances	96,370
Fica, Retirement, Etc.	234,117
Other Benefits	7,207
Purchased Services	1,525,137
Supplies & Materials	76,117
Capital Outlay	12,679
Other	6,282
Total Instructional Staff	<u>\$2,483,477</u>

GENERAL ADMINISTRATION

Purchased Services	22,423
Other	69,151
Total General Administration	<u>\$91,574</u>

SCHOOL ADMINISTRATION

Salaries - Professional	214,776
Salaries - Non-Professional	138,185
Insurances	45,146
Fica, Retirement, Etc.	129,199
Other Benefits	6,818
Purchased Services	75,741
Supplies & Materials	26,703
Other	3,474
Total Business Administration	<u>\$640,042</u>

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
CAREER TECHNICAL EDUCATION FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
YEAR ENDED JUNE 30 2018

<u>SUPPORT SERVICES (Continued)</u>	
<u>BUSINESS ADMINISTRATION</u>	
Salaries - Professional	\$27,120
Salaries - Non-Professional	70,177
Insurances	21,119
Fica, Retirement, Etc.	45,218
Other Benefits	3,543
Purchased Services	32,813
Supplies & Materials	1,992
Other	9,400
Total Business Administration	\$211,382
 <u>OPERATION &amp; MAINTENANCE</u>	
Salaries - Professional	68,675
Salaries - Non-Professional	84,217
Insurances	38,417
Fica, Retirement, Etc.	73,183
Purchased Services	659,070
Supplies & Materials	253,111
Other	355
Total Operation & Maintenance	\$1,177,028
 <u>TRANSPORTATION</u>	
Purchased Services	797,053
Supplies & Materials	1,407
Total Transportation	\$798,460
 <u>SUPPORT SERVICES - OTHER</u>	
Salaries - Professional	48,230
Salaries - Non-Professional	135,229
Insurances	25,334
Fica, Retirement, Etc.	82,909
Other Benefits	5,769
Purchased Services	25,533
Supplies & Materials	5,692
Other	20,733
Total Support Services - Other	\$349,429
Total Support Services	\$6,057,554
Total Expenditures	\$11,556,603
 <u>OTHER FINANCING USES</u>	
Transfers to Other Districts	2,116,375
Transfers to Other Funds	3,941,308
Bond Payment	477,500
Other Transfers	22
Total Other Financing Uses	\$6,535,205
<u>TOTAL EXPENDITURES AND OTHER FINANCING USES</u>	\$18,091,808

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
TRUST AND AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - OTHER GROUPS  
YEAR ENDED JUNE 30 2018

	Due to (From) Other Groups July 1, 2017	Receipts	Disbursements	Due to (From) Other Groups June 30 2018
<b><u>LEARNING CENTER ACTIVITIES</u></b>				
Adult Jr Workshop	\$1,484	\$1,155	\$2,067	\$572
Adult Worksites	754	1,230	1,635	349
Alumni Party	748	180	200	728
Aric Genta Fundraiser	762	0	0	762
Burton Workshop	704	822	1,127	399
Cultural Enrichment	4,013	1,540	1,570	3,983
Donations	16,645	6,047	4,476	18,216
Earth Day	2,763	4,770	2,964	4,569
Elementary Fundraiser	893	0	66	827
Formal Wear	30	0	0	30
Graduation	719	841	1,025	535
Phys Ed	113	0	0	113
Physical Therapy	475	0	74	401
Prom	2,609	1,608	2,272	1,945
Robotics	120	0	0	120
Room & Building Accounts	1,034	1,659	1,693	1,000
Senior Trip	1,922	3,127	2,112	2,937
Social Fund	0	253	0	253
Special Olympics	81	254	0	335
Student Council	103	166	144	125
Volkman Memorial	1,214	0	1,214	0
VSA	543	14	0	557
Total Learning Center Activities	\$37,729	\$23,666	\$22,639	\$38,756
<b><u>MCIC ACTIVITIES</u></b>				
Arts	4,244	15	1,105	3,154
Bowling	916	843	1,000	759
CBI	0	266	0	266
Clothes Closet	100	423	0	523
Donations	15,411	5,589	5,155	15,845
Family Fun Nite - Summer Carniva	547	0	130	417
Fishing	1	0	0	1
Food Baskets	220	0	0	220
Fundraisers	1,157	392	90	1,459
Graduation	1	0	0	1
Homecoming	350	0	53	297
Music	17	0	0	17
Playgrounds	570	675	0	1,245
Popcorn	1,039	1,352	2,020	371
Rembcom	1,285	2,526	3,032	779
Rooms	5,214	7,872	6,577	6,509
School Store	98	0	0	98
Special Olympics	211	5,929	3,806	2,334
Speech	580	0	0	580
Student Portfolios	20	0	0	20
Swimming	216	0	216	0
VSA Arts	0	3,070	1,996	1,074
Wellness	29	0	0	29
Total MCIC Activities	\$32,227	\$28,952	\$25,180	\$35,999

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
TRUST AND AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - OTHER GROUPS  
YEAR ENDED JUNE 30 2018

	Due to (From) Other Groups July 1, 2017	Receipts	Disbursements	Due to (From) Other Groups June 30 2018
<u>MOTT MIDDLE COLLEGE</u>				
Band CD	\$260	\$0	\$0	\$260
Band Trip	1,159	0	915	244
Conference	1,171	450	0	1,621
Field Trip	272	125	397	0
Graduates	1,414	1,924	3,248	90
Holocaust Class	1,306	0	0	1,306
Music Dept.	3	0	0	3
Parent Organization	2,447	1,503	1,622	2,328
Prom Account	2,236	3,317	4,750	803
School Store	1,000	0	593	407
Student Gov	682	364	100	946
Tuition	442	0	0	442
Yearbook	306	0	0	306
Young Women	365	62	0	427
Total Mott Middle College	\$13,063	\$7,745	\$11,625	\$9,183
<u>EARLY CHILDHOOD PROGRAMS</u>				
Clothing Sales	776	0	79	697
Fundraiser	412	0	0	412
Hold Redeemer	40	0	0	40
Library	121	0	0	121
Raffle	713	0	233	480
Rooms	6,407	169	130	6,446
Snack Sales	62	0	0	62
Spring Concert	(64)	64	0	0
VG's	681	0	158	523
VSA	513	2,463	1,717	1,259
Yearbook	375	0	0	375
Total Early Childhood Programs	\$10,036	\$2,696	\$2,317	\$10,415
<u>OTHER</u>				
Bus Svc Comm Proj	0	13,358	12,614	744
Bus SVC Enhance	348	0	0	348
Contributions	113	0	0	113
Employee Activities	88	0	0	88
EO Social Community	3,579	0	0	3,579
Flower Fund	121	0	0	121
HR Wellness	2,448	950	1,241	2,157
HSN Fundraiser	500	0	429	71
HSN Shirts	(429)	429	0	0
Pac Library Materials	417	0	0	417
Sales Tax Collected	19	178	197	0
Supt Donations	163	0	0	163
TMS Care Fund	157	300	309	148
United Way	24	0	0	24
Total Other	\$7,548	\$15,215	\$14,790	\$7,973

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
TRUST AND AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - OTHER GROUPS  
YEAR ENDED JUNE 30 2018

