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## INDEPENDENT AUDITOR'S REPORT

**The Board of Education  
Independent School District No. 31  
Bemidji, Minnesota**

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 31 - Bemidji, Minnesota, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Independent School District No. 31 - Bemidji, Minnesota's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Independent School District No. 31  
Bemidji, Minnesota**

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 31 - Bemidji, Minnesota, as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Budgetary Comparison Schedule, the Schedule of Changes in the District's Net OPEB Liability and Related Ratios, the Schedule of Investment Returns, the Schedule of the District's and Non-Employer Proportionate Share of the Net Pension Liability, and the Schedule of District's Contributions on pages 5 through 17 and 59 through 73, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Independent School District No. 31 - Bemidji, Minnesota's basic financial statements. The Official Directory, nonmajor governmental fund financial statements, Fiscal Compliance Report and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The nonmajor governmental fund financial statements, Fiscal Compliance Report, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the nonmajor governmental fund financial statements, Fiscal Compliance Report, and Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Independent School District No. 31  
Bemidji, Minnesota**

The Official Directory and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2021, on our consideration of Independent School District No. 31 - Bemidji, Minnesota'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 Independent School District No. 31 - Bemidji, Minnesota'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 Independent School District No. 31 - Bemidji, Minnesota's internal control over financial reporting and compliance.

*Miller McDonald, Inc.*

December 7, 2021  
Bemidji, Minnesota



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED ON AN AUDIT  
OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH THE MINNESOTA LEGAL COMPLIANCE AUDIT GUIDE  
FOR SCHOOL DISTRICTS**

**The Board of Education  
Independent School District No. 31  
Bemidji, Minnesota**

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 31 – Bemidji, Minnesota as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Independent School District No. 31 – Bemidji, Minnesota's basic financial statements, and have issued our report thereon dated December 7, 2021.

In connection with our audit, nothing came to our attention that caused us to believe that Independent School District No. 31 – Bemidji, Minnesota failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minn. Stat. §6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Independent School District No. 31 – Bemidji, Minnesota's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

*Miller McDonald, Inc.*

December 7, 2021  
Bemidji, Minnesota



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

**The Board of Education  
Independent School District No. 31  
Bemidji, Minnesota**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 31 – Bemidji, Minnesota, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Independent School District No. 31 – Bemidji, Minnesota's basic financial statements, and have issued our report thereon dated December 7, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Independent School District No. 31 – Bemidji, Minnesota's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Independent School District No. 31 – Bemidji, Minnesota's internal control. Accordingly, we do not express an opinion on the effectiveness of Independent School District No. 31 – Bemidji, Minnesota's internal control.

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

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

**Independent School District No. 31  
Bemidji, Minnesota**

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Independent School District No. 31 – Bemidji, Minnesota’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

*Miller McDonald, Inc.*

December 7, 2021  
Bemidji, Minnesota



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

**The Board of Education  
Independent School District No. 31  
Bemidji, Minnesota**

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

We have audited Independent School District No. 31 – Bemidji, Minnesota's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Independent School District No. 31 – Bemidji, Minnesota's major federal programs for the year ended June 30, 2021. Independent School District No. 31 – Bemidji, Minnesota's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of Independent School District No. 31 – Bemidji, Minnesota's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Independent School District No. 31 – Bemidji, Minnesota's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Independent School District No. 31 – Bemidji, Minnesota's compliance.

Opinion on Each Major Federal Program

In our opinion, Independent School District No. 31 – Bemidji, Minnesota complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Independent School District No. 31 – Bemidji, Minnesota, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Independent School District No. 31 – Bemidji, Minnesota’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Independent School District No. 31 – Bemidji, Minnesota’s internal control over compliance.

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

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

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

*Miller McDonald, Inc.*

December 7, 2021  
Bemidji, Minnesota





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December 7, 2021

To Board of Education  
Independent School District No. 31  
Bemidji, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 31, Bemidji, Minnesota, as of and for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 31, 2021. Professional standards require that we communicate to you the following information related to our audit.

**Significant Audit Matters**

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Independent School District No. 31, Bemidji, Minnesota are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2021. We noted no transactions entered into by the Independent School District No. 31, Bemidji, Minnesota during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in proper period.

