RAVENNA PUBLIC SCHOOLS

RAVENNA, MICHIGAN

FINANCIAL STATEMENTS

and

SINGLE AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 2022

Vredeveld Haefner LLC
CPAs and Consultants

RAVENNA PUBLIC SCHOOLS

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INDEPENDENT AUDITORS' REPORT

September 12, 2022

Members of the Board of Education
Ravenna Public Schools
Ravenna, 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 Ravenna Public Schools, Ravenna, Michigan (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the 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 District, as of June 30, 2022, 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 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 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 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 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 on pages 5 through 10 and the schedules on pages 41 through 45 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 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 September 12, 2022, on our consideration of the 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 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 District's internal control over financial reporting and compliance.

Vredeveld Haefner LLC

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MANAGEMENT'S DISCUSSION AND ANALYSIS

RAVENNA PUBLIC SCHOOLS

Management's Discussion and Analysis

As management of Ravenna Public Schools (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

Financial highlights

- The District was able to capitalize on additional revenue as a result of ESSER/COVID Relief Funds. The District received over $552,000. These funds allowed the district to reinvest the proceeds into technology, curriculum, summer school, credit recover and equipment improvements focusing on student achievement, learning loss and the use of online learning tools.
- The District continues to seek out new ways to operate more efficiently and cut costs while also investing time, energy, and resources in our students, staff, and community.

Overview of the financial statements

This discussion and analysis is intended to serve as an introduction to the District's financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash* flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., payments on debt).

Both of the government-wide financial statements display functions of the District that are principally supported by taxes and intergovernmental revenues *(governmental activities).* The governmental activities of the District include instruction, support services, community services, food service, athletics, and interest on long-term debt. The District does not have any business-type activities.

Fund financial statements. *A fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are considered to be governmental funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The District maintains five individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund and the debt fund which are considered to be major funds. Data for the other governmental funds, which are considered to be nonmajor funds, are combined into a single, aggregated presentation. Individual fund information for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison schedules have been provided herein to demonstrate compliance with those budgets.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information.* Required supplementary information includes this management discussion and analysis, schedules of general and special revenue fund budget to actual information and pension and other post-employment benefits schedules.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities exceeded assets by $24,887,934 at the close of the most recent fiscal year which includes a deficit unrestricted net position of $26,361,004.

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

Net position of the District increased from $(27,521,468) to $(24,887,934) during the year. The primary reason for the increase was the decrease in the OPEB liability.

Following is a summary of the statement of net position providing financial information on the District as a whole:

	Governmental Activities	
	2022	2021
Assets		
Current and other assets	$ 13,030,212	$ 4,726,620
Capital assets	19,727,666	17,578,570
Total assets	32,757,878	22,305,190
Deferred outflows of resources	3,666,384	5,364,884
Liabilities		
Current liabilities	2,029,667	1,895,701
Long-term liabilities	50,281,372	49,436,441
Total liabilities	52,311,039	51,332,142
Deferred inflows of resources	9,001,157	3,859,400
Net position		
Net investment in capital assets	1,126,529	(1,048,617)
Restricted	218,192	723,211
Unrestricted (deficit)	(26,361,004)	(27,196,062)
Total net position	$(24,887,934)	$(27,521,468)

The following summary of the statement of activities presents changes in net position:

	Governmental Activities	
	2022	2021
Revenue		
Program revenue		
Charges for services	$ 400,922	$ 459,389
Operating grants and contributions	4,786,741	4,353,448
General revenue		
Property taxes – operations	644,653	626,367
Property taxes – debt service	1,644,611	1,582,410
Grants and contributions not restricted to specific programs	8,157,876	7,540,183
Other	24,143	21,323
Total revenue	15,658,946	14,583,120

(continued)

	Governmental Activities	
	2022	2021
Expenses		
Instruction	$ 6,086,775	$ 7,099,903
Support services	4,840,500	5,539,880
Community services	8,359	16,135
Food service	755,803	713,585
Athletics	401,668	372,659
Interest	932,307	711,459
Total expenses	13,025,412	14,453,621
Change in net position	2,633,534	129,499
Net position - beginning of year	(27,521,468)	(27,650,967)
Net position - end of year	$(24,887,934)	$(27,521,468)

Governmental activities

During the year the District expended 47% of its total expenses on instruction and 37% on support services such as guidance service, transportation, building operation and maintenance, and administration. The remaining 16% of expenses was used to provide community service, food service, athletics, and interest on long-term debt.