	Due to (From) Other Groups July 1, 2017	Receipts	Disbursements	Due to (From) Other Groups June 30 2018
<u>COUNTRY CRAFTERS FAIR</u>				
Carman Ainsworth	\$43	\$0	\$0	\$43
Carter	79	0	50	29
Clio	0	280	280	0
Cookbooks	62	0	0	62
Flushing Cntrl Mark	4	0	0	4
Garner	659	0	161	498
Grand Blanc Middle	380	0	67	313
Lake Fenton	14	0	0	14
Misc.	148	0	0	148
Northern (McKinley-Peters)	1,288	0	0	1,288
Physical Therapy	764	0	80	684
Room and Building Accounts	8,710	2,097	2,598	8,209
West Bendle	453	0	212	241
Total Country Crafters Fair	\$12,604	\$2,377	\$3,448	\$11,533
<u>TRANSITION CENTER</u>				
Boxtops	733	0	25	708
Craft Sales	553	821	362	1,012
Donations	421	831	65	1,187
Graduation	1,031	2,813	3,373	471
Ink Cartridges	574	0	0	574
Miscellaneous	8	0	0	8
Proj Choice Spe Oly	2,732	6,527	4,030	5,229
Recycling	4,597	775	435	4,937
School Store	4,209	4,371	4,705	3,875
Senior Trip	26	0	0	26
Social Fund	647	132	101	678
VSA Clio/Flushing	401	14	0	415
VSA Grand Blanc Proj	801	1,526	0	2,327
Workshop	508	0	84	424
Total Transition Center	\$17,241	\$17,810	\$13,180	\$21,871
<u>GENESEE EARLY COLLEGE</u>				
Europe Trip	36	0	0	36
Field Trips	544	3,662	3,693	513
Graduation	1,132	924	1,470	586
Key Club	208	366	369	205
National Honor Society	102	78	0	180
Newspaper	132	0	0	132
Parent Organization	5,084	0	1,326	3,758
PSAT	67	378	445	0
Robotics	2,171	1,000	311	2,860
Student Government	753	1,124	1,755	122
Theatre Group	299	0	0	299
Total Genesee Early College	\$10,528	\$7,532	\$9,369	\$8,691

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
TRUST AND AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - OTHER GROUPS  
YEAR ENDED JUNE 30 2018

	Due to (From)		Due to (From)	
	Other Groups July 1, 2017	Receipts	Disbursements	Other Groups June 30 2018
<u>GENESEE CAREER INSTITUTE</u>				
3D Gaming	\$106	\$0	\$0	\$106
Agriscience	270	447	0	717
Allied Health	230	0	0	230
Architecture	190	0	0	190
Automotive	1,621	3,867	3,800	1,688
Automotive Scholarship	2,128	0	0	2,128
BPA	36	1,904	1,379	561
Certified Nursing Assistant	1,396	0	0	1,396
Computers	6,206	160	160	6,206
Construction	305	0	60	245
Cosmetology	13,894	48,162	56,699	5,357
Culinary	12,645	1,247	1,022	12,870
DECA	29	0	0	29
Diesel/Heavy Equipment	1,192	764	1,225	731
Digital Multimedia	2,035	394	934	1,495
Education	2,641	0	0	2,641
Electrical	626	0	0	626
Emergency Medical	1,735	2,577	1,662	2,650
Engineering	6,008	742	379	6,371
FFA	104	4,664	1,715	3,053
Forensic II	3,767	1,320	1,056	4,031
Graphics/Print	20,243	3,825	1,485	22,583
HOSA	185	15,263	9,558	5,890
JROTC	250	6,854	1,815	5,289
Marketing	10,416	812	3,661	7,567
Medical Assistant	622	105	66	661
Medical Career Foundations	2,138	2,632	2,485	2,285
NTHS	81	660	700	41
Nursing	747	80	250	577
Public Safety	1,635	263	160	1,738
Radio	28	810	763	75
Skills USA	70	5,605	4,029	1,646
Sports Medicine	4,079	902	431	4,550
Student Support	8,439	19,048	18,288	9,199
Veterinary Medicine	5,505	452	480	5,477
Weekdays - Tips	1,038	504	61	1,481
Welding	865	1,414	1,639	640
Yearbook	593	0	0	593
Total Genesee Career Institute	<u>\$114,098</u>	<u>\$125,477</u>	<u>\$115,962</u>	<u>\$123,613</u>
<u>TOTAL TRUST AND AGENCY FUNDS</u>	<u>\$255,074</u>	<u>\$231,470</u>	<u>\$218,510</u>	<u>\$268,034</u>

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF BOND PRINCIPAL AND INTEREST REQUIREMENTS  
JUNE 30 2018

2014 SCHOOL IMPROVEMENT BONDS

Date Authorized : November 12, 2014

Amount Authorized: \$8,000,000

<u>PAYMENT DATE - MAY 1ST</u>	<u>INTEREST RATE</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST AMOUNT NOVEMBER 1</u>	<u>INTEREST AMOUNT MAY 1</u>	<u>TOTAL</u>
2018-2019	2.000%	\$250,000	\$118,900	\$118,900	\$487,800
2019-2020	2.000%	255,000	116,400	116,400	487,800
2020-2021	2.500%	265,000	113,850	113,850	492,700
2021-2022	2.500%	630,000	110,537	110,538	851,075
2022-2023	3.000%	655,000	102,663	102,662	860,325
2023-2024	3.000%	680,000	92,838	92,837	865,675
2024-2025	3.000%	700,000	82,637	82,638	865,275
2025-2026	3.250%	725,000	72,138	72,137	869,275
2026-2027	3.500%	750,000	60,356	60,356	870,712
2027-2028	3.750%	775,000	47,231	47,231	869,462
2028-2029	4.000%	805,000	32,700	32,700	870,400
2029-2030	4.000%	830,000	16,600	16,600	863,200
<b><u>TOTAL</u></b>		<b><u>\$7,320,000</u></b>	<b><u>\$966,850</u></b>	<b><u>\$966,849</u></b>	<b><u>\$9,253,699</u></b>

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass- Through Project Number	Program Or Award Amount	Accrued (Deferred) Revenue July 1, 2017	Prior Year Expenditures	Current Year Expenditures	Adjustments Prior Years	Current Year Cash/ Payments In Kind Received	Accrued (Deferred) Revenue June 30, 2018	Transferred to Subrecipients as of June 30, 2018
<u>U.S. DEPARTMENT OF EDUCATION</u>										
<u>Passed Through Michigan Department of Education</u>										
Title I Grants to Local Education Agencies	84.010									
Title I - Part A Reg 3 Partnership (16-17)		171514-1617R3	\$252,285	\$30,521	\$114,612	\$0	\$0	\$30,521	\$0	\$0
Title I - Reg Assistance (16-17)		171570-1617	507,507	40,848	211,725	110,603	0	151,451	0	0
Title I - Reg Assistance (17-18)		181570-17-18	783,802	0	0	135,471	0	67,640	67,831	0
Total Title I Grants to Local Education Agencies			\$1,543,594	\$71,369	\$326,337	\$246,074	\$0	\$249,612	\$67,831	\$0
Migrant Education	84.011									
Migrant ADM (16-17)		171614-1617R3	2,905	438	1,511	0	0	438	0	0
Migrant SW, Region 3 Partnership (16-17)		171654-1617R3	225	225	225	0	0	225	0	0
Total Migrant Education			\$3,130	\$663	\$1,736	\$0	\$0	\$663	\$0	\$0
Special Education - Grants to States	84.027									
IDEA Flowthrough (15-16)		160450-1516	16,127,654	318,662	16,077,788	35,625	0	354,287	0	261,767
IDEA Flowthrough (16-17)		170450-1617	16,629,964	5,669,129	16,109,669	519,043	0	6,072,203	115,969	5,389,148
IDEA Flowthrough (17-18)		180450-1718	16,642,144	0	0	15,977,891	0	9,279,242	6,698,649	9,860,084
Transition Services (16-17)		170490-TC	70,000	17,955	70,000	0	0	17,955	0	0
Transition Services (17-18)		180490-TC	70,000	0	0	70,000	0	50,462	19,538	0
Enhancing Opportunities (16-17)		170480-EOSD	60,000	5,646	60,000	0	0	5,646	0	0
Enhancing Opportunities (17-18)		180480-EOSD	60,000	0	0	60,000	0	51,609	8,391	0
Total Special Education - Grants to States			\$49,659,762	\$6,011,392	\$32,317,457	\$16,662,559	\$0	\$15,831,404	\$6,842,547	\$15,510,999
<u>Passed Through Grand Valley State University</u>										
Special Education - Grants to States	84.027A									
Start Regional (16-17)		220058-40800-7046-400	24,900	12,786	21,501	0	0	12,786	0	0
Start Regional (17-18)		2200XX-40800-7046-400	25,000	0	0	24,898	0	8,569	16,329	0
Total			\$49,900	\$12,786	\$21,501	\$24,898	\$0	\$21,355	\$16,329	\$0
<u>Passed Through Michigan Department of Education:</u>										
Special Education - Preschool Grants	84.173									
Preschool Incentive (15-16)		160460-1516	441,727	15,621	437,390	4,337	0	19,958	0	162,753
Preschool Incentive (16-17)		170460-1617	461,561	156,337	439,443	18,191	0	170,461	4,067	267,297
Preschool Incentive (17-18)		180460-1718	460,600	0	0	449,836	0	282,321	167,515	4,172
Total Special Education - Preschool Grants			\$1,363,888	\$171,958	\$876,833	\$472,364	\$0	\$472,740	\$171,582	\$434,222
Total Special Education Cluster			\$51,073,550	\$6,196,136	\$33,215,791	\$17,159,821	\$0	\$16,325,499	\$7,030,458	\$15,945,221
Career Technical Education - Basic Grants to States	84.048									
Secondary Regional Allocation (16-17)		173520-1712-15	1,311,649	135,040	1,264,815	0	0	135,040	0	121,146
Secondary Regional Allocation (17-18)		183520-1812-15	1,240,399	0	0	1,227,386	0	737,508	489,878	384,479
Total Career Technical Education - Basic Grants to States			\$2,552,048	\$135,040	\$1,264,815	\$1,227,386	\$0	\$872,548	\$489,878	\$505,625
Special Ed - Grants for Infants & Families With Disabilities	84.181									
Infant and Toddlers Formula Grant (16-17)		171340-1617	514,864	87,021	353,656	0	0	87,021	0	0
Infant and Toddlers Formula Grant (17-18)		181340-1718	550,565	0	0	550,565	0	491,804	58,761	0
Total Special Ed - Grants for Infants & Families With Disabilities			\$1,065,429	\$87,021	\$353,656	\$550,565	\$0	\$578,825	\$58,761	\$0



GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass- Through Project Number	Program Or Award Amount	Accrued (Deferred) Revenue July 1, 2017	Prior Year Expenditures	Current Year Expenditures	Adjustments Prior Years	Current Year Cash/ Payments In Kind Received	Accrued (Deferred) Revenue June 30, 2018	Transferred to Subrecipients as of June 30, 2018
<u>U.S. DEPARTMENT OF EDUCATION (Continued)</u>										
<u>Passed Through Michigan Department of Education: (Continued)</u>										
Education for Homeless Children and Youth	84.196									
Title XC, Homeless Reg 3 Part Grant (16-17)		172314-1617R3	\$91,405	\$10,082	\$54,869	\$0	\$0	\$10,082	\$0	\$0
HAA VII-B Homeless Child Education (16-17)		172320-1617	97,979	26,833	72,495	19,678	0	46,511	0	0
HAA VII-B Homeless Child Education (17-18)		182320-1718	111,108	0	0	65,396	0	34,860	30,536	0
Total Education for Homeless Children and Youth			\$300,492	\$36,915	\$127,364	\$85,074	\$0	\$91,453	\$30,536	\$0
21st Century Learning Grant	84.287C									
21st Century Learning Cohort G (16-17)		172110-G12026	675,000	208,740	611,858	63,142	0	271,882	0	0
21st Century Learning Cohort Ia (16-17)		172110-I14042	675,000	222,699	661,452	0	0	222,699	0	0
21st Century Learning Cohort Ib (16-17)		172110-I14044	675,000	202,496	675,000	0	0	202,496	0	0
21st Century Learning Cohort G (17-18)		182110-J17040	675,000	0	0	658,848	0	340,679	318,169	0
21st Century Learning Cohort Ia (17-18)		182110-I14042	675,000	0	0	647,207	0	425,195	222,012	0
21st Century Learning Cohort Ib (17-18)		182110-I14044	675,000	0	0	653,537	0	412,411	241,126	0
Total 21st Century Learning Grant			\$4,050,000	\$633,935	\$1,948,310	\$2,022,734	\$0	\$1,875,362	\$781,307	\$0
Rural and Low Income Schools	84.358									
Title IV Region 3 Partnership Rural Schools		170654-1617R3	5,585	651	2,797	0	0	651	0	0
English Language Acquisition Grants	84.365									
Title III - Limited English Region 3 Partnership Adm (16-17)		170554-1617R3	37,755	651	2,797	0	0	651	0	0
Title III - Limited English SW (16-17)		170564-1617R3	6,430	4,289	4,289	0	0	4,289	0	0
Title III - Immigrant (16-17)		170570-1617	32,538	6,615	11,937	11,465	0	18,080	0	0
Title III - Limited English (16-17)		170580-1617	97,548	5,660	83,305	10,626	0	16,286	0	0
Title III - Limited English (17-18)		180580-1718	93,513	0	0	73,885	0	54,364	19,521	0
Total English Language Acquisition Grants			\$267,784	\$17,215	\$102,328	\$95,976	\$0	\$93,670	\$19,521	\$0
Improving Teacher Quality	84.367									
Title IIa -Region 3 Partnership Adm (16-17)		170504-1617R3	61,220	6,506	27,970	0	0	6,506	0	0
RTT Trusted Advisors	84.412									
RTT Trusted Advisors		144720-1617	60,000	0	0	49,714	0	49,714	0	0
RTT Trusted Advisors		144740-1718	60,000	0	0	14,022	0	0	14,022	0
Total RTT Trusted Advisors			\$120,000	\$0	\$0	\$63,736	\$0	\$49,714	\$14,022	\$0
<u>Passed Through Oakland University</u>										
Investing in Innovation (I3) (15-16)	84.111	U411B130043-511139	189,291	40,926	139,241	0	0	40,926	0	0
Investing in Innovation (I3) (16-17)	84.111	U411B130043-511139	189,291	17,997	17,997	201,497	0	17,997	201,497	0
Investing in Innovation (I3) (17-18)	84.111	U411B130043-511139	78,315	0	0	23,247	0	0	23,247	0
Total Passed Through Oakland University			\$456,897	\$58,923	\$157,238	\$224,744	\$0	\$58,923	\$224,744	\$0
<u>TOTAL U.S. DEPARTMENT OF EDUCATION</u>			\$61,499,729	\$7,244,374	\$37,528,342	\$21,676,110	\$0	\$20,203,426	\$8,717,058	\$16,450,846

