PRELIMINARY OFFICIAL STATEMENT DATED: APRIL 23, 2025

New Issue | **Moody's†¹: A2**
Book-Entry-Only | **Underlying**

TAX STATUS: *In the opinion of Thrun Law Firm, P.C., Bond Counsel, assuming continued compliance by the School District with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (i) interest on the Bonds is excluded from gross income for federal income tax purposes, as described in the opinion, (ii) the Bonds and interest thereon are exempt from all taxation in the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof, and (iii) interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax to the extent of, and subject to, the conditions described herein. The School District has covenanted to comply with certain requirements of the Code necessary to continue the exclusion of interest on the Bonds from gross income for federal income tax purposes. See "TAX MATTERS" herein.*

THE BONDS HAVE BEEN DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" AS DESCRIBED IN SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

$2,320,000*
BELLEVUE COMMUNITY SCHOOLS
Counties of Eaton, Barry and Calhoun, State of Michigan
2025 School Improvement Bonds
(General Obligation – Limited Tax)

Date of Sale: May 7, 2025
Time of Sale: 11:00 AM, ET

PURPOSE AND SECURITY: The 2025 School Improvement Bonds (General Obligation – Limited Tax) (the "Bonds") were authorized by the Board of Education of the Bellevue Community Schools, Counties of Eaton, Barry and Calhoun, State of Michigan (the "School District") by resolutions adopted on February 24, 2025 and expected to be adopted on May 19, 2025 (the "Resolutions") for the purpose of remodeling, erecting additions to, and equipping and re-equipping school buildings; and preparing, equipping, developing and improving sites. The School District has pledged the limited tax full faith and credit of the School District for the payment of principal and interest on the Bonds. The School District has further pledged to levy sufficient ad valorem taxes within its authorized millage annually, as a first budget obligation, subject to constitutional and statutory tax rate limitations. The Bonds will be limited tax general obligation of the School District, subordinate only to any first liens on said funds pledged for the payment of state aid notes, lines of credit or tax anticipation notes heretofore or hereafter issued. The School District does not have the power to levy taxes for the payment of the Bonds in excess of its constitutional and statutory tax rate limitations, and, if tax collections are insufficient to pay the Bonds when due, the School District pledges to use and all other resources available for the payment of the Bonds, including state school aid, if available. The School District has reserved the right to issue additional bonds of equal standing.

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

PAYMENT OF BONDS: Principal of and interest on the Bonds will be paid by The Huntington National Bank, Grand Rapids, Michigan (the "Paying Agent"). So long as DTC or its nominee, Cede & Co., is the Bondholder, such payments will be made directly to such Bondholder. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants and Indirect Participants, as more fully described herein. Interest will be payable semiannually on November 1 and May 1, commencing November 1, 2025, to the Bondholders of record as of the applicable record dates as stated in the Bonds.

Dated/Delivery:	To Be Determined (Estimated to be May 29, 2025)	**Principal Due:**	May 1, years shown below
Purchase Price:	Not less than 99.5% or more than 114% of par value	**Maximum Interest Rate:**	6.0%
Multiples:	1/8 or 1/100 of 1% or both	**Maximum Interest Spread:**	3.0%

(Base CUSIP§: _______)

CUSIP§	Year	Amount*	Interest Rate	Yield	CUSIP§	Year	Amount*	Interest Rate	Yield
	2027	$80,000				2037	$125,000		
	2028	85,000				2038	130,000		
	2029	85,000				2039	135,000		
	2030	90,000				2040	140,000		
	2031	95,000				2041	145,000		
	2032	100,000				2042	155,000		
	2033	105,000				2043	160,000		
	2034	110,000				2044	170,000		
	2035	115,000				2045	175,000		
	2036	120,000							

INTEREST RATE RESTRICTION: Bonds maturing in any one year shall not bear an interest rate lower than Bonds maturing in the preceding year.

PRIOR REDEMPTION: Bonds of this issue maturing in years 2036 and thereafter shall be subject to redemption at the option of the School District prior to maturity as described in "PRIOR REDEMPTION – Optional Redemption" herein.

TERM BOND OPTION: Bidders shall have the option of designating bonds maturing in any year as serial bonds or term bonds, or both. Any such designation must be made within one (1) hour of the Bond sale. See "TERM BOND OPTION" herein.

MATURITY ADJUSTMENT: The School District reserves the right to reduce the aggregate principal amount of the Bonds after receipt of the bids and prior to final award. See "MATURITY ADJUSTMENT" herein.

ADJUSTMENT TO PURCHASE PRICE: In the event of a maturity adjustment, the purchase price of the Bonds will be adjusted proportionately to the adjustment in principal amount of the Bonds and in such manner as to maintain as comparable an underwriter spread as possible to the winning bid.

BOND COUNSEL: The Bonds will be offered when, as and if issued by the School District subject to the approving legal opinion of Thrun Law Firm, P.C., East Lansing, Michigan.

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

Additional information relative to this Bond issue may be obtained from:

PFM Financial Advisors LLC
555 Briarwood Circle, Suite 333
Ann Arbor, MI 48108
734-994-9700

This Official Statement is dated May __, 2025.

† For an explanation of the rating, see "RATING" herein.
¹ As of date of delivery.
* Preliminary, subject to change.
§ Copyright 2025, American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by S&P Global Marketing Intelligence. The School District shall not be responsible for the selection of CUSIP numbers, nor any representation made as to their correctness on the Bonds or as indicated above.

Bellevue Community Schools

904 W. Capital
Bellevue, Michigan 49021
Phone: (269) 763-9432

PROFESSIONAL SERVICES

Bond Counsel..Thrun Law Firm, P.C.
East Lansing, Michigan

Municipal Advisor .... PFM Financial Advisors LLC
Ann Arbor, Michigan

Paying Agent..The Huntington National Bank
Grand Rapids, Michigan

No dealer, broker, salesperson or other person has been authorized by the School District to give any information or to make any representations, other than those contained in the Official Statement. This Official Statement does not constitute any offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information, estimates and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the School District since the date hereof. This Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

This Official Statement and any addenda thereto were prepared relying on information of the School District and other sources and are believed to be reliable.

In making an investment decision, investors must rely on their own examination of the School District's financial records, and the terms of the offering, including the merits and risks involved.

TABLE OF CONTENTS

$2,320,000*
BELLEVUE COMMUNITY SCHOOLS
Counties of Eaton, Barry and Calhoun, State of Michigan
2025 School Improvement Bonds
(General Obligation - Limited Tax)

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and Appendices, is to furnish information in connection with the issuance and sale by Bellevue Community Schools, Counties of Eaton, Barry and Calhoun, State of Michigan (the "School District") of its 2025 School Improvement Bonds (General Obligation – Limited Tax) (the "Bonds").

INFORMATION FOR BIDDERS

Date of Sale: May 7, 2025 Time of Sale: 11:00 AM, ET

Bids may be emailed to munibids@macmi.com or submitted electronically via PARITY.

DATED:	Date of Delivery	**MAXIMUM INTEREST RATE:**	6.0%
FIRST INTEREST:	November 1, 2025	**MAXIMUM INTEREST SPREAD:**	3.0%
DENOMINATIONS:	$5,000 or any integral multiple thereof not exceeding for each maturity the principal amount of such maturity.	**MULTIPLES:**	1/8 or 1/100 of 1% or both
		REGISTRATION:	Principal and Interest

PURCHASE PRICE: Aggregate not less than 99.5% nor more than 114% of par value of the Bonds.

PAYING AGENT: The Huntington National Bank, Grand Rapids, Michigan

THE BONDS HAVE BEEN DESIGNATED AS **"QUALIFIED TAX-EXEMPT OBLIGATIONS"** AS DESCRIBED IN SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

RESTRICTION: **THE INTEREST RATE BORNE BY BONDS MATURING IN ANY YEAR SHALL NOT BE LESS THAN THE INTEREST RATE BORNE BY BONDS MATURING IN THE PRECEDING YEAR.**

PRINCIPAL DUE: May 1, annually as shown on the front cover.

ISSUE PRICE: The winning bidder shall assist the School District in establishing the issue price of the Bonds, in accordance with the requirements set forth in APPENDIX F concerning the Draft Official Notice of Sale and the Certification Regarding "Issue Price" in APPENDIX G attached hereto, and shall deliver to the School District at closing an "Issue Price" certificate prepared by Bond Counsel setting forth the reasonably expected issue price to the public and/or the sales prices of the Bonds. See APPENDICES F and G herein for additional information.

INTEREST

Interest on the Bonds will be payable on November 1, 2025, and semiannually on the 1st day of each May and November thereafter. Interest will be computed on the basis comprised of a 360-day year of twelve 30-day months.

MATURITY ADJUSTMENT

The School District reserves the right to reduce the principal amount of the Bonds after receipt of the bids and prior to final award. Such adjustment, if necessary, will be made in increments of $5,000 and may be made in any maturity.

ADJUSTMENT TO PURCHASE PRICE

In the event of a maturity adjustment, the purchase price of the Bonds will be adjusted proportionately to the adjustment in principal amount of the Bonds and in such manner as to maintain as comparable an underwriter spread as possible to the winning bid.

*Preliminary, subject to change.

TERM BOND OPTION

Bidders shall have the option of designating bonds maturing in any year as serial bonds or term bonds, or both. The bidder must designate whether each of the principal amounts shown on the cover hereof represent a serial maturity or a mandatory redemption requirement for a term bond maturity. There may be more than one term bond maturity. In any event, the principal amount schedule on the cover hereof shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both. Any such designation must be made within one (1) hour of the Bond sale.

PRIOR REDEMPTION

Optional Redemption

Bonds of this issue maturing in the years 2027 through 2035, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of Bonds in multiples of $5,000 of this issue maturing in the year 2036 and thereafter shall be subject to redemption prior to maturity, at the option of the School District, in such order as the School District may determine and by lot within any maturity, on any date occurring on or after May 1, 2035, at par and accrued interest to the date fixed for redemption.

Mandatory Redemption – Term Bonds

Principal designated by the original Purchaser of the Bonds as a term maturity shall be subject to mandatory redemption, in part, by lot, at par and accrued interest on the redemption dates corresponding to the maturities hereinbefore scheduled. When term Bonds are purchased by the School District and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term Bonds affected shall be reduced by the principal amount of the Bonds so redeemed or purchased in the order determined by the School District.

Notice of Redemption and Manner of Selection

Notice of redemption of any Bond shall be given not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption by mail to the Registered Owner at the registered address shown on the registration books kept by the Paying Agent. Bonds shall be called for redemption in multiples of $5,000 and Bonds of denominations of more than $5,000 shall be treated as representing the number of Bonds obtained by dividing the denomination of the Bond by $5,000 and such Bonds may be redeemed in part. The notice of redemption for Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed a new Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered shall be issued to the Registered Owner thereof. No further interest payment on the Bonds or portions of Bonds called for redemption shall accrue after the date fixed for redemption, whether presented for redemption, provided funds are on hand with the Paying Agent to redeem the same.

If less than all of the Bonds of any maturity shall be called for redemption prior to maturity unless otherwise provided, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Paying Agent, in such manner as the Paying Agent in its discretion may deem proper, in the principal amounts designated by the School District. Upon presentation and surrender of such Bonds at the corporate trust office of the Paying Agent, such Bonds shall be paid and redeemed.

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

OFFICIAL NOTICE OF SALE

See APPENDIX F - “DRAFT OFFICIAL NOTICE OF SALE”.

BIDCOMP/PARITY BIDDING

Notice is hereby given that electronic proposals will be received via BIDCOMP/PARITY, in the manner described below, until 11:00 a.m., Eastern Time, on Wednesday, May 7, 2025.

Bids may be submitted electronically via BIDCOMP/PARITY pursuant to the Notice of Sale, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in

BIDCOMP/PARITY conflict with the Official Notice of Sale for the Bond, the terms of the Official Notice of Sale for the Bonds shall control. For further information about BIDCOMP/PARITY, potential bidders may contact the Municipal Advisor at (734) 994-9700 or BIDCOMP/PARITY at (212) 849-5021.

PURPOSE AND SECURITY

The Bonds were authorized by the Board of Education of the School District by resolutions adopted on February 24, 2025 and expected to be adopted on May 19, 2025 (the "Resolutions") for the purpose of remodeling, erecting additions to, and equipping and re-equipping school buildings; and preparing, equipping, developing and improving sites.

The School District has pledged the limited tax full faith and credit of the School District for the payment of principal and interest on the Bonds. The School District has further pledged to levy sufficient ad valorem taxes within its authorized millage annually, as a first budget obligation, subject to constitutional and statutory tax rate limitations. The Bonds will be limited tax general obligation of the School District, subordinate only to any first liens on said funds pledged for the payment of state aid notes, lines of credit or tax anticipation notes heretofore or hereafter issued. The School District does not have the power to levy taxes for the payment of the Bonds in excess of its constitutional and statutory tax rate limitations, and, if tax collections are insufficient to pay the Bonds when due, the School District pledges to use and all other resources available for the payment of the Bonds. The School District has reserved the right to issue additional bonds of equal standing.

QUALIFIED TAX-EXEMPT OBLIGATIONS

THE BONDS HAVE BEEN DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" UNDER SECTION 265(b)(3)(B) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

ESTIMATED SOURCES AND USES OF FUNDS

Sources of Funds:	
Par Amount of Bonds	
Net Premium or Discount	
TOTAL SOURCES	
Uses of Funds:	
Capital Projects Fund	
Underwriter's Discount	
Costs of Issuance	
TOTAL USES	

TAX PROCEDURES

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

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

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

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

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

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

LEVY AND COLLECTION OF TAXES FOR PAYMENT OF THE BONDS AND BONDHOLDER’S REMEDIES

The School District has pledged its limited tax full faith and credit for the payment of the Bonds and the interest thereon. The Bonds are a general obligation of the School District and will be payable as a first budget obligation from the general fund of the School District, and from ad valorem taxes which may be levied against all taxable property in the School District, subject to applicable constitutional and statutory limitations, subordinate only to any first liens on said funds pledged for the payment of state aid notes, lines of credit, and tax anticipation notes heretofore or hereafter issued.

Registered owners of the Bonds may attempt to obtain a money judgment against the School District for the principal amount of the Bonds or interest not paid when due and may periodically attempt to enforce the collection of the money judgment by requiring the tax assessing officers for the School District to place the amount of such judgment on the next tax rolls of the School District. The rights of the holders of the Bonds and the enforceability thereof are subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and their enforcement also may be subject to the exercise of judicial discretion in appropriate cases.

SOURCES OF SCHOOL OPERATING REVENUE

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

The State school aid package passed by the Legislature as part of the school finance reform legislation instituted a per pupil foundation allowance beginning in fiscal year 1994/95. With the passage of Public Act 48 of 2021, the Legislature eliminated the foundation allowance range in 2021/22 that had been in place since the passage of the school finance reform legislation in 1994. In Public Act 120 of 2024 (“PA 120”), the Legislature established a 2024/25 target foundation allowance of $9,608 per pupil. In the future, the foundation allowance may be adjusted annually by an index based upon the change in revenues to the State school aid fund and change in the total number of pupils statewide. The foundation allowance is funded by locally raised property taxes plus State school aid. The revenues for the State’s contribution to the foundation allowance are derived from a mix of taxing sources, including but not limited to, a statewide property tax of 6 mills on all taxable property[1], a State sales and use tax, a real estate transfer tax and a cigarette tax.

Generally, school districts are required to levy a local property tax of not more than 18 mills or the number of mills levied in 1993 for school operating purposes, whichever is less, on non-homestead properties[2] in order for the school district to receive its per pupil foundation allowance. An intermediate school district may seek voter approval for up to three enhancement mills for distribution to local constituent school districts on a per pupil basis. Proceeds of

[1] “Taxable property” in this context does not include industrial personal property.

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

the enhancement mills are not counted toward the foundation allowance. Furthermore, school districts whose per pupil foundation allowance in 2024/25 calculates to an amount in excess of $9,608 are authorized to levy additional millage to obtain the foundation allowance, first by levying such amount of the 18 mills against homestead property[1] as is necessary to hold themselves harmless and, if the 18 mills is insufficient, to then levy such additional mills against all property uniformly as is necessary to obtain the foundation allowance. The School District's 2024/25 per pupil foundation allowance does not exceed $9,608, and the School District does not levy such additional millage.