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

- Management's estimate of the amounts due (receivables) from the Minnesota Department of Education that are based on the enrollment data available at September 13, 2021. We evaluated the key factors and assumptions used to develop these receivables in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of amounts due (payable) to employees for severance pay is based upon an actuarial valuation dated July 1, 2019. We evaluated the key factors and assumptions used to develop this payable in determining that they are reasonable in relation to the financial statements taken as a whole. The actuarial evaluation, as adjusted for current year amounts, is the basis for the estimated severance payable at June 30, 2021.

- Management's estimate of amounts due retirees for Other Post-Employment Benefits was provided by an actuarial valuation dated July 1, 2019. We evaluated the key factors and assumptions used to develop this payable in determining that they are reasonable in relation to the financial statements taken as a whole. The actuarial evaluation, as adjusted for current year amounts, is the basis for the estimated OPEB at June 30, 2021.
- Management's estimate of amounts related to deferred inflows and outflows of resources related to pensions and the net pension liability was provided by actuarial valuations dated July 1, 2020. The actuarial valuations were performed in order for the District to implement GASB Statements No. 68, *Accounting and Financial Reporting for Pensions*. We evaluated the key factors and assumptions used to develop these deferrals and liabilities in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statements disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosures pertaining to pensions and post-employment healthcare benefits in Notes 6 and 7 to the financial statements involve actuarial valuations which are based on significant assumptions and estimates which are used to come up with the associated deferred inflows and outflows of resources and liabilities that are reported in the government-wide financial statements.

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

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

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

#### *Corrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Misstatements uncorrected by management determined to be immaterial, both individual and in the aggregate, to the financial statements taken as a whole include the following:

- \$130,208 in accumulated donations for future projects are included as a liability on the balance sheet instead of restricted fund balance.
- Medical assistance billing not collected during the year were not included in receivables in general fund and government wide financial statements, \$136,716 and \$482,262 respectively.

The following material misstatements detected as a result of audit procedures were corrected by management:

- Adjustments to the net pension liability, net OPEB liability and other adjustments listed on page 23 of the audited financial statements to the convert the governmental fund financial statements to the government-wide financial statements.

#### *Disagreements with Management*

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

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 7, 2021.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Independent School District No. 31, Bemidji, Minnesota’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters including the application of accounting principles and auditing standards, with management each year prior to retention as the Independent School District No. 31, Bemidji, Minnesota’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management’s discussion and analysis, the General Fund budgetary comparison schedule, the Schedule of Changes in District’s Net OPEB Liability and Related Ratios, the Schedule of Investment Returns, the Schedule of the District’s and Non-Employer Proportionate Share of the Net Pension Liability and the Schedule of District’s Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

We were not engaged to report on the Official Directory and the statistical section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of Board of Education and management of Independent School District No. 31, Bemidji, Minnesota, and is not intended to be, and should not be, used by anyone other than these specified parties.