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass- Through Project Number	Program Or Award Amount	Accrued (Deferred) Revenue July 1, 2017	Prior Year Expenditures	Current Year Expenditures	Adjustments Prior Years	Current Year Cash/ Payments In Kind Received	Accrued (Deferred) Revenue June 30, 2018	Transferred to Subrecipients as of June 30, 2018
<u>U.S. DEPARTMENT OF AGRICULTURE</u>										
<u>Passed Through Michigan Department of Education</u>										
Non-Cash Assistance										
Commodities	10.555	N/A	19,431	0	0	19,431	0	19,431	0	0
Cash Assistance										
National School Lunch Program	10.555	171960	239,302	35,292	208,031	31,271	0	66,563	0	0
National School Lunch Program	10.555	181960	135,626	0	0	135,626	0	122,377	13,249	0
Total			\$394,359	\$35,292	\$208,031	\$186,328	\$0	\$208,371	\$13,249	\$0
School Breakfast Program	10.553	171970	83,771	11,290	66,774	16,997	0	28,287	0	0
School Breakfast Program	10.553	181970	73,349	0	0	73,349	0	65,941	7,408	0
Total			\$157,120	\$11,290	\$66,774	\$90,346	\$0	\$94,228	\$7,408	\$0
Total Nutrition Cluster			\$551,479	\$46,582	\$274,805	\$276,674	\$0	\$302,599	\$20,657	\$0
Fresh Fruits & Vegetables										
Fresh Fruits & Vegetables (16-17)	10.582	1609FW-1 17	3,178	826	3,178	0	0	826	0	0
Fresh Fruits & Vegetables (17-18)		180950 FW	4,519	0	0	4,519	0	3,899	620	0
Total Fresh Fruits & Vegetables			\$7,697	\$826	\$3,178	\$4,519	\$0	\$4,725	\$620	\$0
<u>Passed Through Michigan Fitness Foundation</u>										
SNAP-ED (7) (16-17) (8577-577)	10.561	8576-577	1,000,000	322,345	854,688	145,308	(925)	466,728	0	0
SNAP-ED (8) (17-18) (8578-577)		8576-578	950,000	0	0	615,276	0	276,526	338,750	0
Total Passed Through Michigan Fitness Foundation			\$1,950,000	\$322,345	\$854,688	\$760,584	(\$925)	\$743,254	\$338,750	\$0
<u>TOTAL U.S. DEPARTMENT OF AGRICULTURE</u>			\$2,509,176	\$369,753	\$1,132,671	\$1,041,777	(\$925)	\$1,050,578	\$360,027	\$0
<u>U.S. DEPARTMENT OF LABOR</u>										
<u>Passed Through GSMW/CAIWDASOM</u>										
WIA Youth Activities										
WIOA Youth Activities (6607-735)	17.259	220-17-WIY-135	116,500	12,287	110,741	0	0	12,287	0	0
WIA Youth Activities (17-18) (6608-735)	17.259	220-17B-WIY-135	100,000	0	0	100,000	0	84,938	15,062	0
<u>TOTAL U.S. DEPARTMENT OF LABOR</u>			\$216,500	\$12,287	\$110,741	\$100,000	\$0	\$97,225	\$15,062	\$0
<u>U.S. DEPARTMENT OF JUSTICE</u>										
<u>Passed Through Michigan State University</u>										
MSU Safe (6) (15-16)	16.560	2015-CK-BX-0017	850,136	5,295	27,898	497,152	3,153	235,459	270,140	0

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass- Through Project Number	Program Or Award Amount	Accrued (Deferred) Revenue July 1, 2017	Prior Year Expenditures	Current Year Expenditures	Adjustments Prior Years	Current Year Cash/ Payments In Kind Received	Accrued (Deferred) Revenue June 30, 2018	Transferred to Subrecipients as of June 30, 2018
<u>U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</u>										
<u>Direct Grant</u>	93.600									
Head Start - Operations (7237-521)		05CH8327/04	\$10,209,284	\$1,954,192	\$9,706,378	\$0	\$0	\$1,954,192	\$0	\$0
Head Start - Operations (7238-521)		05CH8237/03	11,093,499	0	0	10,558,878	0	7,671,207	2,887,671	0
Head Start - Supplemental (7236-520)		05CH8327/03	3,029,534	702,589	2,013,987	402,468	0	702,589	402,468	0
Head Start - Operations (7238-522)		05CH8327/03	110,288	0	0	107,883	0	58,202	49,681	0
Head Start - Duration (7237-519)		05CH8327/04	59,312	23,785	23,785	33,169	0	23,785	33,169	0
Early Head Start (7238-523)		05CH8327/04	3,663,825	0	0	2,862,592	0	2,015,469	847,123	0
Early Head Start (7237-523)		05HP00010401	3,110,632	8,283	8,283	475,739	0	374,372	109,650	0
Early Head Start - Train/Tech (7237-524)		05HP00010401	128,094	22,218	22,218	0	0	22,218	0	0
Head Start - Operations (7237-522)		05CH8327/04	107,883	27,824	106,628	0	0	27,824	0	0
Early Head Start (7238-524)		05CH8327/04	148,574	0	0	81,613	0	57,331	24,282	0
Total Head Start			\$31,660,925	\$2,738,891	\$11,881,279	\$14,522,342	\$0	\$12,907,189	\$4,354,044	\$0
Project AWARE! (15-16)	93.243	1H79SM062016-01	50,000	6,530	56,289	12,146	0	18,676	0	0
<u>CFT Healthy Families</u>	93.590									
CFT Healthy Families		CTFDS18-25001	50,000	0	0	34,251	0	27,284	6,967	0
CFT Healthy Families		CTFDS17-25001	50,000	7,673	28,311	9,937	0	17,610	0	0
Total CFT Healthy Families			\$100,000	\$7,673	\$28,311	\$44,188	\$0	\$44,894	\$6,967	\$0
Total Direct Grants			\$31,810,925	\$2,753,094	\$11,965,879	\$14,578,676	\$0	\$12,970,759	\$4,361,011	\$0
<u>Passed Through Michigan Department of Education</u>										
Child Care and Development Block Grant (6908-518)	93.575	172FPP-ELEG2	2,420,050	0	0	278,112	0	207,899	70,213	0
<u>Passed Through Genesee County Health Department</u>										
HV HUB	93.505									
HV HUB (15-16)		MC23151	5,000	0	0	2,840	0	2,480	360	0
HV HUB (16-17)		MC23151	10,000	3,598	7,439	3,423	0	7,021	0	0
Total Passed Through Genesee County Health Department			\$15,000	\$3,598	\$7,439	\$6,263	\$0	\$9,501	\$360	\$0
<u>Passed Through GSMW/CAIWDASOM</u>										
Chafee Foster Care Independence Program	93.674									
Chafee F.C. Independence Program (6607-737)		400-17-WIY-135	45,827	5,445	5,445	28,239	111	33,795	0	0
Chafee F.C. Independence Program (6608-737)		400-18-WIY-135	42,000	0	0	1,711	0	0	1,711	0
Total Chafee Foster Care Independence Program			\$87,827	\$5,445	\$5,445	\$29,950	\$111	\$33,795	\$1,711	\$0
<u>Passed Through GSMW/CAIWDASOM</u>										
Temporary Asst. for Needy Families (6608-738)	93.558	405-18-WIY-135	1,500	0	0	569	0	0	569	0
<u>Passed Through the Michigan Department of Community Health</u>										
Medical Assistance Program Title XIX	93.778									
Medicaid Outreach (17-18)		N/A	86,088	0	0	86,088	0	86,088	0	55,306
<b>TOTAL U.S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>			<b>\$34,421,390</b>	<b>\$2,762,137</b>	<b>\$11,978,763</b>	<b>\$14,979,659</b>	<b>\$111</b>	<b>\$13,308,042</b>	<b>\$4,433,865</b>	<b>\$55,306</b>
<b>TOTAL SCHEDULE OF FEDERAL AWARDS</b>			<b>\$99,496,931</b>	<b>\$10,393,846</b>	<b>\$50,778,415</b>	<b>\$38,294,697</b>	<b>\$2,339</b>	<b>\$34,894,730</b>	<b>\$13,796,152</b>	<b>\$16,506,152</b>

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
NOTES/RECONCILIATION TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

<u>FEDERAL REVENUE RECOGNIZED FOR THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</u>	\$38,294,697
<u>FEDERAL REVENUE RECOGNIZED PER THE GENERAL PURPOSE FINANCIAL STATEMENTS</u>	
General Fund	18,859,125
Special Education Fund	17,926,993
Career Technical Education Fund	1,227,386
Food Service	281,193
 <u>TOTAL</u>	<u>\$38,294,697</u>

- 1) Basis of Presentation - The accompanying schedule of expenditures of federal awards includes the federal grant activity of Genesee Intermediate School District for the year ended June 30, 2018.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (the "Uniform Guidance"). Because the schedule presents only a selected portion of the operations of Genesee Intermediate School District, it is not intended to and does not present the financial position or changes in net position of Genesee Intermediate School District.