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

Public Act 103 of 2023 amended the State School Aid Act for the 2023/24 fiscal year increasing the School District’s foundation allowance to $9,608 per pupil.

PA 120 amended the State School Aid Act for the 2024/25 fiscal year maintaining the School District’s foundation allowance to $9,608 per pupil.

Pursuant to PA 120, the School District may be eligible to receive various categorical grants for specific purposes, such as special education, "at-risk" students, meal programs, early education, career and technical education programs, and other instructional and non-instructional programs. The annual amendments to the State School Aid Act determine the type and amount of those categorical funds. For further information regarding the School District's receipt of categorical funds for the 2023/24 fiscal year, see the School District's audited financial statements in APPENDIX C.

In 2020 and 2021 the U.S. Congress passed three stimulus bills providing financial support to public schools through the Elementary and Secondary Emergency Relief Fund (“ESSER Funds”). Based on the three separate federal stimulus bills, the ESSER funding is generally referred to as “ESSER I Funds,” “ESSER II Funds,” and “ESSER III Funds,” respectively.

As required under Michigan law, available ESSER Funds have been appropriated and allocated to qualifying school districts. The School District has been awarded $169,882 of the ESSER I Funds, $602,991 of the ESSER II Funds and $1,355,194 of the ESSER III Funds. ESSER funds already received by the School District are incorporated into the information in APPENDICES B and C. The School District may have received additional payments related to the ESSER Funds.

MICHIGAN PROPERTY TAX REFORM

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

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

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

Pursuant to voter approval in August 2014, the legislation also includes a formula to reimburse school districts for 100% of their lost operating millage revenue and lost sinking fund millage revenue. To provide the reimbursement, the legislation reduces the state share of the use tax and authorizes the LCSA to levy a local component of the use tax and distribute that revenue to qualifying local units. However, the reimbursement for the school district's operating millage will come from the State use tax component, which is deposited into the school state aid fund.[1] While the legislation provides reimbursement for prospective school operating losses, pursuant to legislative changes made in 2020, school districts will be reimbursed in 2021 and thereafter for debt millage calculated pursuant to a statutory formula.

DESCRIPTION AND FORM OF THE BONDS

The Bonds will be issued in book-entry-only form as one fully registered Bond per maturity, without coupons, in the aggregate principal amount for each maturity set forth on the cover page hereof and may be purchased in denominations of $5,000 or any integral multiple thereof. The Bonds will be dated as of and bear interest from the date of issuance. Interest on the Bonds shall be payable semiannually each November 1 and May 1 to maturity or early redemption, commencing November 1, 2025. Interest on the Bonds shall be computed using a 360-day year with twelve 30-day months, and the Bonds will mature on the dates and in the principal amounts and will bear interest at the rates as set forth on the cover of this Official Statement.

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

BOOK-ENTRY-ONLY SYSTEM

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

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

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities

[1] A school district that increases its millage rate to replace debt millage revenue loss would not be eligible to receive reimbursement distributions. Further, because much of the foregone revenue is deposited into and disbursed to the State Aid Fund, in the future the legislature may choose to change the funding formulas in the State School Aid Act of 1979 (Act 94) or appropriate funds therein for other purposes.

brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

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

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

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

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

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

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

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the School District or Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

TRANSFER OUTSIDE BOOK-ENTRY-ONLY SYSTEM

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

PAYING AGENT AND BOND REGISTRATION

Principal and interest shall be payable and the Bonds shall be registered and transferred as described under the heading "BOOK-ENTRY-ONLY SYSTEM" above until the book-entry only system is discontinued. The School District has appointed the Paying Agent shown on the cover. In the event the book-entry only system is discontinued, the Paying Agent will also act as bond registrar and transfer agent.

BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for the issuance of any policy of municipal bond insurance or commitment therefore at the option of the purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the purchaser. There will be no changes made to the Resolutions to reflect bond insurance. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the School District has requested and received a rating on the Bonds from a rating agency, the School District will pay the fee for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE SCHOOL DISTRICT.

LITIGATION

The School District has not been served with any litigation, administrative action or proceeding, and to the knowledge of the appropriate officials of the School District no litigation or administrative action or proceeding has been threatened against it, seeking to restrain or enjoin the issuance and delivery of the Bonds, or questioning or contesting the validity of the Bonds or the proceedings or authorities under which they are authorized to be issued, sold, executed and delivered or that would materially impact the School District finances or their ability to meet the debt service obligations on the Bonds. A certificate to such effect will be delivered to the Purchaser at the time of the original delivery of the Bonds.

TAX MATTERS

State

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

Federal

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

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

Original Issue Discount[1]

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

Original Issue Premium[1]

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

Future Developments

No assurance can be given that any future legislation or clarifications or amendments to the Code, if enacted into law, will not contain proposals which could cause the interest on the Bonds to be subject directly or indirectly to

[1] Preliminary, subject to change.

federal or State income taxation, adversely affect the market price or marketability of the Bonds, or otherwise prevent bondholders from realizing the full current benefit of the status of the interest thereon.

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

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

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

MUNICIPAL FINANCE QUALIFYING STATEMENT

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

BOND COUNSEL'S RESPONSIBILITY

Bond Counsel has reviewed the statements made in this Official Statement under the headings "INTEREST," "PRIOR REDEMPTION," "PURPOSE AND SECURITY," "TRANSFER OUTSIDE BOOK-ENTRY-ONLY SYSTEM," "TAX MATTERS," "MUNICIPAL FINANCE QUALIFYING STATEMENT," "BOND COUNSEL'S RESPONSIBILITY," and "CONTINUING DISCLOSURE" (first two paragraphs only). Except as otherwise disclosed on pages herein, Bond Counsel has not been retained to review and has not reviewed any other portion of this Official Statement for accuracy or completeness, and has not made inquiry of any official or employee of the School District or any other person and has not made independent verification of such other portions hereof, and further has not expressed and will not express an opinion as to the portions hereof.

Except as stated in the immediately preceding paragraph and to the extent necessary to render its approving opinion respecting the validity of the Bonds and the exemption of the Bonds and the interest thereon from taxation, Bond Counsel has not been retained to examine or review, and has not examined or reviewed, any financial documents, statements or other materials that have been or may be furnished in the connection with the authorization, marketing or issuance of the Bonds, and, therefore, will not express an opinion with respect to the accuracy or completeness of any such documents, statements or other materials.

The fees of Bond Counsel for services rendered in connection with its approving opinion are expected to be paid from Bond proceeds.

MUNICIPAL ADVISOR

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

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

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

CONTINUING DISCLOSURE

Prior to delivery of the Bonds, the School District will execute a Continuing Disclosure Agreement (the "Agreement") for the benefit of the holders of the Bonds and the Beneficial Owners (as hereinafter defined under this caption only) to send certain information annually and to provide notice of certain events to certain information repositories pursuant to the requirements of Rule 15c2-12(b)(5) (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. "Beneficial Owner" means, under this caption only, any person, which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including any person holding Bonds through nominees, depositories or any other intermediaries). The information to be provided on an annual basis, the events which will be noticed on an occurrence basis, and other terms of the Agreement are set forth in APPENDIX E - "FORM OF CONTINUING DISCLOSURE AGREEMENT" to this Official Statement. Additionally, the School District shall, to the extent not already provided in the School District's annual audit filing pursuant to the Agreement, provide certain annual financial information and operating data generally consistent with the information contained in APPENDIX A within the tables under the headings "ENROLLMENT - Historical Enrollment", "STATE AID PAYMENTS," "PROPERTY VALUATIONS – History of Valuations," "MAJOR TAXPAYERS," "SCHOOL DISTRICT TAX RATES – (Per $1,000 of Valuation)," "TAX LEVIES AND COLLECTIONS," "RETIREMENT PLAN – Contribution to MPSERS," "LABOR RELATIONS," "DEBT STATEMENT – DIRECT DEBT," and in APPENDIX B – GENERAL FUND BUDGET SUMMARY herein.

A failure by the School District to comply with the Agreement will not constitute an event of default under the Resolutions and holders of the Bonds or Beneficial Owners are limited to the remedies described in the Agreement.

A failure by the School District to comply with the Agreement must be reported by the School District in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the bonds in the secondary market. Consequently, such failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The School District has not in the previous five years, failed to comply, in all material respects, with any previous continuing disclosure agreements executed by the School District pursuant to the Rule. The School District has a formal continuing disclosure policy in place that encompasses annual disclosure filings and material event filings.

UNDERWRITER

The Bonds were purchased at a competitive sale on May 7, 2025, by ________________ (the "Underwriter"). The Underwriter has agreed to purchase the Bonds at a price of $_,___,___.__, which represents the par amount of the Bonds $_,___,___.__, less underwriter's discount of $__,___.__, plus original issue premium in the amount of $___,___.__. The Underwriter may offer and sell the Bonds to certain dealers and others at prices lower than the public offering price stated on the inside cover page hereof. The initial public offering price may be changed from time to time by the Underwriter.

RATING

Moody's Investors Service ("Moody's") will assign, as of the date of delivery of the Bonds, its municipal bond rating of "A2", to the Bonds.

No application has been made to any other ratings service for a rating on the Bonds. The School District furnished to Moody's certain materials and information in addition to that provided herein. Generally, rating agencies base their ratings on such information and materials, and on investigations, studies and assumptions. There is no assurance that such ratings will prevail for any given period of time or that they will not be revised downward or withdrawn entirely by Moody's if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds. Any ratings assigned represent only the views of Moody's. Further information is available upon request from Moody's Investors Service, 7 Trade Center at 250 Greenwich Street, New York, New York 10007, telephone: (212) 553-0377.

OTHER MATTERS

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

The School District certifies that to its best knowledge and belief, this Official Statement, insofar as it pertains to the School District and its economic and financial condition, is true and correct as of the date of this Official

Statement, and does not contain, nor omit, any material facts or information which would make the statements contained herein misleading.

BELLEVUE COMMUNITY SCHOOLS
COUNTIES OF EATON, BARRY AND CALHOUN
STATE OF MICHIGAN

By: Eric McCalla
Its: Superintendent

APPENDIX A[1]

BELLEVUE COMMUNITY SCHOOLS

GENERAL FINANCIAL, ECONOMIC AND SCHOOL INFORMATION

LOCATION AND AREA

Bellevue Community Schools covers an area of approximately 84.5 square miles in parts of Eaton, Barry, and Calhoun Counties. Included within the School District is the Township of Bellevue, and portions of Assyria, Convis, Kalamo, Maple Grove, Pennfield, and Walton Townships. The Village of Bellevue is the largest community and trading center within the School District's boundaries.

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

12	miles north of Battle Creek
35	miles south of Lansing
40	miles northeast of Kalamazoo
60	miles southeast of Grand Rapids

POPULATION

The U.S. Census reported and 2023 estimated populations for the School District and the Township of Bellevue are as follows:

	School District	Township of Bellevue
2023 Estimate	5,953	3,206
2020 U.S. Census	5,421	3,200
2010 U.S. Census	5,534[1]	3,150

[1]Based upon an extrapolation of the figures of the local units within the School District.
Source: U.S. Census Bureau via data.census.gov website

BOARD OF EDUCATION

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

ENROLLMENT

Historical Enrollment

Historical fall enrollment for the School District is as follows:

School Year End 30-Jun	Full-Time Equivalent	Change	School Year End 30-Jun	Full-Time Equivalent	Change
2025	507	-6.63%	2020	588	-1.01%
2024	543	-6.38	2019	594	0.51
2023	580	-3.33	2018	591	-2.64
2022	600	-0.66	2017	607	7.43
2021	604	2.72	2016	565	--

[1]Information included in APPENDIX A of this Official Statement was obtained from the School District unless otherwise noted.

2024/2025 Fall Count

Kindergarten	22	7th	47
1st	29	8th	52
2nd	37	9th	35
3rd	29	10th	46
4th	35	11th	44
5th	35	12th	57
6th	39	Total	507

Source: School District and Michigan Department of Education via website www.michigan.gov

SCHOOL DISTRICT FACILITIES

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

Facility	Grades Served	Year Built	Last Remodel/Addition	Type of Construction
Elementary School:				
Bellevue	K-6	1971	2008	Masonry
Jr./Sr. High School:				
Bellevue	7-12	1979	2008	Masonry
Additional Facility:				
Community Center/Bus Garage	--	1952	2001	Masonry

OTHER SCHOOLS

There are no private, charter or parochial schools located within the School District's boundaries.

STATE AID PAYMENTS

The School District's primary source of funding for operating costs is the State School Aid per pupil foundation allowance. Public Act 120 of 2024 has set the target foundation allowance at $9,608 for fiscal year 2024/2025.

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

The following table shows a five-year history and a current year estimate of the School District's total state aid revenues, including categoricals and other amounts, and the per pupil state aid foundation allowance (including the 2024/25 allowance), which reflects the changes in sources of school operating revenue described herein:

Fiscal Year End 30-Jun	Foundation Allowance per Pupil	Total State Aid Payments[1]	Blended Pupil Count	Amount Received per Pupil[2]
2025	$9,608	$6,513,600[3]	506.08[3]	$12,871[3]
2024	9,608	7,108,835	546.46	13,009
2023	9,150	6,647,249	580.31	11,455
2022	8,700	5,834,825	600.48	9,717
2021	8,111	5,322,720[4]	591.35	9,001[4]
2020	8,111	5,199,113[5]	587.40	8,851[5]

[1]Includes payments received for MPSERS UAAL rate stabilization. See "RETIREMENT PLAN - Contribution to MPSERS" herein.
[2]Represents the "Total State Aid Payments" divided by the "Blended Pupil Count".
[3]Preliminary estimate, subject to change.
[4]Public Act 165 of 2020 restored the State school aid reductions contained in Public Act 146 of 2020 for the 2020/21 fiscal year, added a onetime $65 per pupil payment and added other appropriations for qualifying school districts.
[5]Public Act 146 of 2020 provided for a prorated reduction in State school aid payments to the School District, but also provided for additional funds from the federal Coronavirus Aid, Relief, and Economic Security Act to offset the state aid loss and provided additional funds to school districts.
Source: Michigan Department of Education via website www.michigan.gov

PROPERTY VALUATIONS

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

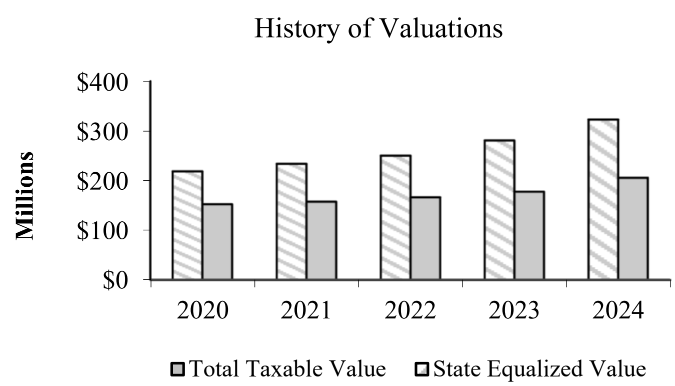
Taxable property in the School District is assessed by the local municipal assessor, and is subject to review by the County Equalization Departments.