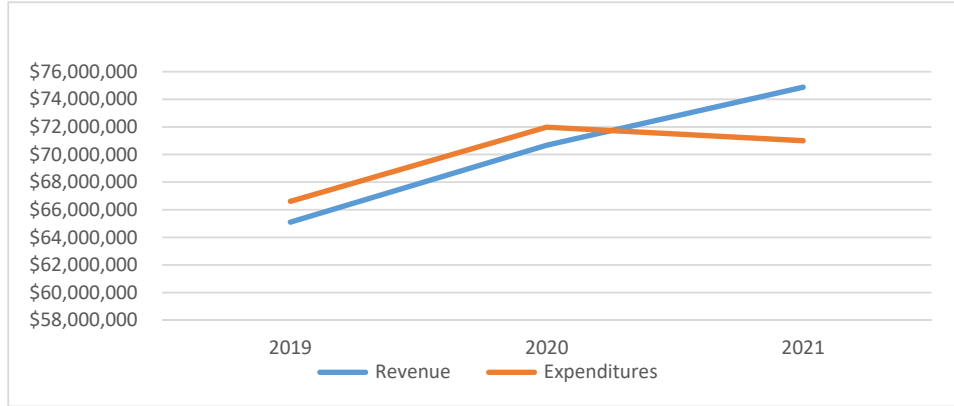
**Very Truly Yours,**

*Miller McDonald, Inc.*

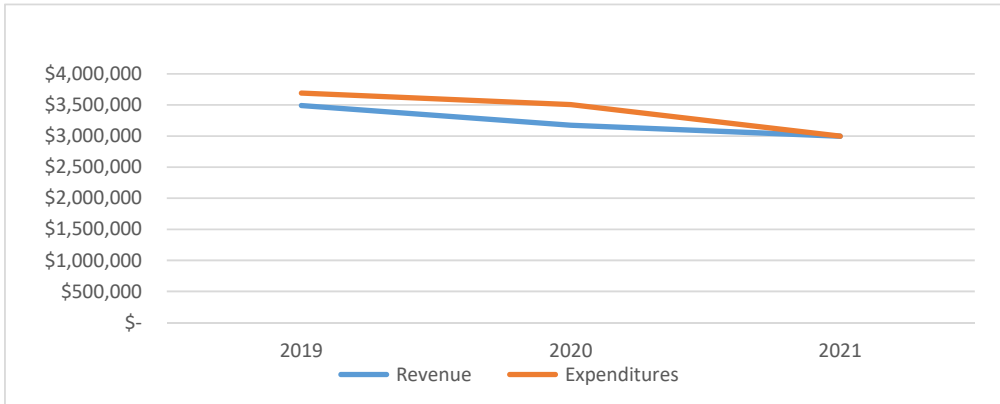
**Miller McDonald, Inc.**

3-year Analysis

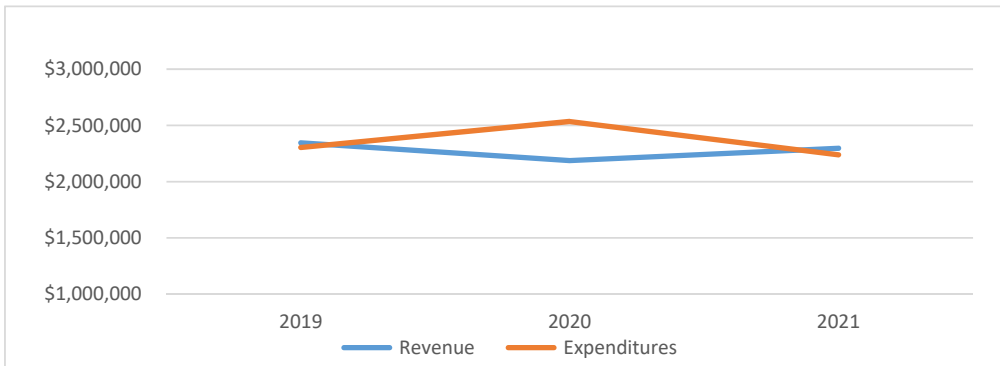
<b>General Fund:</b>	<u>Revenue</u>	<u>Expenditures</u>	<u>Other Sources, Net</u>	<u>Net Change</u>
2019	\$ 65,110,081	\$ 66,613,245	\$ 92,927	\$ (1,410,237)
2020	70,672,592	71,979,934	(339,975)	(1,647,317)
2021	74,875,598	71,001,958	-	3,873,640



<b>Food Service:</b>	<u>Revenue</u>	<u>Expenditures</u>	<u>Other Sources, Net</u>	<u>Net Change</u>
2019	\$ 3,490,475	\$ 3,689,990	\$ -	\$ (199,515)
2020	3,174,198	3,506,728	339,975	7,445
2021	2,997,200	2,997,200	-	-



<b>Community Service:</b>	<u>Revenue</u>	<u>Expenditures</u>	<u>Other Sources, Net</u>	<u>Net Change</u>
2019	\$ 2,345,033	\$ 2,304,240	\$ -	\$ 40,793
2020	2,187,373	2,534,825	-	(347,452)
2021	2,296,933	2,238,695	-	58,238