Financial analysis of the government's funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of $11,182,444, an increase of $8,214,778 in comparison with the prior year.

The general fund is the chief operating fund of the District. *Unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current fiscal year, unassigned fund balance of the general fund was $2,010,725. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 16% of total general fund expenditures. Fund balance increased $308,561 from the previous year primarily due to additional federal funding for the COVID-19 pandemic.

The fund balance of the capital project fund increased by $8,315,341 due to unspent bond proceeds.

The debt fund decreased fund balance by $327,522 to a total of $125,352.

Budgetary Highlights

- The District amended its budget three times during the year (December, April and June). Adjustments took into consideration the actual level of per pupil state and federal funding as well as the actual student enrollment. These two factors determine how much total school aid will be received during the fiscal year. Expenditures were amended to reflect actual personnel costs and other operational changes realized during the fiscal year. Grant revenue and expenses were also adjusted to reflect approved allocations.

- Over the course of the 2021-2022 fiscal year the district saw higher than projected revenue arising from special funding sources due to the continuation of federal COVID-19 pandemic funds. In addition, the District received one-time revenue from the sale of land and timber. Student count was higher than originally projected which increased the total State Aid dollars received.
- Contract negotiations with the REA resulted in a two-year contract settlement in August 2021. Negotiations with Food Service Employees and Administrative Assistants were successful with agreements through 2026. These agreements add to the financial stability of the district as the Board of Education continues to adopt and amend District budgets.

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2022, amounted to $19,727,666 (net of accumulated depreciation).

The District's capital assets (net of depreciation) are summarized as follows:

Land	$ 225,000
Construction in progress	2,582,612
Buildings and improvements, furniture and equipment, and vehicles	16,920,054
Total	**$19,727,666**

During the year, the District began work on significant building upgrades funded by bond proceeds. Additional information on the District's capital assets can be found in Note 5 of this report.

Debt. At the end of the current fiscal year, the District had long-term debt outstanding of $36,119,697.

The District's debt is summarized as follows:

Bonds	$28,470,000
State school bond loan	4,505,501
Unamortized bond premium	2,559,195
Installment purchase agreements	269,286
Compensated absences	51,715
Early retirement incentive	264,000
Total	**$36,119,697**

Additional information on the District's long-term debt can be found in Note 7 of this report. In addition, information on the pension and other post-employment benefits liabilities totaling $14,161,675 can be found in Note 6 of this report.

Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing the District's budget for the 2022-23 fiscal year:

- Like most school districts in the State of Michigan, Ravenna Public Schools relies heavily on the State's per-pupil foundation allowance. The fiscal year 2022 School Aid budget had not been signed by the Governor prior to the Board of Education adopting the original 2022-2023 budget. As a result, the District had to make a projection in state aid based on the Governor, House and Senate proposals as well as the most up-to-date economic information related to the School Aid Fund revenues. The District budgeted $9,200 per student for the 2022-2023 per-pupil foundation allowance allocation. This represents a $500 increase from the $8,700 per-pupil foundation allocation in 2021-2022. Data suggests that in recent years the foundation allowance increase is below the rate of inflation and in other years there have been reductions to the foundation allowance. The surrounding community of Ravenna continues to have a stable economy. Additionally, being centrally located between the Holland, Muskegon, and Grand Rapids areas makes Ravenna an attractive place to live. Taxable value growth in Muskegon and Ottawa County increased by 6.6% and continues to have a positive impact on the Tech and Homestead millage, as well as Debt fund revenues.

- The Board of Education adopted a 2022-2023 budget based on an enrollment projection of 1026 students. This represents a slight decrease in enrollment compared to the prior fiscal year but an increase from 2020-2021. The District will continue to monitor enrollment throughout the school year in order to ensure that projected revenue meets the approved amount of appropriations. The Board of Education will adopt two mid-year and final amendments as necessary to provide appropriate oversight on the District's appropriations.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Superintendent's office of Ravenna Public Schools at 231-853-2231.