History of Valuations

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

Year	Principal Residence[1]	Non- Principal Residence[1]	Total Taxable Value	Percent Change	State Equalized Value	Percent Change
2024	$169,106,943	$36,512,690	$205,619,633	15.77%	$323,151,278	15.07%
2023	143,362,902	34,247,874	177,610,776	6.81	280,837,985	12.27
2022	134,544,195	31,742,173	166,286,368	5.57	250,149,798	7.05
2021	126,344,483	31,169,380	157,513,863	3.25	233,680,946	6.94
2020	122,953,899	29,600,156	152,554,055	----	218,513,269	----

[1]All industrial personal property is included in the principal residence tax base. While commercial personal property continues to be included in the non-principal residence tax base, it is exempt from 12 of the 18 operating mills levied on non-principal residence property only. In 2024, industrial personal property had a taxable value of $11,860,771 and commercial personal property had a taxable value of $296,008 in the School District.
Source: Barry, Calhoun, and Eaton Counties Equalization Departments



Annual Equivalent Valuation

A summary of the 2024 valuation is as follows:

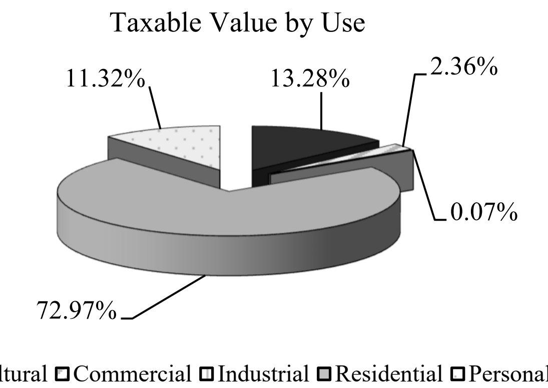
2024 Taxable Value	$205,619,633
Less: 2024 Disabled Veterans Exemption Taxable Value[1]	(1,663,037)
2024 Annual Equivalent Valuation	$203,956,596

[1]Represents value which is exempt from taxes pursuant to Michigan's General Property Tax Act Section 7b, MCL 211.7b, which states real property used and owned as a homestead by either (1) a disabled veteran who was discharged from the United States armed forces under honorable conditions or (2) the disabled veteran's un-remarried, surviving spouse is exempt from property taxes, subject to certain application requirements.
Source: Barry, Calhoun, and Eaton Counties Equalization Departments

Tax Base Composition

A breakdown of the School District's 2024 Taxable Value by class and use is as follows:

By Class:	2024 Taxable Value	Percent of Total
Real Property	$182,345,721	88.68%
Personal Property	23,273,912	11.32
TOTAL	$205,619,633	100.00%
By Use:		
Agricultural	$27,305,483	13.28%
Commercial	4,859,312	2.36
Industrial	134,234	0.07
Residential	150,046,692	72.97
Personal	23,273,912	11.32
TOTAL	$205,619,633	100.00%



A breakdown of the School District's 2024 Taxable Value by municipality is as follows:

Municipality	2024 Taxable Value	Percent of Total
County of Barry		
Assyria Township	$56,328,061	27.39%
Maple Grove Township	654,286	0.32
County of Calhoun		
Convis Township	40,166,590	19.53
Pennfield Township	2,678,609	1.30
County of Eaton		
Bellevue Township	87,779,363	42.69
Kalamo Township	17,893,015	8.70
Walton Township	119,709	0.07
TOTAL	$205,619,633	100.00%

Source: Barry, Calhoun, and Eaton Counties Equalization Departments

MAJOR TAXPAYERS

Shown below are the ten largest taxpayers in the School District based on their 2024 total valuation subject to taxation.

Taxpayer	Product/Service	2024 Taxable Value
Calhoun Solar Energy LLC	Solar Energy	$11,860,771
Consumers Energy	Utility	6,773,148
METC LLC	Utility	4,175,027
Hanks, Terry	Farm	696,407
One Land MC LLC	Farm	482,061
Eriksson, Mary M. Trust	Residential	463,207
Bivens, Laverne & Erdine	Farm	458,152
Swan Charlie First LLC	Residential	447,503
Four Land MC LLC	Farm	436,122
Herr, Mark	Residential	410,709
TOTALS		$26,203,107
Total 2024 Taxable Value		$205,619,633
Top 10 Taxpayers as a % of 2024 Total Taxable Value		12.74%

Source: Barry, Calhoun, and Eaton Counties Equalization Departments

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

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

	2024	2023	2022	2021	2020
Operating – Voted	18.0000	18.0000	18.0000	18.0000	18.0000
Debt	9.1200	9.1200	9.1200	9.1200	9.1200
Total Non-Principal Residence	27.1200	27.1200	27.1200	27.1200	27.1200
Total Principal Residence	9.1200	9.1200	9.1200	9.1200	9.1200

The School District levies voted operating millage on non-principal residence property and authorized debt millage on all taxable property within the School District. The voted operating millage expires with the 2032 levy.

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

The following table provides the 2024 and 2023 tax rates for select units of government that overlap with the School District's boundaries.

	2024	2023
State Education Tax	6.0000	6.0000
Eaton County	9.5819	9.5805
Village of Bellevue	12.0277	12.2657
Calhoun County I/S/D	6.1919	6.1946
Kellogg Community College	3.6109	3.6109
Barry County	7.6089	7.6805
Calhoun County	7.6406	7.6417

Source: Barry, Calhoun, and Eaton Counties Equalization Departments

TAX LEVIES AND COLLECTIONS

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

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

Levy Year	Operating Tax Levy	Collections to March 1, Each Year		Collections Plus Funding to June 30, Each Year	
2024	$641,770*	$542,111	84.47%	N/A	
2023	601,218	524,706	87.27	$591,847	98.44%
2022	581,327	523,987	90.14	581,327	100.00
2021	529,321	426,445	80.56	529,321	100.00
2020	503,042	446,827	88.82	503,042	100.00

*Estimated.

RETIREMENT PLAN

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

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

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

Contribution to MPSERS

The School District's estimated annual contribution to MPSERS for the 2024-25 fiscal year and the previous four fiscal years are shown below:

Fiscal Year Ended 30-Jun	Pension Amount	Health Care Amount	Total Amount	State Aid MPSERS Direct Offset Payments[1]
2025[2]	$1,037,296	$312,208	$1,349,504	$381,437
2024	1,155,840	238,584	1,394,424	601,269
2023	1,115,450	256,610	1,372,060	917,038
2022	1,092,918	264,931	1,357,849	497,284
2021	872,503	234,973	1,107,476	377,698

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

Effective for fiscal years beginning after June 15, 2014, GASB Statement 68 requires all reporting units in a multi-employer cost sharing pension plan to record a balance sheet liability for their proportionate share of the net pension liability of the plan. The School District implemented GASB 68 in its year ended June 30, 2015 financial statements. In its June 30, 2024 financial statements, the School District reported a proportionate share of the net pension liability of $10,379,810 as of September 30, 2023.

Effective for fiscal years beginning after June 15, 2017, GASB Statement 75 requires all reporting units in a multi-employer cost sharing OPEB plan to record a balance sheet liability for their proportionate share of the net OPEB liability of the plan. The School District implemented GASB 75 in its year ended June 30, 2018 financial statements. In its June 30, 2024 financial statements, the School District reported a proportionate share of the net OPEB asset of $173,257 as of September 30, 2023.

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

Source: Audited Financial Statements and School District

LABOR RELATIONS

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

Employee Group	No. of Employees	Affiliation	Exp. Date of Contract
Administrators	8	Non-Affiliated	N/A
Teachers	34	BEA/MEA	06/30/26
Secretaries	3	BESPA/MEA	06/30/26*
Aides	18	BESPA/MEA	06/30/26*
Transportation	7	Non-Affiliated	N/A
Food Service	1	Non-Affiliated	N/A
Supervisors	4	Non-Affiliated	N/A
	75		

*Subject to wage re-opening in 2025.

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

DEBT STATEMENT* - (As of 05/29/25 – including the Bonds described herein)

DIRECT DEBT:

Dated Date	Purpose	Bond Type	Final Maturity	Principal Outstanding
10/12/16	Refunding, Series A	UTQ	05/01/37	$13,315,000
__/__/25	School Improvement	LTNQ	05/01/45	2,320,000*
NET DIRECT DEBT				$15,635,000*

OVERLAPPING DEBT:

Percent Share	Municipality	Net Debt	District's Share
67.06%	Assyria Township	$0	$0
80.35	Bellevue Township	0	0
18.46	Convis Township	0	0
25.97	Kalamo Township	0	0
1.00	Maple Grove Township	0	0
0.89	Pennfield Township	1,385,000	12,327
0.14	Walton Township	110,600	155
100.00	Bellevue Village	0	0
1.85	Barry County	19,312,178	357,275
0.85	Calhoun County	110,170,100	936,446
2.19	Eaton County	13,608,410	298,024
3.77	Calhoun I/S/D	0	0
1.94	Kellogg Community College	4,750,000	92,150

TOTAL OVERLAPPING DEBT	1,696,377
NET DIRECT AND OVERLAPPING DEBT	$17,331,377*

*Preliminary, subject to change.
Source: Municipal Advisory Council of Michigan

OTHER DEBT

The School District has no short-term borrowing outstanding.

DEBT HISTORY

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

FUTURE FINANCING

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

DEBT RATIOS*

Estimated School District Population	5,953
2024 Taxable Value	$205,619,633
2024 State Equalized Value (SEV)	$323,151,278
2024 True Cash Value (TCV)	$646,302,556
Per Capita 2024 Taxable Value	$34,540.51
Per Capita 2024 State Equalized Value	$54,283.77
Per Capita 2024 True Cash Value	$108,567.54
Per Capita Net Direct Debt	$2,626.41
Per Capita Net Direct and Overlapping Debt	$2,911.37
Percent of Net Direct Debt of 2024 Taxable Value	7.60%
Percent of Net Direct and Overlapping Debt of 2024 Taxable Value	8.43%
Percent of Net Direct Debt of 2024 SEV	4.84%
Percent of Net Direct and Overlapping Debt of 2024 SEV	5.36%
Percent of Net Direct Debt of 2024 TCV	2.42%
Percent of Net Direct and Overlapping Debt of 2024 TCV	2.68%

*Preliminary, subject to change.

LEGAL DEBT MARGIN* - (As of 05/29/25 – including the Bonds described herein)

UNLIMITED TAX LEGAL DEBT MARGIN

2024 State Equalized Value		$323,151,278
Legal Debt Limit - 15% of SEV		48,472,691
Total Bonded Debt Outstanding	$15,635,000	
Less: SLRF Qualified Bonds[1]	(13,315,000)	
Net Amount Subject to Legal Debt Limit		2,320,000
LEGAL DEBT MARGIN AVAILABLE		$46,152,691

NON-VOTED LIMITED TAX LEGAL DEBT MARGIN

2024 State Equalized Value		$323,151,278
Legal Debt Limit - 5% of SEV		16,157,563
Total Bonded Debt Outstanding	$15,635,000	
Less: Exempt from Debt Limit Bonds	0	
Net Amount Subject to Legal Debt Limit		15,635,000
LEGAL DEBT MARGIN AVAILABLE		$522,563

*Preliminary, subject to change.

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

EMPLOYMENT CHARACTERISTICS

Listed below are the largest employers that are located within the School District and Barry, Calhoun and Eaton Counties:

Employer	Product or Service	Approx. No. of Employees
Within the School District		
Bellevue Community Schools	Education	75
F.G. Cheney Limestone Co.	Agricultural Limestone	12
Village Bar	Restaurant	8
Bellevue Do It Best	Hardware Store	5
Within the County of Barry		
Bradford White Corporation	Water Heaters	1,200
Flexfab, LLC	Silicone Hoses	500
Corewell Health - Pennock Hospital	Hospital	487
Thornapple Kellogg Schools	Education	428
Viking Corp. (HQ)	Fire Sprinklers	400
Hastings Manufacturing Co.	Piston Rings	275
Within the County of Calhoun		
Denso Air/Manufacturing	Automotive	2,800
Bronson - Battle Creek Health System	Healthcare	1,882
Firekeepers Casino	Casino	1,730
Kellogg (HQ)	Food Products	1,500
VA Medical Center Battle Creek	Healthcare	1,431
Tenneco, Inc.	Exhaust Systems	750
Musashi Auto Parts-MI, Inc.	Automotive	650
TRMI, Inc.	Automotive	570
I. I. Stanley Co., Inc.	Automotive Lights	570
Post Consumer Products Div.	Cereal Products	550
Within the County of Eaton		
General Motors	Auto Assembly	2,865
State of Michigan	Government	2,450
Auto Owners Insurance	Insurance Company Headquarters	1,904
Michigan Farm Bureau	Insurance Company	800
Grand Ledge Public Schools	Education	715
Shyft Group, Inc.	Chassis	700
Spartan Motors Chassis, Inc. (HQ)	Automotive	700
Meijer, Inc.	Retail	600
Eaton County	County Government	414

Source: 2024 Michigan Manufacturers Directory, MEDC website via www.michiganbusiness.org, and individual employers.

EMPLOYMENT BREAKDOWN

The U.S. Census Bureau, 2019-2023 American Community Survey reports the occupational breakdown of persons 16 years and over for the Township of Bellevue and the County of Eaton as follows:

	Township of Bellevue		County of Eaton	
	Number	Percent	Number	Percent
PERSONS BY OCCUPATION	1,660	100.00%	53,961	100.00%
Management, Business, Science & Arts	642	38.67	21,108	39.11
Service	233	14.04	7,968	14.77
Sales & Office	315	18.98	11,065	20.50
Natural Resources, Construction & Maintenance	258	15.54	4,196	7.78
Production, Transportation & Material Moving	212	12.77	9,624	17.84

The U.S. Census Bureau, 2019-2023 American Community Survey reports the breakdown by industry for persons 16 years and over for the Township of Bellevue and the County of Eaton as follows:

	Township of Bellevue		County of Eaton	
	Number	Percent	Number	Percent
PERSONS BY INDUSTRY	1,660	100.00%	53,961	100.00%
Agriculture, Forestry, Fishing, Hunting & Mining	49	2.95	540	1.01
Construction	140	8.43	2,727	5.05
Manufacturing	285	17.17	8,949	16.58
Wholesale Trade	50	3.01	1,195	2.21
Retail Trade	244	14.70	5,222	9.68
Transportation, Warehousing & Utilities	105	6.33	3,010	5.58
Information	7	0.42	538	1.01
Finance, Insurance & Real Estate	154	9.28	4,662	8.64
Professional, Scientific & Management Services	91	5.48	4,405	8.16
Educational, Health & Social Services	333	20.06	11,636	21.56
Arts, Entertainment, Recreation & Food Services	134	8.07	3,499	6.48
Other Services except Public Administration	36	2.17	2,571	4.76
Public Administration	32	1.93	5,007	9.28

UNEMPLOYMENT

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

Annual Average	County of Eaton	State of Michigan
February, 2025	5.4%	6.0%
2024	4.4	4.7
2023	3.7	3.9
2022	4.3	4.2
2021*	5.1	5.7

*The above unemployment figures reflect job losses from the COVID-19 pandemic.