- 2) Summary of Significant Accounting Policies - Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Expenditures are recognized following the cost principles in OMB Circular A-87 or the Uniform Guidance, as applicable, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts (if any) shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.
- 3) The District has elected not to use the 10 percent de minimus indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.
- 4) Management has utilized the Cash Management System (CMS) in preparing the Schedule of Expenditures of Federal Awards. All differences between the Schedule of Expenditures of Federal Awards and the Grant Auditor's Report have been reconciled in the attached reconciliation on page 67 of this report.
- 5) Noncash Assistance - The value of noncash assistance received was determined in accordance with the provisions of the Uniform Guidance. The grantee received no noncash assistance during the year ended June 30, 2018 that
- 6) Adjustments were made due to not collecting prior accounts receivable or correction to prior year receivables.

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
RECONCILIATION OF "GRANT SECTION AUDITOR'S REPORT"  
TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018

Current Payments Per the Grant Auditor's Report - Cash Management System		\$20,592,189
Add: Recorded on Cash Management in Prior Year but Recorded by District in the Current Year		
School Breakfast Program (CFDA 10.553)		\$11,290
National School Lunch Program (CFDA 10.555)		35,292
Fresh Fruit and Vegetables (CFDA 10.582)		826
Total		47,408
Less: Recorded on Cash Management in Current Year but Recorded by the District as Receivables		
School Breakfast Program (CFDA 10.553)		(\$13,249)
National School Lunch Program (CFDA 10.555)		(7,408)
Total		(20,657)
Add: <u>Grants Passed Through Other Agencies:</u>		
Direct Grants		
Headstart (CFDA 93.600)		\$12,907,189
Project AWARE! (CFDA 93.243)		18,676
CTF Healthy Families (CFDA 93.590)		44,894
Total Direct Grants		12,970,759
<u>Passed Through Grand Valley State University</u>		
Start Regional (CFDA 84.027A)		21,355
<u>Passed Through Oakland University</u>		
Investing in Innovation (I3) (CFDA 84.411)		58,923
<u>Passed Through Michigan State University</u>		
Integrated Nutrition Education & Physical Activity-PENUT (CFDA 10.561)		743,254
<u>Passed Through Michigan State University</u>		
MSU Safe (CFDA 16.560)		235,459
<u>Passed Through GSMW/CAIWDASOM</u>		
WIA Youth Activities (CFDA 17.259)		\$97,225
Chafee Foster Care Independence Program (CFDA 93.674)		33,795
Total Passed Through GSMW/CAIWDASOM		131,020
<u>Passed Through Genesee County Health Department</u>		
HV HUB (CFDA 93.505)		9,501
<u>Passed Through the Michigan Department of Community Health</u>		
Medical Assistance Program Title XIX (CFDA 93.778)		86,088
Entitlement Commodities		19,431
<u>TOTAL CURRENT YEAR RECEIPTS PER SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS</u>		<u>\$34,894,730</u>



October 29, 2018

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Education of  
Genesee Intermediate School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Genesee Intermediate School District, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Genesee Intermediate School District's basic financial statements, and have issued our report thereon dated October 29, 2018.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

*Lewis & Knopf, P.C.*

LEWIS & KNOPF, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS



October 29, 2018

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Education of  
Genesee Intermediate School District

**Report on Compliance for Each Major Federal Program**

We have audited Genesee Intermediate School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Genesee Intermediate School District's major federal programs for the year ended June 30, 2018. Genesee Intermediate School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Genesee Intermediate School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Genesee Intermediate School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Genesee Intermediate School District's compliance.

**Opinion on Each Major Federal Program**

In our opinion, Genesee Intermediate School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.



**Report on Internal Control over Compliance**

Management of the Genesee Intermediate School District, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Genesee Intermediate School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Genesee Intermediate School District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*Lewis & Knopf, P.C.*

LEWIS & KNOPF, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS

GENESEE INTERMEDIATE SCHOOL DISTRICT  
SUMMARY OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2018

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**SECTION I – SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?  Yes  No
- Significant deficiency (ies) identified?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?  Yes  No
- Significant deficiency (ies) identified?  Yes  None reported

Type of auditor’s report issued on compliance for major programs: Unmodified

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Special Education Cluster
84.048	Secondary Regional Allocation

Dollar threshold use to distinguish between type A and type B programs: \$ 1,148,841

Auditee qualified as a low-risk auditee?  Yes  No

**SECTION II – FINANCIAL STATEMENT FINDINGS**

There were no findings for the current year.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no findings for the current year.

**STATUS OF PRIOR YEAR FINDINGS**

There were no findings for the prior year.

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PROVIDED TO SUBRECIPIENTS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Program Title/ Subrecipient	Federal CFDA Number	Subrecipient Project Number	Subrecipient Award Amount	Due To Subrecipients July 1, 2017	A/P Adjustments * (From 6/30/17)	Subrecipient's Prior Year Expenditures	Current Year Cash Transferred To Subrecipients	Federal Expenditures Reported By Subrecipients	Due To Subrecipients June 30, 2018
<u>U.S. DEPARTMENT OF EDUCATION</u>									
<u>IDEA Flowthrough (15-16)</u>									
	84.027								
Atherton Community Schools		160450-1516	\$208,605	\$0	\$0	\$208,605	\$0	\$0	\$0
Beecher School District		160450-1516	247,457	0	0	247,457	0	0	0
Bendle Public Schools		160450-1516	344,587	11,833	0	344,587	11,833	0	0
Bentley Community School District		160450-1516	167,987	0	0	167,987	0	0	0
Burton Glen Academy		160450-1516	160,923	0	0	160,923	0	0	0
Carman-Ainsworth School District		160450-1516	1,156,947	3,113	0	1,146,177	3,313	200	0
Clio Area Schools		160450-1516	586,529	0	0	586,529	0	0	0
Davison Community Schools		160450-1516	874,387	0	0	874,387	0	0	0
Eagles Nest Academy		160450-1516	10,813	0	0	10,813	0	0	0
Fenton Area Public Schools		160450-1516	669,527	0	0	669,527	0	0	0
Flint Community Schools		160450-1516	1,722,067	200,038	0	1,706,660	200,125	87	0
Flushing Community Schools		160450-1516	888,515	0	0	877,217	0	0	0
Genesee School District		160450-1516	261,585	0	0	261,585	0	0	0
Genesee STEM		160450-1516	39,069	0	0	39,069	0	0	0
Goodrich Area Schools		160450-1516	321,629	15,851	0	314,134	22,494	6,643	0
Grand Blanc Community Schools		160450-1516	1,503,083	0	0	1,503,083	0	0	0
Grand Blanc Academy		160450-1516	83,219	0	0	83,219	0	0	0
Greater Heights Academy		160450-1516	42,601	0	0	42,601	0	0	0
International Academy of Flint		160450-1516	229,797	8,568	0	229,797	8,568	0	0
Kearsley Community Schools		160450-1516	749,001	0	0	749,001	866	866	0
Lake Fenton Community Schools		160450-1516	341,055	0	0	341,055	0	0	0
LakeVille Community Schools		160450-1516	381,673	0	0	381,673	0	0	0
Linden Community Schools		160450-1516	770,193	0	0	770,193	0	0	0
Linden Charter Academy		160450-1516	139,731	0	0	139,731	0	0	0
Madison Academy		160450-1516	115,007	0	0	115,007	0	0	0
Montrose Community Schools		160450-1516	411,695	5,142	0	411,695	5,142	0	0
Mt. Morris Consolidated Schools		160450-1516	662,467	9,178	0	662,448	9,178	0	0
Northridge Academy		160450-1516	72,623	0	0	72,623	0	0	0
New Standard Academy		160450-1516	74,389	0	0	74,389	0	0	0
Richfield Academy		160450-1516	155,625	0	0	155,625	0	0	0
Swartz Creek Community Schools		160450-1516	950,325	0	0	950,325	0	0	0
Way Academy		160450-1516	51,431	0	0	51,169	248	248	0
Westwood Heights Schools		160450-1516	194,477	0	0	194,477	0	0	0
Woodland Park Academy		160450-1516	88,517	0	0	88,517	0	0	0
Total IDEA Flowthrough (15-16)			\$14,677,536	\$253,723	\$0	\$14,632,285	\$261,767	\$8,044	\$0