BASIC FINANCIAL STATEMENTS

RAVENNA PUBLIC SCHOOLS

STATEMENT OF NET POSITION

JUNE 30, 2022

	Governmental Activities
Assets	
Cash and deposits	$ 10,973,368
Due from other governments	2,004,890
Prepaid items	42,402
Inventory	9,552
Capital assets, net	
Land	225,000
Construction in progress	2,582,612
Buildings and improvements, furniture and equipment, and vehicles	16,920,054
Total assets	32,757,878
Deferred outflows of resources	
Deferred outflows related to pensions	2,235,985
Deferred outflows related to other post-employment benefits	1,430,399
Total deferred outflows of resources	3,666,384
Liabilities	
Accounts payable	263,506
Accrued payroll	605,731
Fringe benefits payable	438,023
Due to other governments	121,723
Notes payable	600,684
Noncurrent liabilities	
Net pension liability	13,315,935
Net other post-employment benefits liability	845,740
Retirement benefits	315,715
Premium on bonds	2,559,195
Due within one year	1,700,365
Due in more than one year	31,544,422
Total liabilities	52,311,039
Deferred inflows of resources	
Deferred inflows related to pensions	5,428,223
Deferred inflows related to other post-employment benefits	3,572,934
Total deferred inflows of resources	9,001,157
Net position	
Net investment in capital assets	1,129,526
Restricted for	
Food service	218,192
Debt service	125,352
Unrestricted (deficit)	(26,361,004)
Total net position	$ (24,887,934)

The accompanying notes are an integral part of these financial statements.

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RAVENNA PUBLIC SCHOOLS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

		Program Revenues			
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
Instruction	$ 6,086,775	$ -	$ 3,316,512	$ -	$ (2,770,263)
Support services	4,840,500	306,932	654,905	-	(3,878,663)
Community services	8,359	-	-	-	(8,359)
Food service	755,803	56,844	815,324	-	116,365
Athletics	401,668	37,146	-	-	(364,522)
Interest on long-term debt	932,307	-	-	-	(932,307)
Total governmental activities	$ 13,025,412	$ 400,922	$ 4,786,741	$ -	(7,837,749)
General revenues					
Property taxes					
Operating					644,653
Debt					1,644,611
Unrestricted grants and contributions					8,157,876
Interest earnings					24,143
Total general revenues					10,471,283
Change in net position					2,633,534
Net position, beginning of year					(27,521,468)
Net position, end of year					$ (24,887,934)

The accompanying notes are an integral part of these financial statements.

RAVENNA PUBLIC SCHOOLS

GOVERNMENTAL FUNDS
BALANCE SHEET

JUNE 30, 2022

	General	Capital Project	Debt	Nonmajor Governmental Funds	Total
Assets					
Cash and deposits	$ 2,126,445	$ 8,329,890	$ 86,352	$ 430,681	$ 10,973,368
Due from other funds	4,528	-	39,000	4,041	47,569
Due from other governments	1,990,631	-	-	14,259	2,004,890
Prepaid items	42,402	-	-	-	42,402
Inventory	-	-	-	9,552	9,552
Total assets	$ 4,164,006	$ 8,329,890	$ 125,352	$ 458,533	$ 13,077,781
Liabilities and fund balances					
Liabilities					
Accounts payable	$ 62,280	$ 14,549	$ -	$ 4,778	$ 81,607
Due to other governments	121,723	-	-	-	121,723
Salaries payable	605,731	-	-	-	605,731
Fringe benefits payable	438,023	-	-	-	438,023
Due to other funds	43,041	-	-	4,528	47,569
Notes payable	600,684	-	-	-	600,684
Total liabilities	1,871,482	14,549	-	9,306	1,895,337
Fund balances					
Non-spendable					
Inventory	-	-	-	9,552	9,552
Prepaid items	42,402	-	-	-	42,402
Restricted					
Food service	-	-	-	208,640	208,640
Debt service	-	-	125,352	-	125,352
Capital projects	-	8,315,341	-	-	8,315,341
Committed					
Student/school activity	-	-	-	231,035	231,035
Assigned					
Subsequent year expenditures	239,397	-	-	-	239,397
Unassigned	2,010,725	-	-	-	2,010,725
Total fund balances	2,292,524	8,315,341	125,352	449,227	11,182,444
Total liabilities and fund balances	$ 4,164,006	$ 8,329,890	$ 125,352	$ 458,533	$ 13,077,781

The accompanying notes are an integral part of these financial statements.