POPULATION BY AGE

The U.S. Census Bureau, 2019-2023 American Community Survey reports the breakdown of population by age for the Township of Bellevue and the County of Eaton as follows:

	Township of Bellevue		County of Eaton	
	Number	Percent	Number	Percent
Total Population	3,206	100.00%	109,000	100.00%
0 through 19 years	852	26.58	25,153	23.08
20 through 64 years	1,790	55.83	62,495	57.33
65 years and over	564	17.59	21,352	19.59
Median Age	38.8	years	41.2	years

INCOME

The U.S. Census Bureau, 2019-2023 American Community Survey reports the breakdown of household income for the Township of Bellevue and the County of Eaton as follows:

	Township of Bellevue		County of Eaton	
	Number	Percent	Number	Percent
HOUSEHOLDS BY INCOME	1,156	100.00%	45,115	100.00%
Less than $ 10,000	60	5.19	1,672	3.71
$ 10,000 to $ 14,999	8	0.69	914	2.03
$ 15,000 to $ 24,999	81	7.01	2,550	5.65
$ 25,000 to $ 34,999	41	3.55	2,906	6.44
$ 35,000 to $ 49,999	107	9.26	5,273	11.69
$ 50,000 to $ 74,999	260	22.48	8,287	18.37
$ 75,000 to $ 99,999	236	20.41	7,059	15.65
$100,000 to $149,999	153	13.24	9,198	20.38
$150,000 to $199,999	132	11.42	4,085	9.05
$200,000 or MORE	78	6.75	3,171	7.03
Median Income	$78,400		$78,025	

[THIS PAGE INTENTIONALLY LEFT BLANK]

APPENDIX B

GENERAL FUND BUDGET SUMMARY AND COMPARATIVE FINANCIAL STATEMENTS

Bellevue Community Schools
General Fund Budget Summary

	As Adopted 2024/25
Revenues	
Local Sources	$764,628
State Sources	6,844,402
Federal Sources	226,079
Incoming Transfers & Other Transactions	704,866
Total Revenues	$8,539,975
Expenditures	
Instructional Services	
Basic Program	$3,722,873
Added Needs	1,247,408
Support	
Pupil	383,847
Instructional Staff	249,671
General Administration	390,730
School Administration	471,351
Business Services	200,241
Operation & Maintenance	1,401,480
Transportation	415,219
Central Services	278,250
Other Business Services	196,915
Community Services	29,992
Total Expenditures	$8,987,977
Excess of Expenditures (over) under Revenues	($448,002)
Other Financing Sources (Uses)	
Fund Modifications, Including Operating Transfers Out	(95,000)
Net Change in Fund Balance	($543,002)
Beginning Fund Balance - July 1	$2,595,637
Projected Fund Balance - June 30	$2,052,635

Source: School District

Bellevue Community Schools
General Fund

Comparative Balance Sheet

	For Fiscal Years Ended June 30th		
	2022	2023	2024
Assets			
Cash and Cash Equivalents	$164,766	$1,871,681	$2,835,638
Investments	1,359,700	--	--
Accounts Receivable	7	--	--
Due from Other Governmental Units	1,381,171	1,415,639	1,773,570
Due from Other Funds	198,408	50,632	--
Prepaid Expenses	1,500	129,412	17,193
Total Assets	$3,105,552	$3,467,364	$4,626,401
Liabilities			
Accounts Payable	$240,864	$99,560	$231,862
Unearned Revenue	262,071	519,272	1,121,549
Accrued Payroll Liabilities	--	731,853	654,852
Accrued Expenses	381,269	--	--
Due to Other Governmental Units	90,406	--	--
Due to Other Funds	134,916	--	22,501
Total Liabilities	$1,109,526	$1,350,685	$2,030,764
Fund Balances			
Nonspendable	$1,500	$129,412	$17,193
Unassigned	1,994,526	1,987,267	2,578,444
Total Fund Balances	$1,996,026	$2,116,679	$2,595,637
Total Liabilities and Fund Balances	$3,105,552	$3,467,364	$4,626,401

Source: Audited Financial Statements

Bellevue Community Schools
General Fund

Comparative Statement of Revenues, Expenditures and Changes in Fund Balance

	For Fiscal Years Ended June 30th		
	2022	2023	2024
Revenues			
Local Sources	$608,594	$680,586	$821,451
State Sources	5,715,897	6,273,503	6,425,210
Federal Sources	1,246,442	1,045,304	568,488
Interdistrict and Other Sources	556,899	605,690	614,412
Total Revenues	$8,127,832	$8,605,083	$8,429,561
Expenditures			
Current			
Instruction	$4,148,812	$4,566,120	$4,344,644
Supporting Services	3,921,059	3,610,733	3,563,363
Community Service	87,293	85,265	35,852
Capital Outlay	284,976	53,976	5,935
Debt Service			
Principal	33,686	--	--
Interest and Other Expenditures	1,312	--	--
Total Expenditures	$8,477,138	$8,316,094	$7,949,794
Excess of Revenues Over (Under) Expenditures	($349,306)	$288,989	$479,767
Other Financing Sources (Uses)			
Operating Transfers In	$47,252	$46,479	--
Operating Transfers Out	(635)	(214,815)	($366)
Total Other Financing Sources (Uses)	$46,617	($168,336)	($366)
Excess of Revenues & Other Sources Over (Under) Expenditures & Other Uses	($302,689)	$120,653	$479,401
Fund Balance - Beginning	$2,298,715*	$1,996,026	$2,116,236*
Fund Balance - Ending	$1,996,026	$2,116,679	$2,595,637

*As Restated.

Source: Audited Financial Statements

APPENDIX C

AUDITED FINANCIAL STATEMENTS

[THIS PAGE INTENTIONALLY LEFT BLANK]

GABRIDGE & CO

Gabridge & Company, PLC
3940 Peninsular Dr SE, Suite 200
Grand Rapids, MI 49546
Tel: 616-538-7100
Fax: 616-538-2441
gabridgeco.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Bellevue Community Schools
Bellevue, Michigan

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are 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 31, 2024, on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Gabridge & Company

Gabridge & Company, PLC
Grand Rapids, MI
October 31, 2024

Management's Discussion and Analysis

Bellevue Community Schools
Management's Discussion and Analysis
June 30, 2024

This section of the Bellevue Community Schools (the "School District"), Michigan's annual financial report presents our discussion and analysis of the School District's financial performance during the year ended June 30, 2024. It is to be read in conjunction with the School District's financial statements, which immediately follow. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB 34) *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments* and is intended to provide the financial results for the fiscal year ending June 30, 2024.

Financial Highlights

- The liabilities and deferred inflows of resources of the School District exceeded its assets and deferred outflows of resources at the close of this fiscal year by $10,562,550, shown as a deficit net position. The School District had a deficit unrestricted net position of $(12,528,908).

- Revenues of $10,768,023 exceeded expenses of $9532,976, leading to an increase in net position of $1,235,047 during the year.

- During the year, the School District's fund balances increased by $941,536, for an ending fund balance of $3,514,819.

- At the end of the current fiscal year, unassigned fund balance for the general fund was $2,578,444, or 31% of the general fund's total expenditures. Fund balance of the general fund increased by $479,401 during the year.

Overview of the Financial Statements

This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements, the statement of net position and the statement of activities, are *government-wide financial statements* that provide both short-term and long-term information about the School District's overall financial status.

- The remaining statements are *fund financial statements* that focus on individual parts of the School District, reporting the School District's operations in more detail than the government-wide statements.

    - *Governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.

The basic financial statements also include the notes to the financial statements that explain the information in the basic financial statements and provide more detailed data. Supplementary information follows and includes, pension and OPEB required schedules, combining and individual fund statements as well as a budgetary comparison schedule for the general fund.

Government-wide Financial Statements

The government-wide financial statements report information about the School District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the School District's assets, deferred outflows and inflows, and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the School District's net position, and how they have changed. Net position – the difference between the School District's assets, deferred outflows and inflows, and liabilities - is one way to measure the School District's financial health or position.

Over time, increases or decreases in the School District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.

To assess the School District's overall health, one should consider additional non-financial factors such as changes in the School District's property tax-base and the condition of school buildings and other facilities.

In the government-wide financial statements, the School District's activities are presented as governmental activities. *Governmental activities* include the School District's basic services, such as regular and special education, instructional support, transportation, administration, community services, food service, and athletics. State aid and property taxes finance most of these activities.

Financial Analysis of the School District as a Whole

On the following page is a comparative highlight of the current and prior year financial activities.

Bellevue Community Schools' Net Position

ASSETS	2024	2023
Current Assets		
Cash and investments	$ 3,771,718	$ 2,391,492
Accounts receivable, net	-	2,250
Due from other governments	1,809,825	1,436,768
Inventories and prepaids	24,228	136,447
Total Current Assets	5,605,771	3,966,957
Noncurrent Assets		
Net OPEB asset	173,257	-
Capital assets, net	15,909,475	16,549,920
Total Assets	21,688,503	20,516,877
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	3,391,965	4,289,781
OPEB related	796,978	1,104,435
Total Deferred Outflows of Resources	4,188,943	5,394,216
LIABILIITES		
Current Liabilities		
Accounts payable	311,820	129,838
Accrued payroll liabilities	654,852	741,833
Unearned revenue	1,124,280	522,003
Accrued interest	117,282	122,843
Current portion of compensated absences	3,854	3,487
Current portion of long-term debt	836,197	804,355
Total Current Liabilities	3,048,285	2,324,359
Noncurrent Liabilities		
Compensated absences	21,842	19,761
Long-term debt	19,537,917	19,902,207
Net pension liability	10,379,810	12,325,427
Net OPEB liability	-	713,527
Total Liabilities	32,987,854	35,285,281
DEFERRED INFLOWS OF RESOURCES		
Pension related	1,254,895	165,504
OPEB related	1,529,340	1,534,338
Deferred gain on bond refunding	667,907	723,567
Total Deferred Inflows of Resources	3,452,142	2,423,409
NET POSITION		
Net Investment in Capital Assets	1,047,176	827,606
Restricted	919,182	456,604
Unrestricted	(12,528,908)	(13,081,807)
Total Net Position	$ (10,562,550)	$ (11,797,597)

Cash and investments increased by $1,380,226 which is similar to the increase in governmental funds fund balance plus the increase in unearned revenues. Due from other governments increased due to timing of receipts, while inventory and prepaids decreased due to an abnormally large increase in the prior year, capital assets decreased by $640,445 due to limited additions in the current year. Unearned revenues increased by $602,277 due to grant funding that hasn't been spent.

The School's net OPEB (Other Post-Employment Benefits) liability shifted from a $713,527 liability at the end of fiscal 2023 to a $173,257 asset as of June 30, 2024. This change was primarily due to strong investment returns of 7.94% on MPSERS OPEB plan assets during the most recent valuation. Similarly, the School's net pension liability decreased from $12,325,427 as of June 30, 2023, to $10,379,810. This reduction was largely driven by an 8.29% return on MPSERS pension plan assets during the most recent valuation. Pension and OPEB-related deferred outflows decreased by $1,205,273, while deferred inflows increased by $1,084,393. These changes reflect the amortization of prior year gains and losses and the higher-than-expected investment returns for the year ending September 30, 2023. The excess returns will be spread out over the next four years.

The results of operations for the School District as a whole are reported in the Change in Net Position table below. This statement shows the changes in net position for the fiscal years ended June 30, 2024 and 2023.

Bellevue Community Schools' Changes in Net Position

Revenues	2024	2023
Program Revenues		
Charges for services	$ 292,960	$ 337,647
Operating grants and contributions	3,559,416	3,109,546
Capital grants and contributions	-	629,467
Total Program Revenues	3,852,376	4,076,660
General Revenues		
Property taxes	2,231,587	2,091,251
Unrestricted State aid	4,578,619	4,505,943
Interest income	105,441	50,890
Total General Revenues	6,915,647	6,648,084
Total Revenues	10,768,023	10,724,744
Expenses		
Instruction	4,707,329	4,781,516
Support services	3,263,324	3,000,214
Food service	533,796	532,425
Student activities	70,343	94,146
Community services	34,693	84,412
Interest on long-term debt	923,491	899,441
Total Expenses	9,532,976	9,392,154
Change in Net Position	1,235,047	1,332,590
Net Position at Beginning of Period	(11,797,597)	(13,130,187)
Net Position at End of Period	$ (10,562,550)	$ (11,797,597)

The School District had an overall increase in net position of $1,235,047 for the year ended June 30, 2024. Operating grants and contributions increased by $449,870 during the year while capital grants and contributions decreased by $629,467. ESSER Fund in the prior year were used primarily for capital projects while in the current year it was used on operating programs. Gains in revenues were also seen in property taxes to increased tax base, and interest income with higher rates in the fiscal year.

Changes within expenses for the School District were largely caused by the changes in net pension liability, net OPEB liability, and their related deferrals.

Fund Financial Statements

The fund financial statements provide more detailed information about the School District's funds, focusing on its most significant or "major" funds - not the School District as a whole. Funds are accounting devices the School District uses to keep track of specific sources of funding and spending on particular programs.

The School District utilizes governmental funds:

- *Governmental funds*: The School District's basic services are included in governmental funds, which generally focus on: 1) how cash and other financial assets that can readily be converted to cash flow in and out and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Since the government-wide financial statements and the fund financial statements use different methods of accounting to report the School District's financial condition, a reconciliation is included in the financial statements showing the differences between the two types of statements.

Financial Analysis of the School District's Funds

The School District uses funds to record and analyze financial information. The School District has two major funds, its general and debt service funds.

The ***general fund*** is the School District's primary operating fund. The general fund had revenues of $8,429,561, expenditures of $7,949,794, and net other financing uses of $366. The general fund ended the year with a $479,401 increase in fund balance for a total fund balance of $2,595,637 as of June 30, 2024. Federal revenues decreased due to prior year use of ESSER funding, while local revenues increased, mainly driven by property taxes and interest income increases. State revenues also increased due to higher per pupil base.

The ***debt service fund***, a major fund, had an increase in fund balance of $330,334 for a total fund balance of $481,878 as of year-end. Significant increases for revenues were the result of increased taxable value of property within the School District. The School District also chose to utilize available funding from SLRF funding of $471,907.

General Fund Budgetary Highlights

During the year the School District revised its budget to attempt to match changes in the school funding environment and current needs of students and faculty. State law requires that budgets be amended during the year so actual expenditures do not exceed appropriations. The initial budget for the year ended June 30, 2024, was adopted by the Board of Education in June 2023, with the final amendments made in June 2024.

Original budget compared to final budget. The original budget was amended during the year as additional funding became available allowing for increase in related expenditures.

Final budget compared to actual results. The School District had the one expenditure in excess of the amounts appropriated during the year ended June 30, 2024, Debt Service – Interest had total expenditures and exceed its budget by $5,935.

Capital Asset and Debt Administration

Capital Assets

At June 30, 2024, the School District had $15,909,475 invested in capital assets. This included a net decrease during the fiscal year of $(640,445) consisting of depreciation charges of $802,732 against capital asset purchases of $162,287.

More detailed information about the School District's capital assets can be found in the notes to the financial statements section of this document.

Long-term Debt

At June 30, 2024, the School District had $20,374,114 of total outstanding long-term debt obligations. Total long-term debt experienced a net decrease of $(332,448) during the year consisting of repayments of principal of $804,355 net of the new issuances of $471,907 for SRLF funds and an installment purchase agreement.

More detailed information about the School District's capital assets can be found in the notes to the financial statements section of this document.

Economic Factors and Next Year's Budget and Rates

The School District estimates a similar amount of revenue will be available for appropriation in the general fund in the upcoming budget, with a small decrease in total student count. The School District continues to review all budget line items for opportunities to reduce expenditures when possible while providing an excellent education to the district it serves. The budget will be monitored during the year to identify any necessary amendments.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact:

Bellevue Community Schools
Attn: Business Office
904 W. Capital Ave.
Bellevue, MI 49068

Or by phone at (269) 763-9432, option 3.