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PROVIDED TO SUBRECIPIENTS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Program Title/ Subrecipient	Federal CFDA Number	Subrecipient Project Number	Subrecipient Award Amount	Due To Subrecipients July 1, 2017	A/P Adjustments * (From 6/30/17)	Subrecipient's Prior Year Expenditures	Current Year Cash Transferred To Subrecipients	Federal Expenditures Reported By Subrecipients	Due To Subrecipients June 30, 2018
<u>U.S. DEPARTMENT OF EDUCATION (Continued)</u>									
<u>IDEA Flowthrough (16-17)</u>									
	84.027								
Atherton Community Schools		170450-1617	\$237,972	\$35,916	\$0	\$208,420	\$59,022	\$29,552	\$6,446
Beecher School District		170450-1617	245,236	42,367	0	239,819	47,784	5,417	0
Bendle Public Schools		170450-1617	316,060	117,950	0	311,145	122,865	4,915	0
Bentley Community School District		170450-1617	190,756	39,648	0	184,643	45,761	6,113	0
Burton Glen Academy		170450-1617	176,228	24,268	0	176,228	24,268	0	0
Carman-Ainsworth School District		170450-1617	1,151,420	1,015,731	0	1,015,731	1,114,761	126,615	27,585
Clio Area Schools		170450-1617	606,620	133,331	0	606,620	133,331	0	0
Davison Community Schools		170450-1617	1,007,956	173,078	0	1,007,956	173,078	5,634	5,634
Eagles Nest Academy		170450-1617	10,972	0	0	10,972	0	0	0
Fenton Area Public Schools		170450-1617	690,156	394,353	0	661,493	423,016	28,663	0
Flint Community Schools		170450-1617	1,639,924	849,800	0	1,613,959	870,642	29,645	8,803
Flushing Community Schools		170450-1617	980,716	127,837	0	953,507	141,533	13,696	0
Genesee School District		170450-1617	270,660	50,148	0	270,660	50,148	0	0
Genesee STEM		170450-1617	32,764	3,903	0	32,764	3,903	0	0
Goodrich Area Schools		170450-1617	308,796	64,734	0	308,796	64,734	0	0
Grand Blanc Community Schools		170450-1617	1,525,516	156,878	0	1,525,516	156,878	0	0
Grand Blanc Academy		170450-1617	98,140	15,059	0	90,404	22,530	7,736	265
Greater Heights Academy		170450-1617	50,924	0	0	50,924	0	0	0
International Academy of Flint		170450-1617	236,156	110,412	0	205,902	127,574	29,002	11,840
Kearsley Community Schools		170450-1617	831,804	208,264	0	831,804	208,264	0	0
Lake Fenton Community Schools		170450-1617	348,748	78,160	0	348,748	78,160	0	0
LakeVille Community Schools		170450-1617	403,228	77,548	0	403,228	77,548	0	0
Linden Community Schools		170450-1617	771,876	291,776	0	771,876	291,776	0	0
Linden Charter Academy		170450-1617	150,804	21,473	0	150,804	21,473	0	0
Madison Academy		170450-1617	123,564	123,564	0	123,564	123,564	0	0
Montrose Community Schools		170450-1617	414,124	110,410	0	400,466	124,068	13,658	0
Mt. Morris Consolidated Schools		170450-1617	704,684	138,804	0	622,538	220,950	95,419	13,273
Northridge Academy		170450-1617	63,636	22,062	0	63,636	22,062	0	0
New Standard Academy		170450-1617	90,876	90,876	0	90,876	90,876	0	0
Richfield Academy		170450-1617	159,884	39,575	0	151,514	47,945	8,370	0
Swartz Creek Community Schools		170450-1617	953,476	372,576	0	953,476	372,576	0	0
Way Academy		170450-1617	90,876	25,769	0	90,876	25,769	0	0
Westwood Heights Schools		170450-1617	230,708	66,187	0	217,585	79,310	13,123	0
Woodland Park Academy		170450-1617	92,692	0	0	69,713	22,979	22,979	0
Total IDEA Flowthrough (16-17)			\$15,207,952	\$5,022,457	\$0	\$14,766,163	\$5,389,148	\$440,537	\$73,846

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PROVIDED TO SUBRECIPIENTS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Program Title/ Subrecipient	Federal CFDA Number	Subrecipient Project Number	Subrecipient Award Amount	Due To Subrecipients July 1, 2017	A/P Adjustments * (From 6/30/17)	Subrecipient's Prior Year Expenditures	Current Year Cash Transferred To Subrecipients	Federal Expenditures Reported By Subrecipients	Due To Subrecipients June 30, 2018
<u>U.S. DEPARTMENT OF EDUCATION (Continued)</u>									
<u>IDEA Flowthrough (17-18)</u>									
	84.027								
Atherton Community Schools		180450-1718	\$246,560	\$0	\$0	\$0	\$179,837	\$243,603	\$63,766
Beecher School District		180450-1718	193,229	0	0	0	162,891	193,229	30,338
Bendle Public Schools		180450-1718	310,925	0	0	0	197,603	310,925	113,322
Bentley Community School District		180450-1718	152,771	0	0	0	91,488	149,631	58,143
Burton Glen Academy		180450-1718	150,932	0	0	0	150,932	150,932	0
Carman-Ainsworth School District		180450-1718	1,195,484	0	0	0	750,980	1,091,494	340,514
Clio Area Schools		180450-1718	616,199	0	0	0	403,133	616,199	213,066
Davison Community Schools		180450-1718	1,074,110	0	0	0	782,881	1,049,786	266,905
Eagle's Nest Academy		180450-1718	33,236	0	0	0	26,348	33,236	6,888
Fenton Area Public Schools		180450-1718	730,217	0	0	0	595,088	730,217	135,129
Flint Community Schools		180450-1718	1,565,123	0	0	0	712,456	1,542,597	830,141
Flushing Community Schools		180450-1718	980,321	0	0	0	855,005	954,058	99,053
Genesee School District		180450-1718	257,594	0	0	0	161,415	255,755	94,340
Genesee STEM		180450-1718	57,143	0	0	0	49,762	57,143	7,381
Goodrich Area Schools		180450-1718	327,476	0	0	0	200,892	317,065	116,173
Grand Blanc Community Schools		180450-1718	1,625,810	0	0	0	656,294	1,502,765	846,471
Grand Blanc Academy		180450-1718	95,762	0	0	0	60,499	95,762	35,263
Greater Heights Academy		180450-1718	57,143	0	0	0	57,143	57,143	0
International Academy of Flint		180450-1718	239,204	0	0	0	119,941	189,893	69,952
Kearsley Community Schools		180450-1718	842,396	0	0	0	614,745	829,864	215,119
Lake Fenton Community Schools		180450-1718	366,095	0	0	0	213,406	366,095	152,689
LakeVille Community Schools		180450-1718	408,392	0	0	0	257,332	408,392	151,060
Linden Community Schools		180450-1718	772,514	0	0	0	446,693	772,514	325,821
Linden Charter Academy		180450-1718	134,381	0	0	0	134,381	134,381	0
Madison Academy		180450-1718	103,118	0	0	0	91,750	103,118	11,368
Montrose Community Schools		180450-1718	378,968	0	0	0	350,552	350,552	0
Mt. Morris Consolidated Schools		180450-1718	744,929	0	0	0	401,860	583,010	181,150
Northridge Academy		180450-1718	49,787	0	0	0	35,868	49,787	13,919
New Standard Academy		180450-1718	70,016	0	0	0	50,847	70,016	19,169
Paris Academy		180450-1718	3,678	0	0	0	0	0	0
Richfield Academy		180450-1718	191,390	0	0	0	97,675	179,063	81,388
Swartz Creek Community Schools		180450-1718	897,566	0	0	0	706,179	897,566	191,387
Way Academy		180450-1718	95,762	0	0	0	66,766	95,762	28,996
Westwood Heights Schools		180450-1718	231,848	0	0	0	136,822	222,046	85,224
Woodland Park Academy		180450-1718	82,889	0	0	0	40,620	62,187	21,567
Total IDEA Flowthrough (17-18)			\$15,282,968	\$0	\$0	\$0	\$9,860,084	\$14,665,786	\$4,805,702