RAVENNA PUBLIC SCHOOLS

RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

JUNE 30, 2022

Fund balances - total governmental funds	$ 11,182,444
Amounts reported for *governmental activities* in the statement of net position are different because	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	
Add - capital assets (net)	19,727,666
Certain liabilities, such as bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - debt payable	(33,244,787)
Deduct - net pension liability	(13,315,935)
Deduct - net other post-employment benefits liability	(845,740)
Deduct - retirement benefits	(315,715)
Deduct - premium on bonds	(2,559,195)
Deduct - deferred inflows related to pensions	(5,428,223)
Deduct - deferred inflows related to other post-employment benefits	(3,572,934)
Add - deferred outflows related to pensions	2,235,985
Add - deferred outflows related to other post-employment benefits	1,430,399
Deduct - accrued interest on bonds and installment notes	(181,899)
Net position of governmental activities	$ (24,887,934)

The accompanying notes are an integral part of these financial statements.

RAVENNA PUBLIC SCHOOLS

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2022

	General	Capital Project	Debt	Nonmajor Governmental Funds	Total
Revenues					
Local sources	$ 1,024,019	$ 14,429	$ 1,646,099	$ 502,040	$ 3,186,587
State sources	10,552,139	-	-	54,139	10,606,278
Federal sources	1,104,896	-	-	761,185	1,866,081
Total revenues	12,681,054	14,429	1,646,099	1,317,364	15,658,946
Expenditures					
Current					
Instruction	7,070,004	-	-	-	7,070,004
Support services	4,766,834	-	-	135,260	4,902,094
Community services	7,906	-	-	-	7,906
Food service	-	-	-	930,068	930,068
Athletics	432,062	-	-	-	432,062
Student/school activity	-	-	-	255,351	255,351
Capital outlay	-	2,495,257	-	-	2,495,257
Debt service					
Bond issuance costs	-	130,764	-	-	130,764
Principal	74,745	-	2,310,000	80,660	2,465,405
Interest	16,072	-	1,096,741	2,497	1,115,310
Total expenditures	12,367,623	2,626,021	3,406,741	1,403,836	19,804,221
Revenues over (under) expenditures	313,431	(2,611,592)	(1,760,642)	(86,472)	(4,145,275)
Other financing sources (uses)					
Bonds and installment notes issued	-	9,255,000	1,433,120	-	10,688,120
Bond premium	-	1,671,933	-	-	1,671,933
Transfers in	-	-	-	4,870	4,870
Transfers out	(4,870)	-	-	-	(4,870)
Total other financing sources (uses)	(4,870)	10,926,933	1,433,120	4,870	12,360,053
Net changes in fund balances	308,561	8,315,341	(327,522)	(81,602)	8,214,778
Fund balances, beginning of year	1,983,963	-	452,874	530,829	2,967,666
Fund balances, end of year	$ 2,292,524	$ 8,315,341	$ 125,352	$ 449,227	$11,182,444

The accompanying notes are an integral part of these financial statements.

RAVENNA PUBLIC SCHOOLS

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2022

Net changes in fund balances - total governmental funds	$ 8,214,778
Amounts reported for *governmental activities* in the statement of activities are different because	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.	
Add - capital outlay	2,810,743
Deduct - depreciation expense	(659,147)
Deduct - net book value of disposed capital assets	(2,500)
Long-term debt proceeds provide current financial resources to governmental funds in the period issued, but issuing long-term debt increases long-term liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Deduct - draws on school bond loan fund	(1,433,120)
Deduct - bonds issued	(9,255,000)
Deduct - premium on bonds issued	(1,671,933)
Add - principal payments on bonds and installment notes payable	2,465,405
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.	
Deduct - decrease in deferred outflows related to pensions	(1,495,646)
Add - decrease in net pension liability	6,635,057
Deduct - increase in deferred inflows related to pensions	(4,305,634)
Deduct - decrease in deferred outflows related to other post-employment benefits	(202,854)
Add - decrease in net other post-employment benefits liability	2,193,244
Deduct - increase in deferred inflows related to other post-employment benefits	(836,123)
Add - decrease in retirement benefits	9,333
Deduct - increase in accrued interest payable	(45,152)
Add - amortization of bond premium	212,083
Change in net position of governmental activities	$ 2,633,534

The accompanying notes are an integral part of these financial statements.