Basic Financial Statements

Bellevue Community Schools
Statement of Net Position
June 30, 2024

ASSETS	
Current Assets	
Cash and investments	$ 3,771,718
Due from other governmental units	1,809,825
Inventory	7,035
Prepaid items	17,193
Total Current Assets	5,605,771
Noncurrent Assets	
Capital assets not being depreciated	76,000
Capital assets being depreciated, net	15,833,475
Net OPEB asset	173,257
Total Assets	21,688,503
DEFERRED OUTFLOWS OF RESOURCES	
Pension	3,391,965
OPEB	796,978
Total Deferred Outflows of Resources	4,188,943
LIABILITIES	
Current Liabilities	
Accounts payable	311,820
Accrued payroll liabilities	654,852
Unearned revenue	1,124,280
Accrued interest	117,282
Current portion of compensated absences	3,854
Current portion of long-term debt	836,197
Total Current Liabilities	3,048,285
Noncurrent Liabilities	
Compensated absences	21,842
Long-term debt	19,537,917
Net pension liability	10,379,810
Total Liabilities	32,987,854
DEFERRED INFLOWS OF RESOURCES	
Pension	1,254,895
OPEB	1,529,340
Gain on debt refunding	667,907
Total Deferred Inflows of Resources	3,452,142
NET POSITION	
Net investment in capital assets	1,047,176
Restricted for:	
Capital projects	226,728
Debt service	481,878
Food service	105,588
Student activities	104,988
Unrestricted	(12,528,908)
Total Net Position	**$ (10,562,550)**

The Notes to the Financial Statements are an integral part of these Financial Statements

[THIS PAGE INTENTIONALLY LEFT BLANK]

Bellevue Community Schools
Statement of Activities
For the Year Ended June 30, 2024

		Program Revenues			
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Net (Expense) Revenue**
Instruction	$ 4,707,329	$ 146,802	$ 2,422,068	$ --	$ (2,138,459)
Support services	3,263,324	143,715	423,479	--	(2,696,130)
Food service	533,796	1,467	616,185	--	83,856
Student activities	70,343	976	97,684	--	28,317
Community services	34,693	--	--	--	(34,693)
Interest on long-term debt	923,491	--	--	--	(923,491)
Total	$ 9,532,976	$ 292,960	$ 3,559,416	$ --	(5,680,600)
		General Purpose Revenues:			
		Unrestricted state aid			4,578,619
		Interest income			105,441
		Property taxes, general			633,398
		Property taxes, restricted			1,598,189
		Total General Revenues			6,915,647
		Change in Net Position			**1,235,047**
		Net Position at Beginning of Period			(11,797,597)
		Net Position at End of Period			**$ (10,562,550)**

Bellevue Community Schools
Balance Sheet
Governmental Funds
June 30, 2024

		Debt Service		
	General	**Debt Service**	**Other Governmental Funds**	**Total Governmental Funds**
ASSETS				
Cash and investments	$ 2,835,638	$ 479,990	$ 456,090	$ 3,771,718
Due from other governmental units	1,773,570	--	36,255	1,809,825
Inventory	--	--	7,035	7,035
Prepaid items	17,193	--	--	17,193
Due from other funds	--	1,888	118,237	120,125
Total Assets	**$ 4,626,401**	**$ 481,878**	**$ 617,617**	**$ 5,725,896**
LIABILITIES				
Accounts payable	$ 231,862	$ --	$ 79,958	$ 311,820
Accrued payroll liabilities	654,852	--	--	654,852
Unearned revenue	1,121,549	--	2,731	1,124,280
Due to other funds	22,501	--	97,624	120,125
Total Liabilities	2,030,764	--	180,313	2,211,077
FUND BALANCE				
Nonspendable	17,193	--	7,035	24,228
Restricted	--	481,878	430,269	912,147
Unassigned	2,578,444	--	--	2,578,444
Total Fund Balance	2,595,637	481,878	437,304	3,514,819
Total Liabilities and Fund Balance	**$ 4,626,401**	**$ 481,878**	**$ 617,617**	**$ 5,725,896**

Bellevue Community Schools
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2024

Total Fund Balance - Governmental Funds	$	3,514,819
Capital assets used in governmental activities are not financial resources, and therefore are not reported in the fund statement. This amount represents capital assets of $32,430,864 less accumulated depreciation of $16,521,389.		15,909,475
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. This amount represents the sum of bonds and installment loans payable.		(20,374,114)
The net OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds.		(559,105)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		(25,696)
Accrued interest is not due and payable in the current period and, therefore, is not reported in the funds.		(117,282)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in the funds.		(8,242,740)
Deferred charges on refunding related to the issuance of long-term refunding debt will be amortized over the life of the debt on the statement of net position.		(667,907)
Total Net Position - Governmental Activities	$	**(10,562,550)**

The Notes to the Financial Statements are an integral part of these Financial Statements

[THIS PAGE INTENTIONALLY LEFT BLANK]

Bellevue Community Schools
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2024

	General	Debt Service Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues				
Local sources	$ 821,451	$ 1,608,139	$ 114,138	$ 2,543,728
State sources	6,425,210	--	78,988	6,504,198
Federal sources	568,488	--	502,649	1,071,137
Interdistrict and other	614,412	--	34,548	648,960
Total Revenues	8,429,561	1,608,139	730,323	10,768,023
Expenditures				
Instruction	4,344,644	--	--	4,344,644
Support services	3,563,363	--	--	3,563,363
Food service	--	--	528,545	528,545
Student activities	--	--	70,343	70,343
Community services	35,852	--	--	35,852
Building improvement services	5,935	--	--	5,935
Debt service - principal	--	765,000	--	765,000
Debt service - interest	--	984,712	--	984,712
Total Expenditures	7,949,794	1,749,712	598,888	10,298,394
Excess of Revenues Over (Under) Expenditures	479,767	(141,573)	131,435	469,629
Other Financing Sources (Uses)				
State loan revolving fund	--	471,907	--	471,907
Transfers in	--	--	366	366
Transfers out	(366)	--	--	(366)
Net Other Financing Sources (Uses)	(366)	471,907	366	471,907
Net Change in Fund Balance	**479,401**	**330,334**	**131,801**	**941,536**
Fund Balance at Beginning of Period (restated, note 13)	2,116,236	151,544	305,503	2,573,283
Fund Balance at End of Period	**$ 2,595,637**	**$ 481,878**	**$ 437,304**	**$ 3,514,819**

The Notes to the Financial Statements are an integral part of these Financial Statements

[THIS PAGE INTENTIONALLY LEFT BLANK]

Bellevue Community Schools
Reconciliation of Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance with Statement of Activities
For the Year Ended June 30, 2024

Total Net Change in Fund Balances - Governmental Funds	$	941,536
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This amount represents depreciation expense of $802,732 less capital outlay additions of $162,287.		(640,445)
Repayments of principal on long-term debt are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the statement of net position.		804,355
Issuance of long-term debt are other financing sources in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.		(471,907)
The statement of net position reports the net pension liability and pension related deferrals related to the net pension liability as pension expense. However, the expenditures recorded on the governmental funds equals actual pension contributions.		(41,590)
The statement of net position reports the net OPEB liability and OPEB related deferrals related to the net OPEB liability as OPEB expense. However, the expenditures recorded on the governmental funds equals actual OPEB contributions.		584,325
Some expenses, such as compensated absences, reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(2,448)
In the statement of activities, interest and bond discounts and premiums are accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due. This represents the current year change in accrued interest, bond premiums and discounts, and deferred charges from bond refundings.		61,221
Changes in Net Position - Governmental Activities	$	**1,235,047**

The Notes to the Financial Statements are an integral part of these Financial Statements

Notes to the Financial Statements

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

Bellevue Community Schools (the "School District" or "Government") has followed the guidelines of the *Governmental Accounting Standards Board* and has determined that no entities should be consolidated into its basic financial statements as component units. Therefore, the reporting entity consists of the primary government financial statements only. The criteria for including a component unit include significant operational or financial relationships with the School District.

The School District is governed by Board of Education members which have the responsibility and control over all activities related to public school education within the district. The School District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. The School District is not included in any other governmental reporting entity as defined by the accounting principles generally accepted in the United States of America (GAAP). Board members are elected by the public and have decision-making authority, the power to designate management, the ability to significantly operations, and the primary accountability for fiscal matters. The District's reporting entity does not contain any component units as defined by Governmental Accounting Standards Board (GASB) statements.

Government-wide and Fund 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 primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues.

The *statement of activities* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds also use the accrual basis of accounting,

Bellevue Community Schools

Notes to the Financial Statements

but do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met.

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

Revenues susceptible to accrual are property taxes, state aid, federal and inter-district revenues, and interest income and, accordingly, have been recognized as revenues of the current fiscal year. Other revenues are recognized when received.

The School District reports the following major funds:

The ***general fund*** is the general operating fund of the School District. It is used to account for all financial resources, except those required to be accounted for in another fund.

The ***debt service fund*** accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Additionally, the School District reports the following fund types:

Capital project fund accounts for the accumulation and disbursement of resources for the construction of governmental fund capital projects**.**

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Budgets and Budgetary Accounting

Budgets are adopted for general and special revenue funds as required by state law and are adopted on a basis consistent with generally accepted accounting principles (GAAP). The legal level of budgetary control adopted by the Board of Education (i.e., the level at which expenditures may not legally exceed appropriations) is the functional level.

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

- Starting in the spring, School District administrative personnel and department heads work with the Superintendent and Business Manager to establish proposed operating budgets for the fiscal year commencing the following July 1.
- In June, preliminary operating budgets are submitted to the Board of Education. These budgets include proposed expenditures and the means of financing them.
- Prior to June 30, a public hearing is held to obtain taxpayer comments on the proposed budgets.
- After the budgets are finalized, the Board of Education adopts an appropriations resolution setting forth the amount of the proposed expenditures and the sources of revenue to finance them.
- The original general and special revenue funds budgets were amended during the year in compliance with State of Michigan Public Act 621 (the Uniform Budgetary and Accounting Act).
- Budgets for the general and special revenue funds were adopted on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

Appropriations lapse at year-end and amounts may be reappropriated for expenditures to be incurred in the following fiscal year.

Program Revenues

Amounts reported as *program revenues* include: charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and grants and contributions that are restricted to meeting the operational requirements of a particular function or segment. All property taxes, unrestricted state aid, and interest earnings are reported as general revenues rather than as program revenues.

Property Taxes

Property taxes are assessed as of December 31 and attach as an enforceable lien on property as of December 1 of the following year. Taxes are levied on July 1 and December 1 by Local unites whose boundaries include property within the District and are due on February 14. Delinquent real taxes are advanced to the District by the Revolving Tax Fund of Eaton, Barry and Calhoun Counties. The school levies 18.0000 Mills for operations, and 9.1200 for debt.

Assets, Deferred Outflows/Inflows, Liabilities, and Fund Equity

Cash and Cash Equivalents

The School District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes and School District policy authorize the School District to invest in:

- Bonds, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- Bankers' acceptances of United States banks.
- Obligations of the State of Michigan and its political subdivisions, that, at the time of purchase are rated as investment grade by at least one standard rating service.
- Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- External investment pools as authorized by the surplus funds investment pool act, Act. No. 367 of the Public Acts of 1982, being sections 129.11 to 129.118 of the Michigan Compiled Laws, composed entirely of instruments that are legal for direct investment by a school district.

Investments

Investments are stated at fair market value. Investments are exposed to various risks, such as significant external events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of net position.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year and all other outstanding balances between funds are referred to as "due to/from other funds" (i.e., the current portion of interfund loans).

All receivables are shown net of an allowance for uncollectibles, as applicable. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. No amounts have been deemed uncollectable during the current year.

Accounts payable and other payables reflected in the financial statements are based on when the liability is incurred.

Inventories

Inventories are valued at the lower of cost (first-in/first-out) or market. Inventory in the food service fund consists of expendable supplies held for consumption. The cost is recorded as an expenditure when consumed rather than when purchased. Reported inventories are equally offset by nonspendable fund balance to indicate that they do not constitute "available spendable resources" even though they are a component of net position.

Prepaid items

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

Capital Assets

Capital assets, which include land, buildings and improvements, vehicles, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings and building improvements	7 - 50
Buses	4
Furniture and equipment	5 - 20
Land improvements	30
Vehicles	4 - 15

Pension

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

Postemployment Benefits Other Than Pensions

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

Deferred Outflows of Resources

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

Deferred Inflows of Resources

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 School District has three items that qualify for reporting in this category. They are future resources yet to be recognized in relation to the pension and other postemployment benefit actuarial calculation. These future resources arise from differences in the estimates used by the actuary to calculate the pension and other postemployment benefit liability and the actual results. The amounts are amortized over a period determined by the actuary. Additionally, the School reports a deferred inflow for a gain debt refunding that will be amortized over the life of the bond.

Accrued payroll liabilities

A liability is recorded at June 30 for those amounts owed to teachers and other employees of the School District who do not work during the summer when school is not in session but have elected to have their salaries paid over an entire year. This has the effect of properly charging their salaries to expenditures in the fiscal year in which their services are received, even though they are not paid until July and August of the following fiscal year.

The liability for accrued retirement and the employer share of FICA related to the salaries payable has been recorded as has the liability for the employee health insurance premiums for the months of July and August. The School District pays these insurances for this period as part of the compensation for services rendered in the preceding school year.

Compensated Absences

The School District permits employees to accumulate earned but unused vacation and sick leave benefits, which are eligible for payment upon separation from service. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability as matured as a result of employee resignations or retirements. The liability includes salary and related benefits, where applicable. These costs are typically liquidated by the general fund.

Unearned Revenues

Governmental funds report unearned revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of unearned revenue include advance grant payments received prior to meeting all eligibility requirements in the amount of $1,124,280.

Long-term Obligations

In the government-wide financial statements, long-term debt, subscription based information technology agreements (“SBITA”s), intangible right-to-use leases, and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bond, lease, and SBITA issuance costs are recorded as a period expense. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, 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 issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Net Position Flow Assumption

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

It is the School District’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

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

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Governmental funds report *nonspendable fund balance* for amounts that cannot be spent because they are either: a) not in spendable form or b) legally or contractually required to be maintained intact. *Restricted fund* *balance* is reported when externally imposed constraints are placed on the use of resources by grantors, contributors, or laws or regulations of other governments. The School District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

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

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

Unassigned fund balance is the residual classification for the School District's general fund and includes all spendable amounts not contained in the other classifications and is therefore available to be spent as determined by the Board of Education.

Use of Estimates

The preparation of financial statements requires estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 2 - Stewardship, Compliance, and Accountability

Excess of expenditures over appropriations in budgeted funds – The School District had the following expenditure in excess of the amount appropriated during the year ended June 30, 2024:

	Final Budget	Actual Amount	Negative Variance
General fund			
Debt service - interest	$ -	$ 5,935	$ (5,935)

Government-wide Deficits

The School District had an unrestricted net position deficit and a total net position deficit for government-wide activities in the amount of $(12,528,908) and $(10,562,550), respectively, as of June 30, 2024. There are no governmental funds with a deficit.

Note 3 - Cash and Investments

At year-end, the School District's deposits and investments were reported in the basic financial statements in the following categories.

Cash and investments	
Checking and savings accounts	$ 2,321,969
Pooled investments (MILAF)	1,449,124
Cash on hand	625
Total cash and investments	$ 3,771,718

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified in the list of authorized investments above. The School District's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. None of the School District's deposits or investments had fixed maturities at year-end.

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers' acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments above. The School District's investment policy does not have specific limits in excess of state law on investment credit risk. The ratings for each investment are summarized as follows:

Investment	Maturity	Fair Value	Rating
Michigan Liquid Asset Fund	n/a	$ 1,449,124	S&P - AAAm

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the School District's deposits may not be returned. State law does not require, and the School District does not have a policy for deposit custodial credit risk. As of year-end, $2,072,595 of the School District's bank balance of $2,322,595 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require, and the School District does not have a policy for investment custodial credit risk. Of the above investments, the School District's custodial credit risk exposure cannot be determined because the mutual funds do not consist of specifically identifiable securities.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in the list of authorized investments above. The School District's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are reported above.

Fair Value Measurement. The School 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 value measurement level within 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.

The School District's investment with the Michigan Liquid Asset Fund of $1,449,124 is reported at a Level 2 fair value measurement level.

Bellevue Community Schools

Notes to the Financial Statements

Note 4 - Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Capital Assets not being Depreciated:				
Land	$ 76,000	$ -	$ -	$ 76,000
Capital assets being depreciated:				
Buildings and improvements	29,751,112	65,592	-	29,816,704
Buses	840,034	-	-	840,034
Furniture and equipment	1,520,206	23,602	-	1,543,808
Land Improvements	12,105	7,200	-	19,305
Vehicles	69,120	65,893	-	135,013
Subtotal	32,192,577	162,287	-	32,354,864
Less accumulated depreciation/amortization:				
Buildings and improvements	(13,705,785)	(706,914)	-	(14,412,699)
Buses	(700,940)	(26,106)	-	(727,046)
Furniture and equipment	(1,241,871)	(66,913)	-	(1,308,784)
Land Improvements	(5,251)	(644)	-	(5,895)
Vehicles	(64,810)	(2,155)	-	(66,965)
Subtotal	(15,718,657)	(802,732)	-	(16,521,389)
Capital assets being depreciated, net	16,473,920	(640,445)	-	15,833,475
Capital assets, net	$ 16,549,920	$ (640,445)	$ -	$ 15,909,475

Depreciation expense for the fiscal year ended June 30, 2024 amounted to $802,732. The School District allocated depreciation as follows:

Activities	
Instruction	$ 745,628
Support services	48,242
Food services	8,862
Total	$ 802,732

Note 5 - Interfund Receivables, Payables, and Transfers

Interfund balances as of June 30, 2024 consisted of fund receivables and payables listed below:

Receivable Fund	Payable Fund	Amount
Debt Service	General	$ 1,888
Food Service	General	20,613
Food Service	Student Activities	97,624

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

The following schedule summarizes the operating transfers during the year:

Transfers In	Transfers Out	Amount
Nonmajor funds	General	$ 366

During the year ended June 30, 2024, the school transferred $366 from the general fund to the food service fund. The purpose of this transfer was to provide additional support to the food service fund.