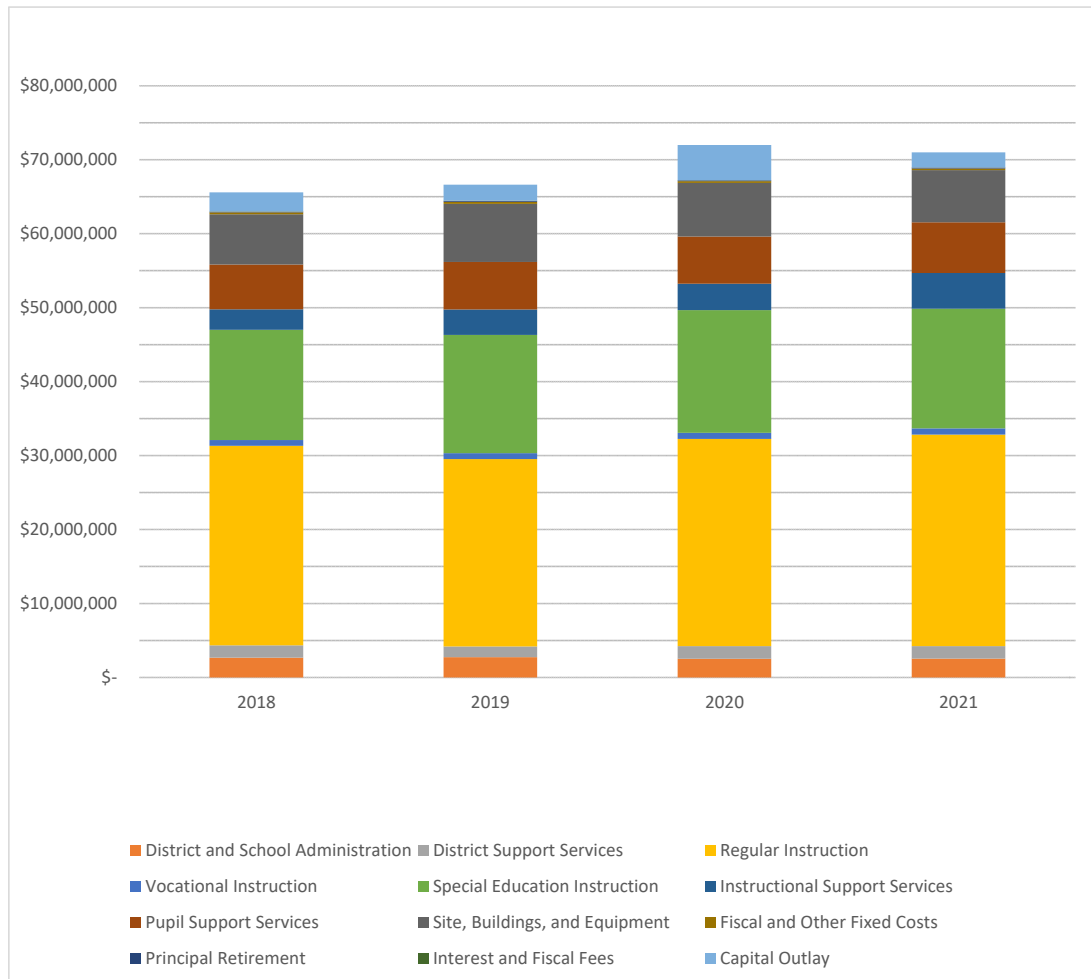


**INDEPENDENT SCHOOL DISTRICT NO. 31**  
**BEMIDJI, MINNESOTA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Local Property Taxes	\$ 6,322,925	\$ 6,970,946	\$ 7,147,717	\$ 176,771
Other Local and County Revenues	1,832,332	1,587,500	1,926,609	339,109
Revenues from State Sources	56,758,993	55,865,107	56,392,530	527,423
Revenues from Federal Sources	2,948,812	10,663,389	9,363,931	(1,299,458)
Sales and Other Conversions of Assets	36,258	6,000	17,822	11,822
Investment Earnings	30,420	100,250	26,989	(73,261)
<b>Total Revenues</b>	<b>67,929,740</b>	<b>75,193,192</b>	<b>74,875,598</b>	<b>(317,594)</b>
<b><u>Expenditures</u></b>				
<b>Current:</b>				
Administration	2,835,317	2,605,367	2,572,002	33,365
District Support Services	1,552,148	1,829,930	1,685,423	144,507
Regular Instruction	29,004,560	28,277,361	28,585,657	(308,296)
Vocational Instruction	911,706	907,378	843,620	63,758
Special Education Instruction	14,866,836	17,945,408	16,183,824	1,761,584
Instructional Support Services	3,123,978	5,034,911	4,807,320	227,591
Pupil Support Services	6,115,528	6,890,905	6,849,275	41,630
Sites and Buildings	7,365,100	7,392,352	7,053,145	339,207
Fiscal and Other Fixed Costs	299,457	249,749	235,760	13,989
<b>Debt Service:</b>				
Principal Retirement	107,310	115,951	116,950	(999)
Interest and Fiscal Fees	35,770	25,000	24,288	712
Capital Outlay	2,744,786	2,908,583	2,044,694	863,889
<b>Total Expenditures</b>	<b>68,962,496</b>	<b>74,182,895</b>	<b>71,001,958</b>	<b>3,180,937</b>
<b>Net Change in Fund Balance</b>	<b>(1,032,756)</b>	<b>1,010,297</b>	<b>3,873,640</b>	<b>2,863,343</b>
<b>Fund Balances, Beginning of Year</b>	<b>7,882,258</b>	<b>7,882,258</b>	<b>7,882,258</b>	<b>-</b>
<b>Fund Balances, End of Year</b>	<b>\$ 6,849,502</b>	<b>\$ 8,892,555</b>	<b>\$ 11,755,898</b>	<b>\$ 2,863,343</b>

See Accompanying Notes to the Required Supplementary Information.