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PROVIDED TO SUBRECIPIENTS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Program Title/ Subrecipient	Federal CFDA Number	Subrecipient Project Number	Subrecipient Award Amount	Due To Subrecipients July 1, 2017	A/P Adjustments * (From 6/30/17)	Subrecipient's Prior Year Expenditures	Current Year Cash Transferred To Subrecipients	Federal Expenditures Reported By Subrecipients	Due To Subrecipients June 30, 2018
<u>U.S. DEPARTMENT OF EDUCATION (Continued)</u>									
<u>Secondary Regional Allocation (16-17)</u>									
	84.048								
Carman-Ainsworth School District		173520-1712-15	\$41,264	\$0	\$0	38,277	\$0	\$0	\$0
Clio Area Schools		173520-1712-15	15,850	0	0	12,409	0	0	0
Davison Community Schools		173520-1712-15	87,398	5,854	0	85,906	5,854	0	0
Fenton Area Public Schools		173520-1712-15	39,424	515	0	36,646	515	0	0
Flint Community Schools		173520-1712-15	18,374	4,895	0	15,279	4,895	0	0
Flushing Community Schools		173520-1712-15	30,035	3,153	0	22,856	3,153	0	0
Genesee Early College		173520-1712-15	0	0	0	0	0	0	0
Goodrich Area Schools		173520-1712-15	3,960	0	0	3,960	0	0	0
Grand Blanc Community Schools		173520-1712-15	191,964	18,785	0	186,756	18,785	0	0
Kearsley Community Schools		173520-1712-15	18,163	0	0	13,546	0	0	0
Lake Fenton Schools		173520-1712-15	12,230	0	0	12,229	0	0	0
Montrose Community Schools		173520-1712-15	3,000	1,580	0	3,000	1,580	0	0
Mt. Morris Consolidated Schools		173520-1712-15	1,686	0	0	1,290	0	0	0
Shiawassee RESD		173520-1712-15	229,539	86,364	0	219,109	86,364	0	0
Swartz Creek Community Schools		173520-1712-15	0	0	0	0	0	0	0
Westwood Heights School District		173520-1712-15	5,950	0	0	5,750	0	0	0
Total Secondary Regional Allocation (16-17)			\$698,837	\$121,146	\$0	\$657,013	\$121,146	\$0	\$0
<u>Secondary Regional Allocation (17-18)</u>									
	84.048								
Carman-Ainsworth School District		183520-1812-15	30,247	0	0	0	30,186	30,186	0
Clio Area Schools		183520-1812-15	26,900	0	0	0	26,900	26,900	0
Davison Community Schools		183520-1812-15	102,267	0	0	0	92,689	100,611	7,922
Fenton Area Public Schools		183520-1812-15	51,276	0	0	0	21,925	47,646	25,721
Flint Community Schools		183520-1812-15	0	0	0	0	0	0	0
Flushing Community Schools		183520-1812-15	36,979	0	0	0	23,908	34,266	10,358
Genesee Early College		183520-1812-15	0	0	0	0	0	0	0
Goodrich Area Schools		183520-1812-15	3,650	0	0	0	2,725	3,475	750
Grand Blanc Community Schools		183520-1812-15	145,790	0	0	0	90,463	147,326	56,863
Kearsley Community Schools		183520-1812-15	32,385	0	0	0	32,385	32,385	0
Lake Fenton Schools		183520-1812-15	10,503	0	0	0	10,502	10,502	0
Montrose Community Schools		183520-1812-15	3,845	0	0	0	3,709	3,709	0
Mt. Morris Consolidated Schools		183520-1812-15	1,617	0	0	0	1,616	1,616	0
Shiawassee RESD		183520-1812-15	217,070	0	0	0	42,975	222,839	179,864
Swartz Creek Community Schools		183520-1812-15	0	0	0	0	0	0	0
Westwood Heights School District		183520-1812-15	5,095	0	0	0	4,496	4,847	351
Total Secondary Regional Allocation (17-18)			\$667,624	\$0	\$0	\$0	\$384,479	\$666,308	\$281,829

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PROVIDED TO SUBRECIPIENTS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Program Title/ Subrecipient	Federal CFDA Number	Subrecipient Project Number	Subrecipient Award Amount	Due To Subrecipients July 1, 2017	A/P Adjustments * (From 6/30/17)	Subrecipient's Prior Year Expenditures	Current Year Cash Transferred To Subrecipients	Federal Expenditures Reported By Subrecipients	Due To Subrecipients June 30, 2018
<b>U.S. DEPARTMENT OF EDUCATION (Continued)</b>									
<b>IDEA Preschool Incentive (15-16)</b>									
	84.173								
Beecher School District		160460-1516	\$2,436	\$0	\$0	\$2,436	\$0	\$0	\$0
Bendle Public Schools		160460-1516	18,892	0	0	18,892	0	0	0
Burton Glen Academy		160460-1516	3,160	0	0	3,160	0	0	0
Carman-Ainsworth School District		160460-1516	19,812	0	0	19,812	0	0	0
Clio Area Schools		160460-1516	19,088	0	0	19,088	0	0	0
Davison Community Schools		160460-1516	27,052	0	0	27,052	0	0	0
Fenton Area Public Schools		160460-1516	50,024	0	0	50,024	0	0	0
Flint Community Schools		160460-1516	62,528	0	0	62,528	0	0	0
Flushing Community Schools		160460-1516	22,708	0	0	22,708	0	0	0
Genesee School District		160460-1516	1,712	0	0	1,712	0	0	0
Goodrich Area Schools		160460-1516	6,056	0	0	6,056	0	0	0
Grand Blanc Community Schools		160460-1516	50,944	0	0	50,944	0	0	0
International Academy		160460-1516	2,436	1,982	0	1,982	2,436	454	0
Kearsley Community Schools		160460-1516	19,812	0	0	19,812	0	0	0
LakeVille Community Schools		160460-1516	6,056	0	0	6,056	0	0	0
Montrose Community Schools		160460-1516	12,572	0	0	12,572	0	0	0
Mt. Morris Consolidated Schools		160460-1516	12,572	0	0	12,572	0	0	0
Richfield Public Academy		160460-1516	3,884	0	0	3,884	0	0	0
Swartz Creek Community Schools		160460-1516	21,260	0	0	21,260	0	0	0
Westwood Heights		160460-1516	3,884	0	0	0	1,736	1,736	0
Total IDEA Preschool Incentive (15-16)			\$366,888	\$1,982	\$0	\$362,550	\$4,172	\$2,190	\$0
<b>IDEA Preschool Incentive (16-17)</b>									
	84.173								
Beecher School District		170460-1617	4,770	1,525	0	1,525	4,770	3,245	0
Bendle Public Schools		170460-1617	24,936	10,284	0	24,936	10,284	0	0
Burton Glen Academy		170460-1617	4,770	4,770	0	4,770	4,770	0	0
Carman-Ainsworth School District		170460-1617	18,432	18,432	0	18,432	18,432	0	0
Clio Area Schools		170460-1617	13,878	0	0	13,878	0	0	0
Davison Community Schools		170460-1617	34,371	5,365	0	34,371	5,365	0	0
Fenton Area Public Schools		170460-1617	43,911	7,314	0	33,287	17,938	10,624	0
Flint Community Schools		170460-1617	57,900	15,068	0	57,900	15,068	0	0
Flushing Community Schools		170460-1617	27,540	8,745	0	26,774	9,511	766	0
Genesee School District		170460-1617	4,011	0	0	4,011	0	0	0
Goodrich Area Schools		170460-1617	4,011	4,011	0	4,011	4,011	0	0
Grand Blanc Community Schools		170460-1617	39,684	13,436	0	39,684	13,436	0	0
International Academy		170460-1617	4,770	0	0	0	0	894	894
Kearsley Community Schools		170460-1617	25,263	6,428	0	25,263	6,428	0	0
LakeVille Community Schools		170460-1617	8,565	3,763	0	8,565	3,763	0	0
Montrose Community Schools		170460-1617	15,396	5,766	0	14,960	6,202	436	0
Mt. Morris Consolidated Schools		170460-1617	18,432	5,528	0	18,432	5,528	0	0
Richfield Public Academy		170460-1617	4,770	4,227	0	4,227	4,719	492	0
Swartz Creek Community Schools		170460-1617	37,407	30,794	0	37,407	30,794	0	0
Westwood Heights		170460-1617	1,734	0	0	0	1,734	1,734	0
Total IDEA Preschool Incentive (16-17)			\$394,551	\$145,456	\$0	\$372,433	\$162,753	\$18,191	\$894

GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PROVIDED TO SUBRECIPIENTS  
FOR THE YEAR ENDED JUNE 30, 2018

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<u>U.S. DEPARTMENT OF EDUCATION (Continued)</u>									
<u>IDEA Preschool Incentive (17-18)</u>									
	84.173								
Beecher School District		180460-1718	\$3,753	\$0	\$0	\$0	\$458	\$3,753	\$3,295
Bendle Public Schools		180460-1718	17,406	0	0	0	10,659	17,406	6,747
Burton Glen Academy		180460-1718	5,802	0	0	0	5,802	5,802	0
Carman-Ainsworth School District		180460-1718	26,975	0	0	0	17,097	26,975	9,878
Clio Area Schools		180460-1718	13,315	0	0	0	13,315	13,315	0
Davison Community Schools		180460-1718	31,756	0	0	0	22,981	31,756	8,775
Fenton Area Public Schools		180460-1718	55,654	0	0	0	50,358	55,654	5,296
Flint Community Schools		180460-1718	72,053	0	0	0	35,432	72,053	36,621
Flushing Community Schools		180460-1718	21,511	0	0	0	17,645	21,511	3,866
Genesee School District		180460-1718	4,436	0	0	0	4,436	4,436	0
Goodrich Area Schools		180460-1718	10,583	0	0	0	7,529	10,583	3,054
Grand Blanc Community Schools		180460-1718	43,367	0	0	0	20,613	35,676	15,063
International Academy		180460-1718	3,070	0	0	0	0	0	0
Kearsley Community Schools		180460-1718	18,779	0	0	0	14,782	18,779	3,997
LakeVille Community Schools		180460-1718	3,753	0	0	0	3,022	3,753	731
Montrose Community Schools		180460-1718	10,583	0	0	0	10,583	10,583	0
Mt. Morris Consolidated Schools		180460-1718	16,730	0	0	0	11,979	16,730	4,751
Richfield Public Academy		180460-1718	7,851	0	0	0	3,213	7,851	4,638
Swartz Creek Community Schools		180460-1718	23,560	0	0	0	17,027	23,560	6,533
Westwood Heights		180460-1718	2,387	0	0	0	366	2,384	2,018
Total IDEA Preschool Incentive (17-18)			\$393,324	\$0	\$0	\$0	\$267,297	\$382,560	\$115,263
<u>TOTAL U.S. DEPARTMENT OF EDUCATION</u>			\$47,689,680	\$5,544,764	\$0	\$30,790,444	\$16,450,846	\$16,183,616	\$5,277,534



GENESEE INTERMEDIATE SCHOOL DISTRICT - FLINT, MICHIGAN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PROVIDED TO SUBRECIPIENTS  
FOR THE YEAR ENDED JUNE 30, 2018

Federal Grantor/Program Title/ Subrecipient	Federal CFDA Number	Subrecipient Project Number	Subrecipient Award Amount	Due To Subrecipients July 1, 2017	A/P Adjustments * (From 6/30/17)	Subrecipient's Prior Year Expenditures	Current Year Cash Transferred To Subrecipients	Federal Expenditures Reported By Subrecipients	Due To Subrecipients June 30, 2018
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>									
<u>Medicaid Outreach (17-18)</u>									
Atherton Community Schools		N/A	\$1,424	\$401	0	\$1,118	\$671	\$270	\$0
Beecher School District		N/A	268	211	25	446	442	206	0
Bendle Public Schools		N/A	2,719	1,704	(587)	2,821	1,658	541	0
Bentley Community Schools		N/A	1,296	323	15	660	588	250	0
Carman-Ainsworth School District		N/A	8,544	4,220	(537)	7,903	4,894	1,211	0
Clio Area Schools		N/A	2,955	1,568	4	3,140	2,550	978	0
Davison Community Schools		N/A	7,163	3,934	1,120	8,989	7,737	2,683	0
Fenton Area Public Schools		N/A	3,576	1,976	160	4,112	3,388	1,252	0
Flint Community Schools		N/A	18,105	5,208	(1,019)	9,397	6,619	2,430	0
Flushing Community Schools		N/A	2,955	1,174	169	2,518	2,175	832	0
Genesee School District		N/A	118	192	144	529	507	171	0
Goodrich Area Schools		N/A	1,360	794	276	1,864	1,559	489	0
Grand Blanc Community Schools		N/A	5,707	2,383	269	5,036	4,574	1,922	0
International Academy		N/A	878	346	151	843	699	202	0
Kearsley Community Schools		N/A	3,330	1,823	337	3,983	3,401	1,241	0
Lake Fenton Community Schools		N/A	1,949	764	259	1,787	1,514	491	0
LakeVille Community Schools		N/A	1,424	430	590	1,450	1,399	379	0
Linden Community Schools		N/A	4,572	2,293	429	5,015	4,244	1,522	0
Montrose Community Schools		N/A	675	269	351	889	979	359	0
Mt Morris Consolidated Schools		N/A	3,458	1,162	(319)	2,004	1,526	683	0
Northridge Academy		N/A	150	0	127	127	127	0	0
Richfield Academy		N/A	664	328	207	863	766	231	0
Swartz Creek Community Schools		N/A	2,901	1,547	329	3,424	2,764	888	0
Westwood Heights Schools		N/A	161	142	202	486	525	181	0
Total Medicaid Outreach (17-18)			\$76,352	\$33,192	\$2,702	\$69,404	\$55,306	\$19,412	\$0
<u>TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PROVIDED TO SUBRECIPIENTS</u>			\$47,766,032	\$5,577,956	\$2,702	\$30,859,848	\$16,506,152	\$16,203,028	\$5,277,534

\* Adjustments column is due to incorrect formula used for 2016-17 Medicaid sub-recipient schedule.



October 29, 2018

To the Board of Education of  
Genesee Intermediate School District

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Genesee Intermediate School District for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 28, 2018. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Genesee Intermediate School District are described in Note 1 to the financial statements. During 2017, Genesee Intermediate School District implemented Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The application of existing policies was not changed during the 2017-2018 year. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Estimates have been used to calculate the net pension and net OPEB liabilities.

Estimates have been used in calculating the liability for employee compensated absences.

We evaluated the key factors and assumptions used to develop the balance of employee compensated absences in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's determination of the estimated life span of the capital assets.

We evaluated the key factors and assumptions used by management to develop the estimated life span of the capital assets in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

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

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 29, 2018.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to required supplementary information (RSI) which are required and supplement the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Genesee Intermediate School District  
Page 3  
October 29, 2018

We were engaged to report on the other supplementary information, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

Very truly yours,

*Lewis & Knopf, P.C.*

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