Note 6 - Long-term Debt

Long-term debt activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct placement					
General Obligation Bonds	$ 14,875,000	$ -	$ (765,000)	$ 14,110,000	$ 795,000
School Revolving Loan Fund	5,707,815	471,907	-	6,179,722	-
Installment Purchase Agreement	123,747	-	(39,355)	84,392	41,197
Subtotal	20,706,562	471,907	(804,355)	20,374,114	836,197
Other long-term obligations					
Compensated absences	23,248	2,448	-	25,696	3,854
Subtotal	23,248	2,448	-	25,696	3,854
Total long-term obligations	$ 20,729,810	$ 474,355	$ (804,355)	$ 20,399,810	$ 840,051

Compensated absences are generally liquidated by the general fund.

The ***2016 general obligation bonds*** were issued to fund school building and site improvements. 2016 Series A bond principal payments are due in annual installments ranging from $490,000 to $1,440,000 through May 1, 2037. The 2016 series B bonds were paid off during fiscal year 2023.

The ***State Revolving Loan Fund ("SRLF")*** debt is borrowings from the State of Michigan which represents notes payable to the State of Michigan for loans made to the School District, as authorized by the State of Michigan Constitution, for the purpose of paying principal and interest on general obligation bonds of the school district issued for capital expenditures. Interest rates are to be annually determined by the State Administrative Board. The interest rate at June 30th was 4.11441%.

Repayment is required when the millage rate necessary to cover the annual bonded debt services falls below 7.0 mills. The school district is required to levy 7.0 mills and repay to the state any excess of the amount levied over the bonded debt service requirements. Currently the District

levies 9.12 mills. Due to the variability of the factors that affect the timing of repayment, including the future amount of state-equalized value of property in the school district, no provision for repayment has been included in the amortization schedule. The state may apply a default late charge on the note if the District does not make the repayments or apply the default late charge if the District fails to levy the appropriate debt mills. The state may also withhold state aid payments if the District is in default.

The ***Installment Purchase Agreement*** is for the purchase of two used 2018 school busses. Payments are due annually beginning in fiscal year 2024 through fiscal year 2026 with principal ranging from $39,355 to $43,195. Interest accrues at 4.85%

Annual debt service requirements to maturity for governmental activities long-term debts, exclusive of the school revolving loan fund amounts, are as follows:

FYE	Principal	Interest	Total
2025	$ 836,197	$ 701,643	$ 1,537,840
2026	873,195	667,845	1,541,040
2027	870,000	624,250	1,494,250
2028	920,000	580,750	1,500,750
2029	965,000	534,750	1,499,750
2030-2033	5,620,000	1,898,750	7,518,750
2034-2037	4,110,000	418,000	4,528,000
Totals:	**$ 14,194,392**	**$ 5,425,988**	**$ 19,620,380**

Note 7 - Pension Plan

Plan Description

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

The System's pension plan was established by the State to provide retirement, survivor, and disability benefits to public school employees. In addition, the System's health plan provides all retirees with the option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act (1980 PA 300 as amended).

The System is administered by the Office of Retirement Services ("ORS") within the Michigan Department of Technology, Management & Budget. The Department Director appoints the Office

Director, with whom the general oversight of the System resides. The State Treasurer serves as the investment officer and custodian for the System.

The System's financial statements are available on the ORS website at ***Michigan.gov/ORSSchools***.

Benefits Provided

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

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

Contributions

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

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the Sept. 30, 2022, valuation will be amortized over a 16-year period beginning Oct. 1, 2022 and ending Sept. 30, 2038.

The schedule below summarizes pension contribution rates in effect for fiscal year ended Sept. 30, 2023:

Benefit Structure	Member	Non-Universities
Basic	0.0 - 4.0%	20.16%
Member Investment Plan	3.0 - 7.0%	20.16%
Pension Plus	3.0 - 6.4%	17.24%
Pension Plus 2	6.2%	19.95%
Defined Contribution	0.0%	13.75%

Required contributions to the pension plan from the School were $1,155,840 for the year ended Sept. 30, 2023.

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

At June 30, 2024, the School reported a liability of $10,379,810 for its proportionate share of the MPSERS net pension liability. The net pension liability was measured as of Sept. 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 2022. The School's proportion of the net pension liability was determined by dividing each employer's statutorily required pension contributions to the system during the measurement period by the percent of pension contributions required from all applicable employers during the measurement period. At Sept. 30, 2023, the School's proportion was .03207 percent, which was a decrease of .0007 percent from its proportion measured as of Sept. 30, 2022.

For the year ending June 30, 2024, the School recognized pension expense of $1,356,041. At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ 327,659	$ 15,900
Changes of assumptions	1,406,512	810,963
Net difference between projected and actual earnings on pension plan investments	-	212,405
Changes in proportion and differences between employer contributions and proportionate share of contributions	456,666	215,627
Employer contributions subsequent to the measurement date	1,201,128	-
Total	**$ 3,391,965**	**$ 1,254,895**

Contributions subsequent to the measurement date reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Plan Year Ended September 30		Amount:
2024	$	343,583
2025		295,286
2026		469,977
2027		(172,904)

Actuarial Assumptions

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

Additional information as of the latest actuarial valuation follows:

Summary of Actuarial Assumptions

Valuation Date:	September 30, 2022
Actuarial Cost Method:	Entry Age, Normal
Wage Inflation Rate:	2.75%
Investment Rate of Return:	
- MIP and Basic Plans:	6.00%, net of investment expenses
- Pension Plus Plan:	6.00%, net of investment expenses
- Pension Plus 2 Plan:	6.00%, net of investment expenses
Projected Salary Increases:	2.75 - 11.55%, including wage inflation at 2.75%
Cost-of-Living Pension Adjustments:	3% Annual Non-Compounded for MIP Members
Mortality:	
Retirees:	PubT-2010 Male and Female Retiree Mortality Tables, scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010.
Active:	PubT-2010 Male and Female Employee Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.

Notes:

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

Recognition period for liabilities is the average of the expected remaining service lives of all employees in years: 4.4406 for non-university employers.

Recognition period for assets in years is 5.0000.

Full actuarial assumptions are available in the 2023 MPSERS Annual Comprehensive Financial Report found on the ORS website at *Michigan.gov/ORSSchools*.

Long-term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a buildingblock method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of Sept. 30, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Domestic equity pools	25.0%	5.8%
Private equity pools	16.0	9.6
International equity pools	15.0	6.8
Fixed income pools	13.0	1.3
Real estate and infrastructure pools	10.0	6.4
Absolute return pools	9.0	4.8
Real return/opportunistic pools	10.0	7.3
Short-term investment pools	2.0	0.3
Total	100.0%	

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

Rate of Return

For the fiscal year ended Sept. 30, 2023, the annual money-weighted rate of return on pension plan investment, net of pension plan investment expense, was 8.29%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

A discount rate of 6.00% was used to measure the total pension liability (6.00% for the Pension Plus plan, 6.00% for the Pension Plus 2 plan, hybrid plans provided through non-university employers only). This discount rate was based on the long-term expected rate of return on pension plan investments of 6.00% (6.00% for the Pension Plus plan, 6.00% for the Pension Plus 2 plan). The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the

member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School's proportionate share of the net pension liability to changes in the discount rate

The following presents the School's proportionate share of the net pension liability calculated using the discount rate of 6.00% (6.00% for the Pension Plus plan, 6.00% for the Pension Plus 2 plan), as well as what the School's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

1% Decrease 5.0%	Current Discount Rate - 6.0%	1% Increase 7.0%
$14,023,093	$10,379,810	$7,346,646

Michigan Public School Employees' Retirement System (MPSERS) Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued MPSERS ACFR, available on the ORS website at ***Michigan.gov/ORSSchools***.

Note 8 - Postemployment Benefits Other Than Pensions (OPEB)

Plan Description

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

The System's health plan provides all eligible retirees with the option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act (1980 PA 300 as amended).

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

The System's financial statements are available on the ORS website at *Michigan.gov/ORSSchools*.

Benefits Provided

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 healthcare 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 Jan. 1, 2013; 90% for those Medicare eligible and enrolled in the insurances as of that date. Dependents are eligible for healthcare coverage if they meet the dependency requirements set forth in Public Act 300 of 1980, as amended.

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 Sept 3, 2012 or were on an approved professional services or military leave of absence on Sept. 3, 2012, a voluntary election regarding their retirement healthcare. Any changes to a member's healthcare benefit are effective as of the member's transition date, which is defined as the first day of the pay period that begins on or after Feb. 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 were deposited into their 401(k) account.

Contributions

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

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the Sept. 30, 2022, valuation will be amortized over a 16-year period beginning Oct. 1, 2022 and ending Sept. 30, 2038.

The schedule below summarizes OPEB contribution rates in effect for fiscal year ended Sept. 30, 2023:

Benefit Structure	Member	Non-Universities
Premium Subsidy	3.00%	8.07%
Personal Healthcare Fund (PHF)	0.00%	7.21%

Required contributions to the OPEB plan from the School were $238,584 for the year ended Sept. 30, 2023.

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

At June 30, 2024, the School reported an asset of $173,257 for its proportionate share of the MPSERS net OPEB asset. The net OPEB asset was measured as of Sept. 30, 2023, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation rolled forward from September 2022. The School's proportion of the net OPEB asset was determined by dividing each employer's statutorily required OPEB contributions to the system during the measurement period by the percent of OPEB contributions required from all applicable employers during the measurement period. At Sept. 30, 2023, the School's proportion was .003063 percent, which was an increase of .000306 percent from its proportion measured as of Oct. 1, 2022.

For the year ending June 30, 2024, the School recognized OPEB expense of negative $(306,285). At June 30, 2024, the School reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ -	$ 1,309,222
Changes of assumptions	385,701	46,446
Net difference between projected and actual earnings on pension plan investments	528	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	179,478	173,672
Employer contributions subsequent to the measurement date	231,271	-
Total	**$ 796,978**	**$ 1,529,340**

Contributions subsequent to the measurement date reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB asset in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Plan Year Ended September 30	Amount:
2024	$ (317,571)
2025	(290,895)
2026	(88,143)
2027	(108,737)
2028	(103,248)
Thereafter	(55,039)

Actuarial Assumptions

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

Additional information as of the latest actuarial valuation follows:

Summary of Actuarial Assumptions

Valuation Date:	September 30, 2022
Actuarial Cost Method:	Entry Age, Normal
Wage Inflation Rate:	2.75%
Investment Rate of Return:	6.00%, net of investment expenses
Projected Salary Increases:	2.75 - 11.55%, including wage inflation at 2.75%
Healthcare Cost Trend Rate:	Pre-65: 7.50% Year 1 graded to 3.5% Year 15 Post-65: 6.25% Year 1 graded to 3.5% Year 15
Mortality:	
Retirees:	PubT-2010 Male and Female Retiree Mortality Tables, scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010.
Active Members:	PubT-2010 Male and Female Employee Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.
Other Assumptions:	
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 coverages 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 one or more dependents.

Notes:

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

- Recognition period for liabilities is the average of the expected remaining service lives of all employees in years: 6.5099 for non-university employers.

- Recognition period for assets in years is 5.0000.

Full actuarial assumptions are available in the 2023 MPSERS Annual Comprehensive Financial Report found on the ORS website at **Michigan.gov/ORSSchools**.

Long-term Expected Return on Plan Assets

The long-term expected rate of return on OPEB plan investments was determined using a buildingblock method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of Sept. 30, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return*
Domestic equity pools	25.0%	5.8%
Private equity pools	16.0	9.6
International equity pools	15.0	6.8
Fixed income pools	13.0	1.3
Real estate and infrastructure pools	10.0	6.4
Absolute return pools	9.0	4.8
Real return/opportunistic pools	10.0	7.3
Short-term investment pools	2.0	0.3
Total	100.0%	

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

Rate of Return

For the fiscal year ended Sept. 30, 2023, the annual money-weighted rate of return on OPEB plan investment, net of OPEB plan investment expense, was 7.94%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

A discount rate of 6.00% was used to measure the total OPEB asset. This discount rate was based on the long-term expected rate of return on OPEB plan investments of 6.00%. The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on

these assumptions, the 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 asset.

Sensitivity of the School's proportionate share of the net OPEB asset to changes in the discount rate

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

1% Decrease 5.0%	Current Discount Rate 6.0%	1% Increase 7.0%
$179,616	($173,257)	($476,517)

Sensitivity of the School's proportionate share of the net OPEB asset to Healthcare Cost Trend Rate

The following presents the School's proportionate share of the net OPEB asset calculated using assumed trend rates, as well as what the School's proportionate share of net OPEB asset would be if it were calculated using a trend rate that is 1-percentage-point lower or 1-percentage-point higher:

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
($477,274)	($173,257)	$155,788

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued 2023 MPSERS ACFR, available on the ORS website at **Michigan.gov/ORSSchools**.

Note 9 - Risk Management

The School District is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation), as well as medical benefits provided to employees. The School District has purchased commercial insurance for general liability, property and casualty and health claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years. There was no reduction in coverage obtained through commercial insurance during the past year.

Note 10 - State of Michigan School Aid

The School District reports State of Michigan school aid in the fiscal year in which the School District is entitled to the revenue as provided by State of Michigan School aid appropriation acts. State funding provided approximately 60.4% of the total revenues to the School District during the June 30, 2024 fiscal year.

Note 11 - Fund Balance

The School District reports fund balance in governmental funds based on the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions.* GASB 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Detailed information on fund balances of governmental funds is as follows:

		Debt Service		
	General	Debt Service	Other Governmental Funds	Total
Nonspendable:				
Prepaid items	$ 17,193	$ -	$ -	$ 17,193
Inventories	-	-	7,035	7,035
Total nonspendable	17,193	-	7,035	24,228
Restricted for:				
Debt service	-	481,878	-	481,878
Capital projects	-	-	226,285	226,285
Student activities	-	-	104,988	104,988
Food service	-	-	98,996	98,996
Total restricted	-	481,878	430,269	912,147
Unassigned	2,578,444	-	-	2,578,444
Total Fund Balances	$ 2,595,637	$ 481,878	$ 437,304	$ 3,514,819

Note 12 - Subsequent Events

Management has evaluated subsequent events through October 31, 2024, the date these financial statements were available to be issued, and is not aware of any events that could have a financial impact on the School District.

Note 13 - Restatement of Fund Balance

During the year ended June 30, 2024, the School identified an error in the prior year's allocation of indirect costs between the general fund and the food service fund. In the previous year, an excess

allocation of indirect costs from the food service fund to the general fund was recorded. As a result, an adjustment has been made to restate the beginning fund balances to correct this allocation.

The effect of this correction on the beginning fund balances is as follows:

- General fund: Decreased from $2,116,679 to $2,116,236
- Food service fund: Increased from $15,226 to $15,669

This correction did not affect the total fund balance of the governmental funds, nor did it impact the School's overall net position.