<b>General Fund Expenditures</b>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>% vs. PY</u>
<b>Current**</b>					
District and School Administration	\$ 2,684,057	\$ 2,763,010	\$ 2,543,521	\$ 2,572,002	1%
District Support Services	1,682,756	1,440,044	1,709,764	1,685,423	-1%
Regular Instruction	26,955,237	25,314,846	28,010,748	28,585,657	2%
Vocational Instruction	771,944	809,532	822,867	843,620	3%
Special Education Instruction	14,927,242	15,995,835	16,595,344	16,183,824	-2%
Instructional Support Services	2,758,751	3,428,983	3,548,025	4,807,320	35%
Pupil Support Services	6,042,014	6,412,582	6,376,483	6,849,275	7%
Site, Buildings, and Equipment	6,802,203	7,855,198	7,244,168	7,053,145	-3%
Fiscal and Other Fixed Costs	241,575	290,056	239,065	235,760	-1%
Principal Retirement	104,491	108,424	112,573	116,950	4%
Interest and Fiscal Fees	36,747	32,813	28,665	24,288	-15%
Capital Outlay	2,577,296	2,161,922	4,748,711	2,044,694	-57%
<b>Total Expenditures</b>	<u>\$ 65,584,313</u>	<u>\$ 66,613,245</u>	<u>\$ 71,979,934</u>	<u>\$ 71,001,958</u>	-1%
<b>Current Expenditures***</b>	<u>\$ 62,678,360</u>	<u>\$ 66,231,561</u>	<u>\$ 66,844,354</u>	<u>\$ 68,494,797</u>	2%



\*\* - see attachment for description of expenditure categories.

\*\*\* - Excludes debt, capital outlay, and costs related to pension liability special funding.

**Administration (010 to 099)**

These programs include all costs for general administration, instructional administration and school site administration for the school district. Administrative services are defined as those provided by head administrators who are in charge of instructional or instruction-related units. This includes the school board, superintendent, principals, assistant superintendents, and directors of instructional areas. Included are the costs of their immediate offices, including those individuals in direct support of the administrator. This series does not include administrators of non-instructional activities such as the business manager, food service manager, or director of buildings and grounds. Include these individuals in their respective programs.

**District Support Services (100 to 199)**

These programs include all costs for administrative technology, business management services, and supporting administrative services.

**Elementary and Secondary Regular Instruction (200-299)**

Regular Instruction includes all activities dealing directly with the teaching of pupils, the interaction between teachers and pupils in the classroom and co-curricular activities at the kindergarten, elementary and secondary levels. Do not include special education instruction. The instructional subject areas are included under regular instruction and are not included under Vocational Education (300 series), Special Education Instruction (400 series), or Community Education (500 series). It includes activities of aides or assistants of any type (paraprofessionals, clerks, graders, etc.) who assist in the educational process, except special education aides.

**Special Education Instruction (400-499)**

Activities providing learning experiences for pupils of any age who, because of certain atypical characteristics or conditions, have been identified as requiring, or who would benefit by, educational programs differentiated from those provided for pupils in regular or vocational instruction.

**Community Education and Services (500-599)**

Programs, activities, and events beyond the scope of regular K-12 schooling that enable people of all ages to develop skills and abilities, to find and use local resources and services, and to work toward improvements in their lives and their communities. Includes jointly planned and developed programs under terms of a cooperative agreement with a city council, park board, recreation department, or similar agency.

**Instructional Support Services (600-699)**

Instructional support services include activities for assisting the instructional staff with the content and process of providing learning experiences for pupils in kindergarten through grade 12.

**Pupil Support Services (700-799)**

This includes all services provided to pupils which do not qualify as instructional services.

**Sites, Buildings and Equipment (800-899)**

Activities related to the acquisition (including leasing), operation, maintenance, repair, and remodeling of all physical plant, facilities, and grounds of the school district. Equipment purchases should be charged to the program area utilizing the equipment.

**Fiscal and Other Fixed Cost Programs (900-999)**

Fiscal and fixed cost activities that are not recorded elsewhere. The main cost is insurance.