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Ravenna Public Schools, Ravenna, Michigan (the District) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

Reporting Entity

The District is located in the Counties of Muskegon and Ottawa. The District provides education and related services to students in grades kindergarten through 12th and preschool. The District is governed by a seven-member School Board elected by District residents and is administered by a superintendent appointed by the School Board.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Ravenna Public Schools. There are no component units to be included. The criteria for including a component unit include significant operational or financial relationships with the District.

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 are reported in total. The District has no business-type activities.

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 the governmental funds. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Major governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

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

The Capital Project Fund is used to account for the proceeds of the 2021 School Building and Site Bond and related capital expenditures on the various projects.

The *Debt Fund* is used to account for the accumulation of resources for, and payment of, long-term debt principal, interest, and related costs of governmental funds.

Additionally, the District reports the following fund type:

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* 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 provider have been met.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. 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, except for reimbursement-based grants and interest which use one year. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. Exceptions to this general rule include principal and interest on long-term debt, claims and judgments, and compensated absences which are recognized when due.

All governmental funds are accounted for on a spending or “flow of current financial resources” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance is considered a measure of “available, spendable resources”.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of “available, spendable resources” during a period.

Budgets and Budgetary Accounting

Comparisons to budget are presented for general and special revenue funds. The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the District Superintendent submits to the School Board a proposed operating budget for the fiscal year commencing the following July 1. The operating budget is adopted by activity.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to July 1, the budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year for the general and special revenue funds.
5. Budgets for the general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Adoption and amendments of all budgets used by the District are governed by Michigan Law. The appropriation ordinances are based on the projected expenditure budgets of the various functions of the District. Any amendment to the original budget must meet the requirements of Michigan Law.

The District did amend its budget for the current fiscal year. Any revisions that alter the total expenditures of any activity must be approved by the School Board.

Cash and Investments

Michigan law and District policy authorizes the District to invest in:

a. Bonds, bills or notes of the United States; obligations, the principal and interest of which are fully guaranteed by the United States, or obligations of the State. In a primary or fourth class school district, the bonds, bills or notes shall be payable at the option of the holder upon not more than 90 days' notice or, if not so payable, shall have maturity dates not more than 5 years after the purchase dates.
b. Certificates of deposit issued by a state or national bank, savings accounts of a state or federal savings and loan association, or certificates of deposit or share certificates of a state or federal credit union organized and authorized to operate in this State.
c. Commercial paper rated prime at the time of purchase and maturing not more than 270 days after the date of purchase.
d. Securities issued or guaranteed by agencies or instrumentalities of the United States, United States or federal agency obligation repurchase agreements, and bankers' acceptances issued by a bank that is a member of the federal deposit insurance corporation.
e. Mutual funds that are composed entirely of investment vehicles that are legal for direct investment by a school district.
f. Investment pools, as authorized by the surplus funds investment pool act, composed entirely of instruments that are legal for direct investment by a school district.

Due to and Due from Other Funds

Interfund receivables and payables are short-term borrowings that arise from interfund transactions which are recorded by all funds affected in the period in which transactions are executed.

Prepaid Items

Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are accounted for using the consumption method.

Inventory

Inventory is 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 at the time the inventory is consumed.

Capital Assets

Capital assets, which include property 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 $3,000 and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at acquisition value (the price that would be paid to acquire an asset with an equivalent service potential in an orderly market transaction) on the date received. The costs

of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.
Depreciation on capital assets is computed using the straight-line method over the following estimated useful lives:

	Years
Buildings and improvements	25-50
Furniture and equipment	5-20
Vehicles	8

Long-Term Obligations

In the government-wide financial statements, the long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Where applicable, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums, discounts and issuance costs during the year of issuance. The face amount of debt issued and any premiums received are reported as other financing sources. Discounts on debt issuances are reported as other financing uses. Issuance costs are reported as expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The District has items that qualify for reporting in this category relating to pension and other post-employment benefits as described in Note 6.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has items that qualify for reporting in this category relating to pension and other post-employment benefits as described in Note 6.

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.

Post-employment Benefits Other Than Pensions

For purposes of measuring the net other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of 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.

Compensated Absences

Liabilities related to vested sick pay are not recorded in the fund financial statements but are recorded in the statement of net position because they are not expected to be liquidated with expendable available financial resources.