Required Supplementary Information

Bellevue Community Schools
Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance Favorable (Unfavorable) Final to Actual
Revenues				
Local sources	$ 679,563	$ 794,042	$ 821,451	$ 27,409
State sources	6,372,537	6,701,729	6,425,210	(276,519)
Federal sources	641,665	763,215	568,488	(194,727)
Interdistrict and other	728,875	732,024	614,412	(117,612)
Total Revenues	8,422,640	8,991,010	8,429,561	(561,449)
Expenditures				
Instruction				
Basic programs	3,599,597	3,531,569	3,431,836	99,733
Added needs	1,250,208	930,930	912,808	18,122
Total instruction	4,849,805	4,462,499	4,344,644	117,855
Support services				
Pupil services	245,490	349,527	289,630	59,897
Instructional staff	320,801	312,235	233,608	78,627
General administration	396,448	432,766	402,135	30,631
School administration	341,609	431,561	383,871	47,690
Business	204,194	210,928	165,019	45,909
Operations and maintenance	1,458,899	1,259,755	1,108,441	151,314
Pupil transportation	405,200	524,356	483,774	40,582
Central	222,630	340,227	329,436	10,791
Athletics	165,802	194,680	167,449	27,231
Total support services	3,761,073	4,056,035	3,563,363	492,672
Community services				
Community activities	2,750	18,650	16,068	2,582
Child care	27,477	28,347	19,784	8,563
Total community services	30,227	46,997	35,852	11,145
Debt service - interest	--	--	5,935	(5,935)
Total Expenditures	8,641,105	8,565,531	7,949,794	615,737
Other Financing Uses				
Transfers out	95,000	95,000	366	94,634
Total Expenditures and Other Financing Uses	8,736,105	8,660,531	7,950,160	710,371
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	(313,465)	330,479	479,401	148,922
Net Change in Fund Balance	**(313,465)**	**330,479**	**479,401**	**148,922**
Fund Balance at Beginning of Period (restated, note 13)	2,116,236	2,116,236	2,116,236	--
Fund Balance at End of Period	**$ 1,802,771**	**$ 2,446,715**	**$ 2,595,637**	**$ 148,922**

Bellevue Community Schools
Schedule of School District's Proportionate Share of Net Pension Liability
Michigan Public School Employee Retirement Plan
Last Ten Fiscal Years (Amounts were determined as of September 30 of each fiscal year)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
School District's Portion of Net Pension Liability (%)	0.03207%	0.03277%	0.03025%	0.02974%	0.03099%	0.03153%	0.03154%	0.031247%	0.03115%	0.02876%
School District's Proportionate Share of Net Pension Liability	$ 10,379,810	$ 12,325,427	$ 7,161,076	$ 10,215,405	$ 10,261,614	$ 9,477,447	$ 8,172,735	$ 7,795,948	$ 7,608,132	$ 6,333,769
School District's Covered Payroll	$ 3,049,366	$ 3,274,431	$ 2,860,413	$ 2,797,496	$ 2,695,455	$ 2,667,440	$ 2,643,606	$ 2,643,424	$ 2,263,475	$ 2,197,549
School District's Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	340.39%	376.41%	250.35%	365.16%	380.70%	355.30%	309.15%	294.92%	336.13%	288.22%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	65.91%	60.77%	72.60%	59.72%	60.31%	62.36%	63.27%	63.01%	62.92%	66.20%

Bellevue Community Schools
Schedule of School District's Pension Contributions
Michigan Public School Employee Retirement Plan
Last Ten School District Fiscal Years (Amounts determined as of June 30 of each year)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily Required Contributions	$ 1,155,840	$ 1,115,450	$ 1,092,918	$ 872,503	$ 777,895	$ 776,976	$ 743,526	$ 705,576	$ 626,429	$ 525,609
Contributions in Relation to Statutorily Required Contributions	1,155,840	1,115,450	1,092,918	872,503	777,895	776,976	743,526	705,576	626,429	525,609
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School District's Covered Payroll	$ 2,900,795	$ 3,052,466	$ 3,186,679	$ 2,797,496	$ 2,578,888	$ 2,713,309	$ 2,622,424	$ 2,758,853	$ 2,263,475	$ 2,197,549
Contributions as a Percentage of Covered Payroll	39.85%	36.54%	34.30%	31.19%	30.16%	28.64%	28.35%	25.57%	27.68%	23.92%

Bellevue Community Schools
Schedule of School District's Proportionate Share of Net OPEB Liability (Asset)
Michigan Public School Employee Retirement Plan
Last Seven Fiscal Years (Amounts were determined as of September 30 of each fiscal year)

	2023	2022	2021	2020	2019	2018	2017
School District's Portion of Net OPEB Liability (%)	0.03063%	0.03369%	0.03156%	0.02918%	0.03082%	0.03135%	0.03147%
School District's Proportionate Share of Net OPEB Liability (Asset)	$ (173,257)	$ 713,527	$ 481,649	$ 1,563,071	$ 2,212,514	$ 2,492,145	$ 2,786,869
School District's Covered Payroll	$ 3,049,366	$ 3,274,431	$ 2,860,413	$ 2,585,708	$ 2,695,455	$ 2,667,440	$ 2,643,606
School District's Proportionate Share of Net OPEB Liability as a Percentage of its Covered Payroll	-5.68%	21.79%	16.84%	60.45%	82.08%	93.43%	105.42%
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	105.04%	83.09%	87.33%	59.44%	48.46%	42.95%	36.39%

Bellevue Community Schools
Schedule of School District's OPEB Contributions
Michigan Public School Employee Retirement Plan
Last Seven School District Fiscal Years (Amounts determined as of June 30 of each year)

	2024	2023	2022	2021	2020	2019	2018
Statutorily Required Contributions	238,584	256,610	$ 264,931	$ 234,973	$ 207,010	$ 205,573	$ 194,415
Contributions in Relation to Statutorily Required Contributions	238,584	256,610	264,931	234,973	207,010	205,573	194,415
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
School District's Covered Payroll	$ 2,900,795	$ 3,052,466	$ 3,186,679	$ 2,797,496	$ 2,578,888	$ 2,713,309	$ 2,622,424
Contributions as a Percentage of Covered Payroll	8.22%	8.41%	8.31%	8.40%	8.03%	7.58%	7.41%

APPENDIX D

FORM OF APPROVING OPINION

[THIS PAGE INTENTIONALLY LEFT BLANK]

THRUN
LAW FIRM, P.C.

U.S. MAIL ADDRESS
P.O. BOX 2575, EAST LANSING, MI 48826-2575
PHONE: (517) 484-8000 FAX: (517) 484-0041

ALL OTHER SHIPPING
2900 WEST ROAD, SUITE 400
EAST LANSING, MI 48823-6386

DRAFT LEGAL OPINION

Bellevue Community Schools
Counties of Eaton, Barry and Calhoun
State of Michigan

We have acted as bond counsel in connection with the issuance by Bellevue Community Schools, Counties of Eaton, Barry and Calhoun, State of Michigan (the "Issuer"), of its bonds in the aggregate principal amount of $2,320,000 designated 2025 School Improvement Bonds (General Obligation - Limited Tax) (the "Bonds"). The Bonds are in fully registered form and issued without coupons, are dated ______________, 2025, are of $5,000 denomination or any integral multiple thereof, are subject to redemption prior to maturity at the option of the Issuer in the manner and at the times as set forth in the Bonds, mature on May 1 of each year, and bear interest payable on November 1, 2025, and semiannually thereafter on May 1 and November 1 of each year in the amounts and at the rates as follows:

Year	Amount	Rate	Year	Amount	Rate
2027	$80,000		2037	$125,000	
2028	85,000		2038	130,000	
2029	85,000		2039	135,000	
2030	90,000		2040	140,000	
2031	95,000		2041	145,000	
2032	100,000		2042	155,000	
2033	105,000		2043	160,000	
2034	110,000		2044	170,000	
2035	115,000		2045	175,000	
2036	120,000				

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

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

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

(1) the Bonds have been lawfully authorized and issued and are enforceable obligations of the Issuer in accordance with their terms;

(2) the Bonds are the limited tax general obligation of the Issuer for which its full faith, credit and resources have been irrevocably pledged;

EAST LANSING • NOVI • WEST MICHIGAN

(3) the Issuer has the power, has pledged, and is obligated to levy taxes, within its authorized millage rate, on all taxable property now situated within the corporate boundaries of the Issuer in an amount sufficient to pay the principal of and interest on the Bonds, taking into account other available funds, but the Issuer does not have the power to levy taxes for the payment of the Bonds in excess of its constitutional and statutory tax rate limitations;

(4) if tax collections are insufficient to pay the principal of and interest on the Bonds when due, the Issuer has pledged and is obligated to use any and all other resources available for payment of the Bonds;

(5) the Issuer has designated the Bonds as "qualified tax-exempt obligations" within the meaning of the Internal Revenue Code of 1986, as amended (the "Code");

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

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

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

THRUN LAW FIRM, P.C.

TLF/CJI

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

[THIS PAGE INTENTIONALLY LEFT BLANK]

FORM OF
CONTINUING DISCLOSURE AGREEMENT

$2,320,000
BELLEVUE COMMUNITY SCHOOLS
COUNTIES OF EATON, BARRY AND CALHOUN
STATE OF MICHIGAN
2025 SCHOOL IMPROVEMENT BONDS
(GENERAL OBLIGATION - LIMITED TAX)

This Continuing Disclosure Agreement (the "Agreement") is executed and delivered by Bellevue Community Schools, Counties of Eaton, Barry and Calhoun, State of Michigan (the "Issuer"), in connection with the issuance of its $2,320,000 2025 School Improvement Bonds (General Obligation - Limited Tax) (the "Bonds"). The Bonds are being issued pursuant to resolutions adopted by the Board of Education of the Issuer on February 24, 2025 and ______________, 2025 (together, the "Resolution"). The Issuer covenants and agrees as follows:

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

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

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

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

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

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

"Financial Obligation" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of (a) or (b) provided; however, that a "Financial Obligation" shall not include any municipal security for which a final official statement has been provided to the MSRB consistent with the Rule.

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

"MSRB" shall mean the Municipal Securities Rulemaking Board.

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

"Official Statement" shall mean the final Official Statement for the Bonds dated __________, 2025.

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

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

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

"SEC" shall mean the Securities and Exchange Commission.

"State" shall mean the State of Michigan.

SECTION 3. Provision of Annual Reports.

(a) Each year, the Issuer shall provide, or shall cause the Dissemination Agent to provide, on or prior to the end of the sixth month after the end of the fiscal year of the Issuer commencing with the fiscal year ending June 30, 2025, to EMMA an Annual Report for the preceding fiscal year which is consistent with the requirements of Section 4 of this Agreement. Currently, the Issuer's fiscal year ends on June 30. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by specific reference other information as provided in Section 4 of this Agreement; provided, however, that if the audited financial statements of the Issuer are not available by the deadline for filing the Annual Report, they shall be provided when and if available, and unaudited financial statements in a format similar to the financial statements contained in the Official Statement shall be included in the Annual Report.

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

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

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

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

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

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

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

SECTION 5. Reporting of Significant Events.

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

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

(10) release, substitution, or sale of property securing repayment of the securities, if material;

(11) rating changes;

(12) bankruptcy, insolvency, receivership or similar event of the Issuer or other obligated person;

(13) the consummation of a merger, consolidation, or acquisition involving the Issuer or other obligated person or the sale of all or substantially all of the assets of the Issuer or other obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) incurrence of a Financial Obligation of the Issuer or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or other obligated person, any of which affect security holders, if material;

(16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer or other obligated person, any of which reflect financial difficulties.

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

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

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

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

SECTION 6. Termination of Reporting Obligation.

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

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

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

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

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

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

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

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

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

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

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

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

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

BELLEVUE COMMUNITY SCHOOLS
COUNTIES OF EATON, BARRY AND
CALHOUN
STATE OF MICHIGAN

By:____
Its: Superintendent

Dated: ____________, 2025

APPENDIX A

NOTICE TO THE MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Bellevue Community Schools, Eaton, Barry and Calhoun Counties, Michigan
Name of Bond Issue:	2025 School Improvement Bonds (General Obligation - Limited Tax)
Date of Bonds:	_________________, 2025

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

BELLEVUE COMMUNITY SCHOOLS
COUNTIES OF EATON, BARRY AND
CALHOUN
STATE OF MICHIGAN

By: ______________________________________
Its: Superintendent

Dated: ________________________

APPENDIX B

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

Name of Issuer:	Bellevue Community Schools, Eaton, Barry and Calhoun Counties, Michigan
Name of Bond Issue:	2025 School Improvement Bonds (General Obligation - Limited Tax)
Date of Bonds:	_________________, 2025

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

BELLEVUE COMMUNITY SCHOOLS
COUNTIES OF EATON, BARRY AND CALHOUN
STATE OF MICHIGAN

By: ____
Its: Superintendent

Dated: _________________________

APPENDIX C

SIGNIFICANT EVENT NOTICE COVER SHEET

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

Issuer's and/or other Obligated Person's Name: ______________________________

Issuer's Six-Digit CUSIP Number(s): ______________________________

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

Number of pages of attached significant event notice: ______________________________

Description of Significant Events Notice (Check One):

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

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

Signature: ______________________________

Name: ______________________ Title: ______________________

Employer: ______________________________

Address: ______________________________

City, State, Zip Code: ______________________________

Voice Telephone Number: (____________)______________________________

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

APPENDIX F

DRAFT OFFICIAL NOTICE OF SALE

[THIS PAGE INTENTIONALLY LEFT BLANK]

OPTIONAL DTC BOOK-ENTRY-ONLY

OFFICIAL NOTICE OF SALE
$2,320,000
BELLEVUE COMMUNITY SCHOOLS
COUNTIES OF EATON, BARRY AND CALHOUN
STATE OF MICHIGAN
2025 SCHOOL IMPROVEMENT BONDS
(GENERAL OBLIGATION - LIMITED TAX)

BIDS for the purchase of the above 2025 School Improvement Bonds (the "Bond" or "Bonds") will be received electronically on behalf of Bellevue Community Schools, Eaton, Barry and Calhoun Counties, Michigan (the "Issuer"), on Wednesday, the 7th day of May, 2025, until 11:00 a.m., prevailing Eastern Time, by the Municipal Advisory Council of Michigan (the "MAC") via email at munibids@macmi.com. The bids will be opened and read at the MAC at that time. Award of the bid will be made on behalf of the Issuer by an authorized officer of the Issuer by 5:00 p.m., prevailing Eastern Time, on that date.

ELECTRONIC BIDS: Bidders submitting signed bids electronically must ensure their bids are received prior to the time and date fixed for receipt of bids. Bidders submitting bids electronically bear the full risk of failed or untimely transmission of their bids, and bidders are encouraged to confirm the timely receipt of their full and complete bids by telephoning the MAC at (313) 963-0420.

***PARITY*:** Bids may be presented via PARITY on the date and at the time shown above. To the extent any instructions or directions set forth in PARITY conflict with this Notice, the terms of this Notice shall control. For further information about PARITY, potential bidders may contact PFM Financial Advisors LLC, at (734) 994-9700 or PARITY at (212) 849-5021.

OPTIONAL DTC BOOK-ENTRY-ONLY: Unless otherwise requested by the winning bidder (the "Purchaser"), the Bonds will be initially offered as registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC") under DTC's Book-Entry-Only system of registration. Purchasers of interests in the Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates, and ownership by the Beneficial Owners of the Bonds will be evidenced by book-entry-only. As long as Cede & Co. is the registered owner of the Bonds as nominee of DTC, payments of principal and interest will be made directly to such registered owner which will in turn remit such payments to the DTC participants for subsequent disbursement to the Beneficial Owners.

BOND DETAILS: Said Bonds will be fully registered Bonds, of the denomination of $5,000 each or multiples thereof up to the amount of a single maturity, shall be dated the date of delivery, numbered in order of issue from 1 upwards and will bear interest from their dated date payable on November 1, 2025, and semiannually thereafter.

The Bonds will mature on May 1 as follows:

Year	Amount	Year	Amount
2027	$80,000	2037	$125,000
2028	85,000	2038	130,000
2029	85,000	2039	135,000
2030	90,000	2040	140,000
2031	95,000	2041	145,000
2032	100,000	2042	155,000
2033	105,000	2043	160,000
2034	110,000	2044	170,000
2035	115,000	2045	175,000
2036	120,000		

MATURITY ADJUSTMENT: The Issuer reserves the right to decrease the aggregate principal amount of the Bonds after receipt of the bids and prior to final award. Such adjustment, if necessary, will be made in increments of $5,000 and may be made in any maturity.

ADJUSTMENT TO PURCHASE PRICE: In the event of a maturity adjustment, the purchase price of the Bonds will be adjusted proportionately to the adjustment in principal amount of the Bonds and in such manner as to maintain as comparable an underwriter spread as possible to the winning bid.

TERM BOND OPTION: Bidders shall have the option of designating bonds maturing in any year as serial bonds or term bonds, or both. The bidder must designate whether each of the principal amounts shown above represent a serial maturity or a mandatory redemption requirement for a term bond maturity. There may be more than one term bond maturity. In any event, the above principal amount schedule shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both. Any such designation must be made within one (1) hour after the Bond sale.

PAYING AGENT: Principal and interest shall be payable at a bank or trust company qualified to act as a paying agent in Michigan (the "Paying Agent"), or such other Paying Agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any change in Paying Agent. In the event the Bonds cease to be held in book entry form only, the Paying Agent will serve as bond registrar and transfer agent, interest shall be paid by check mailed to the owner as shown by the registration books of the Issuer as of the close of business on the 15th day of the month preceding any interest payment date and the Bonds will be transferable only upon the registration books of the Issuer kept by the Paying Agent. See "Optional DTC Book-Entry-Only" above.

PRIOR REDEMPTION:

A. Mandatory Redemption - Term Bonds.

Principal designated by the Purchaser of the Bonds as a term maturity shall be subject to mandatory redemption, in part, by lot, at par and accrued interest on the redemption dates corresponding to the maturities hereinbefore scheduled. When term Bonds are purchased by the Issuer and delivered to the Paying Agent for cancellation or are redeemed in a manner other than by mandatory redemption, the principal amount of the term Bonds affected shall be reduced by the principal amount of the Bonds so redeemed or purchased in the order determined by the Issuer.

B. Optional Redemption.

Bonds of this issue maturing in the years 2027 through 2035, inclusive, shall not be subject to redemption prior to maturity. The Bonds or portions of Bonds maturing on or after May 1, 2036, are subject to redemption prior to maturity at the option of the Issuer in multiples of $5,000 in such order as the Issuer may determine, by lot within any maturity, on any date occurring on or after May 1, 2035, at par and accrued interest to the date fixed for redemption.

Notice of redemption of any Bond shall be given not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption by mail to the Registered Owner at the registered address shown on the registration books kept by the Paying Agent. Bonds shall be called for redemption in multiples of $5,000 and Bonds of denominations of more than $5,000 shall be treated as representing the number of Bonds obtained by dividing the denomination of the Bond by $5,000 and such Bonds may be redeemed in part. The notice of redemption for Bonds redeemed in part shall state that upon surrender of the Bond to be redeemed a new Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond surrendered shall be issued to the Registered Owner thereof. No further interest payment on the Bonds or portions of Bonds called for redemption shall accrue after the date fixed for redemption, whether presented for redemption, provided funds are on hand with the Paying Agent to redeem the same.

If less than all of the Bonds of any maturity shall be called for redemption prior to maturity, unless otherwise provided, the particular Bonds or portions of Bonds to be redeemed shall be selected by the Paying Agent, in such manner as the Paying Agent in its discretion may deem proper, in the principal amounts designated by the Issuer. Upon presentation and surrender of such Bonds at the corporate trust office of the Paying Agent, such Bonds shall be paid and redeemed.

INTEREST RATE AND BIDDING DETAILS: The Bonds shall bear interest at a rate or rates not exceeding six percent (6%) per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/100 of 1%, or both. The interest on any one Bond shall be at one rate only. All Bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rates bid shall not exceed three percent (3%) per annum. No proposal for the purchase of less than all of the Bonds or at a price less than 99.5% or greater than 114% of the par value, or at a price which will cause the true interest cost on the Bonds to exceed six percent (6%) per annum, will be considered.

PURPOSE AND SECURITY: The Bonds are issued for the purpose of remodeling, erecting additions to, and equipping and re-equipping school buildings; and preparing, equipping, developing and improving sites. The Bonds are issued under the provisions of Act 451, Public Acts of Michigan, 1976, as amended. The Issuer has pledged the limited tax full faith and credit of the Issuer for the payment of principal and interest on the Bonds. The Issuer has further pledged to levy sufficient ad valorem taxes within its authorized millage rate annually as a first budget obligation, subordinate only to any first liens on said funds pledged for the payment of state aid notes, lines of credit or tax anticipation notes heretofore or hereafter issued. The Issuer does not have the power to levy taxes for the payment of the Bonds in excess of its constitutional or statutory tax rate limitations and, if tax collections are insufficient to pay the principal of or interest on the Bonds when due, the Issuer pledges to use any and all other resources available for the payment of the Bonds. The Issuer has reserved the right to issue additional bonds of equal standing.

AWARD OF BONDS: The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost which is the rate that will discount all future cash payments so that the sum of the present value of all cash flows will equal the Bond proceeds computed from May 29, 2025 (the anticipated date of delivery).

LEGAL OPINION: Bids shall be conditioned upon the unqualified approving opinion of Thrun Law Firm, P.C., East Lansing, Michigan, bond counsel, the original of which will be furnished without expense to the Purchaser of the Bonds at the delivery thereof. The fees of Thrun Law Firm, P.C. for services rendered in connection with such approving opinion are expected to be paid from Bond proceeds. Except to the extent necessary to issue its approving opinion as to the validity of the above Bonds, Thrun Law Firm, P.C. has not been requested to examine or review, and has not examined or reviewed, any financial documents, statements or other materials that have been or may be furnished in connection with the authorization, marketing or issuance of the Bonds and, therefor, has not expressed and will not express an opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

TAX MATTERS: In the opinion of bond counsel, assuming continued compliance by the Issuer with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excluded from gross income for federal income tax purposes, as described in the opinion, and the Bonds and interest thereon are exempt from all taxation in the State of Michigan, except inheritance and estate taxes and taxes on gains realized from the sale, payment or other disposition thereof. The Issuer has designated the Bonds as **"QUALIFIED TAX-EXEMPT OBLIGATIONS"** within the meaning of the Code, and has covenanted to comply with those requirements of the Code necessary to continue the exclusion of interest on the Bonds from gross income for federal income tax purposes.

OFFICIAL STATEMENT: Upon the sale of the Bonds, the Issuer will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. Promptly after the sales date, but in no event later than seven (7) business days after such date, the Issuer will provide the Purchaser with either a reasonable number of final Official Statements or a reasonably available electronic version of the same. The Issuer will determine which format will be provided. The Purchaser agrees to supply to the Issuer all necessary pricing information and any underwriter identification necessary to complete the Official Statement within twenty-four (24) hours after the award of Bonds. Additional copies of the final Official Statement may be obtained up to three months following the sale of the Bonds by a request and payment of costs to the financial consultant. The Issuer agrees to provide to the Purchaser at closing a certificate executed by appropriate officers of the Issuer acting in their official capacities, to the effect that as of the date of delivery the information contained in the Official Statement, and any supplement to the Official Statement, relating to the Issuer and the Bonds are true and correct in all material respects, and that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

CONTINUING DISCLOSURE: As more particularly described in the Official Statement, the Issuer will agree in the bond resolution or sales resolution to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission, (i) on or prior to the end of the sixth month after the end of the fiscal year of the Issuer, commencing with the fiscal year ended June 30, 2025, certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement relating to the Bonds, (ii) timely notice of the occurrence of certain significant events with respect to the Bonds and (iii) timely notice of a failure by the Issuer to provide the required annual financial information on or before the date specified in (i) above.

BOND INSURANCE: In the event the Purchaser elects to obtain bond insurance for the Bonds, all costs and expenses related to such bond insurance shall be the responsibility of the Purchaser. The failure of such bond insurance to be issued at or before delivery of the Bonds shall not be a basis for the Purchaser to refuse to accept delivery of the Bonds. In the event the Purchaser obtains bond insurance, the bond insurer shall not be entitled to be designated as an addressee of any bond counsel opinion related to the Bonds, nor shall the bond insurer be entitled to a reliance letter associated with the same. If the Purchaser obtains bond insurance, the Issuer agrees only to insert any reasonable and necessary insurance language in the Bonds.

CERTIFICATION REGARDING "ISSUE PRICE": Please see Appendix G to the Preliminary Official Statement for the Bonds, dated April 23, 2025, for information and requirements concerning establishing the issue price for the Bonds.

CLOSING DOCUMENTS: Drafts of all closing documents, including the form of Bond and bond counsel's legal opinion, may be requested from Thrun Law Firm, P.C. Final closing documents will be in substantially the same form as the drafts provided. Closing documents will not be modified at the request of a bidder, regardless of whether the bidder's proposal is accepted.

DELIVERY OF BONDS: The Issuer will furnish Bonds ready for execution at its expense. Bonds will be delivered without expense to the Purchaser at a place to be mutually agreed upon with the Purchaser. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the Bonds, will be delivered at the time of the delivery of the Bonds. If the Bonds are not tendered for delivery by twelve o'clock, noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if the 45th day is not a business day, the Purchaser may on that day, or any time thereafter until delivery of the Bonds, withdraw the proposal by serving notice of cancellation in writing, on the undersigned. Accrued interest to the date of delivery of the Bonds shall be paid by the Purchaser at the time of delivery. Payment for the Bonds shall be made in federal reserve funds. Unless the Purchaser furnishes the Paying Agent with a list giving the denominations and names in which it wishes to have the certificates issued at least five (5) business days prior to delivery of the Bonds, the Bonds will be delivered in the form of a single certificate for each maturity registered in the name of the Purchaser, subject to the election under the "Optional DTC Book-Entry-Only" provisions herein.

CUSIP NUMBERS: CUSIP numbers will be printed on the Bonds at the option of the Purchaser; however, neither the failure to print CUSIP numbers nor any improperly printed CUSIP numbers shall be cause for the Purchaser to refuse to take delivery of and pay the purchase price for the Bonds. Application for CUSIP numbers will be made by PFM Financial Advisors LLC, municipal advisor to the Issuer. The CUSIP Service Bureau's charge for the assignment of CUSIP identification numbers shall be paid by the Purchaser.

BIDDER CERTIFICATION - NOT "IRAN-LINKED BUSINESS": By submitting a bid, the bidder shall be deemed to have certified that it is not an "Iran-Linked Business" as defined in Act 517, Public Acts of Michigan, 2012; MCL 129.311, et seq.

FURTHER INFORMATION may be obtained from PFM Financial Advisors LLC, 555 Briarwood Circle, Suite 333, Ann Arbor, Michigan 48108, telephone: (734) 994-9700.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Jill Caro
Secretary, Board of Education

APPENDIX G

CERTIFICATION REGARDING "ISSUE PRICE"

[THIS PAGE INTENTIONALLY LEFT BLANK]

CERTIFICATION REGARDING "ISSUE PRICE": The initial Purchaser of the Bonds (the "Purchaser") must assist the Issuer in establishing the issue price of the Bonds and will be required to furnish, at least ten (10) days prior to the delivery of the Bonds, a certificate in a form acceptable to bond counsel as to the "issue price" of the Bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

The certificate will set forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications with such modifications as may be appropriate or necessary in the sole judgment of bond counsel. The Issuer intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

(i) the Issuer shall disseminate the Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
(ii) all bidders shall have an equal opportunity to bid;
(iii) the Issuer may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
(iv) the Issuer anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in the Notice of Sale.

Any bid submitted pursuant to the Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid. Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless the bidder intends to hold the Bonds for its own account with no intention to offer the Bonds to the public, the bidder, by submitting a bid, represents to the Issuer that the bidder has an established industry reputation for underwriting new issuances of municipal bonds.

In the event that the competitive sale requirements are not satisfied, the Issuer shall so advise the Purchaser. In that case, the Purchaser shall have the option to designate whether the issue price will be calculated upon either (a) the first price at which 10% of each maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis, or (b) a commitment to neither offer nor sell any of the Bonds of any maturity to any person at a price that is higher than the initial offering price referenced in the Purchaser's bid (the "initial offering price") during the holding period as defined herein.

If the 10% test is selected, the Purchaser shall advise the Issuer if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds, and bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds. If the competitive sale requirements are not satisfied and the 10% test is selected, then until the 10% test has been satisfied as to each maturity of the Bonds, the Purchaser agrees to promptly report to the Issuer the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

In the event the "hold-the-offering-price" method is selected, for each maturity of the Bonds the Purchaser shall (a) neither offer nor sell any of the Bonds of such maturity to any person at a price that is higher than the initial offering price for such maturity during the holding period for such maturity (the "hold-the-offering-price rule"), and (b) verify that any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no underwriter (as defined below) shall offer or sell any maturity of the Bonds at a price that is higher than the respective initial offering price for that maturity of the Bonds during the holding period.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to either abide by the hold-the-offering-price limitations stated herein or to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Purchaser that the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the Purchaser and as set forth in the related pricing wires, depending on whether the hold-the-offering-price method or the 10% test is selected by the Purchaser, and (ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to either abide by the hold-the-offering-price limitations stated herein or to report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Purchaser or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, if and for so long as directed by the Purchaser or such underwriter and as set forth in the related pricing wires, depending on whether the hold-the-offering-price method or the 10% test is selected by the Purchaser.

Sales of any Bonds to any person who is a related party to an underwriter shall not constitute sales to the public for purposes of the Notice of Sale. Further, for purposes of this section of the Notice of Sale:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person who agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person who agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public),

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50%

common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),

(iv) "sale date" means the date that the Bonds are awarded by the Issuer to the Purchaser,

(v) "holding period" means, for each maturity of the Bonds, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which the Underwriter has sold at least 10% of each maturity to the Public at prices that are no higher than the Initial Offering Price for such maturity, and

(vi) "maturity" means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

In addition, if the Purchaser will obtain a municipal bond insurance policy or other credit enhancement for the Bonds in connection with their original issuance, the Purchaser will be required, as a condition of delivery of the Bonds, to certify whether the premium therefor representing the transfer of credit risk will be less than the present value of the interest expected to be saved as a result of such insurance or other credit enhancement. The form of an acceptable certificate will be provided by bond counsel.

[THIS PAGE INTENTIONALLY LEFT BLANK]

[THIS PAGE INTENTIONALLY LEFT BLANK]

BID FORM

To: Secretary, Board of Education
Bellevue Community Schools
c/o Municipal Advisory Council
munibids@macmi.com
Phone: (800) 337-0696

Sale Date: May 7, 2025
11:00 AM, ET

RE: $2,320,000* Bellevue Community Schools, Counties of Eaton, Barry and Calhoun, State of Michigan, 2025 School Improvement Bonds (General Obligation – Limited Tax)

For all or none of the above Bonds, in accordance with the Official Notice of Sale, we will pay you $2,320,000* less a discount/plus a premium (cross out non-applicable) of $_________________ for fully registered bonds bearing interest rates and maturing in the stated years as follows:

2027	______________	2034	______________	2040	______________
2028	______________	2035	______________	2041	______________
2029	______________	2036	______________	2042	______________
2030	______________	2037	______________	2043	______________
2031	______________	2038	______________	2044	______________
2032	______________	2039	______________	2045	______________
2033	______________				

The following maturities have been designated as Term Bonds:

	Mandatory Redemption				Mandatory Redemption		
From:	_____________	to	_____________	From:	_____________	to	____________
From:	_____________	to	_____________	From:	_____________	to	____________
From:	_____________	to	_____________	From:	_____________	to	____________
From:	_____________	to	_____________	From:	_____________	to	____________
From:	_____________	to	_____________				

In making this offer, we accept all of the terms and conditions of the Official Notice of Sale published in The Bond Buyer.

Not as a part of our offer, the above quoted prices being controlling, but only as an aid for the verification of the offer, we have made the following computations:

TRUE INTEREST COST: ____________________% (calculated from May 29, 2025)

Account Manager: ______________________________________ By: ___________________________________

Account Members: ____

The foregoing offer is hereby accepted by and on behalf of Bellevue Community Schools, Counties of Eaton, Barry and Calhoun, State of Michigan on the 7th day of May 2025.

Attest: ____ By ___________________________________

Title: ____ Title ______________________________

*Preliminary, subject to change.

Additional information relative to this Bond issue may be obtained from:

PFM Financial Advisors LLC
555 Briarwood Circle, Suite 333
Ann Arbor, MI 48108
(734) 994-9700

Mixed Sources
Product group from well managed forests, controlled sources and recycled wood or fiber.

Printed by: ImageMaster, LLC
www.imagemaster.com