Early Retirement Incentive

Eligible District employees who select early retirement are entitled to a termination leave benefit based on their age and years of service.

State Aid Revenue

The District reports State of Michigan school aid in the fiscal year in which the District is entitled to the revenue as provided by the State of Michigan School Aid Appropriation Act. State funding accounted for 81% of the general fund revenue for the year. A certain portion of State Aid received by the District is restricted to cover specified expenses of the District, including special education costs. The unrestricted portion is for use in the general operations of the District.

Property Taxes

The District levies its property taxes July 1 and December 1 which are due by September 14 and February 14. Taxes are collected and paid to the District by Townships within the District. Real property taxes not collected as of March 1 are turned over to the County for collection, which advances the District 100% for the delinquent real taxes. Collection of delinquent personal property taxes remains the responsibility of the Village or Townships. The District levied 18 mills for operations on non-homestead properties and 7.6 mills for debt service on both homestead and non-homestead.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters and medical benefits to employees. The District carries commercial insurance for general liability, property and casualty, health claims, and workers compensation. The District has had no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years.

Fund Equity

Governmental funds report fund balance in the following five categories:

1. Non-spendable – the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
2. Restricted – the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed – the related assets can only be spent for a specific purpose identified by formal resolution of the entities governing board.
4. Assigned – the related assets can only be spent for a specific purpose identified by management as authorized by the entities governing board.
5. Unassigned – is the residual classification and includes all spendable amounts not contained in the other classifications.

Fund Balance can only be committed by resolution of the District's Board. The District Superintendent or his/her designee may assign fund balance as provided for by the Board.

Net Position and Fund Balance Flow Assumptions

Sometimes the government 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/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to use restricted resources first, then unrestricted resources as they are needed. 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.

2. DEFICIT NET POSITION

At year-end the District reported a deficit unrestricted net position of $26,361,004.

3. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS

State law provides that the District shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the District's actual and budgeted expenditures for the budgeted funds have been shown at the activity level. The approved budgets of the District for these budgetary funds were adopted at the activity level. During the year ended June 30, 2022, the District incurred expenditures in certain budgeted funds which were in excess of the amounts appropriated.

	Budget	Actual	Negative Variance
General Fund			
Support services			
Student assessment	$ 9,792	$ 9,869	$ 77
Operations and maintenance	1,435,182	1,445,554	10,372

	Budget	Actual	Negative Variance
Debt service			
Principal	$ 74,337	$ 74,745	$ 408
Interest expense	14,000	16,072	2,072
Food Service Fund			
Salaries	193,098	196,407	3,309
Food supplies	17,000	17,905	905
Technology fund	209,151	218,417	9,266
Student/School Activity Fund	169,759	255,351	85,592

4. CASH

The cash caption on the financial statements amount to $10,973,368.

These deposits are in financial institutions located in Michigan. All accounts are in the name of the District and a specific fund or common account. They are recorded in District records at fair value.

Deposit risk

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. As of year-end, $10,935,719 of the District's bank balance of $11,185,719 was exposed to custodial credit risk because it was uninsured and uncollateralized.

5. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Governmental activities				
Capital assets, not being depreciated				
Land	$ 225,000	$ -	$ -	$ 225,000
Construction in progress	-	2,582,612	-	2,582,612
Capital assets, being depreciated				
Building and improvements	25,051,755	-	-	25,051,755
Furniture and equipment	4,024,546	132,136	20,326	4,136,356
Vehicles	1,213,013	95,995	142,808	1,166,200
Total capital assets, being depreciated	30,289,314	228,131	163,134	30,354,311
Less accumulated depreciation for				
Building and improvements	9,645,402	403,968	-	10,049,370
Furniture and equipment	2,451,543	181,129	17,826	2,614,846
Vehicles	838,799	74,050	142,808	770,041
Total accumulated depreciation	12,935,744	659,147	160,634	13,434,257
Net capital assets, being depreciated	17,353,570	(431,016)	2,500	16,920,054
Governmental activities capital assets, net	**$17,578,570**	**$2,151,596**	**$ 2,500**	**$19,727,666**

Depreciation expense was charged to functions/programs as follows:

Governmental activities	
Instruction	$330,154
Support services	255,812
Community services	453
Food Service	50,941
Athletics	21,787
Total depreciation expense - governmental activities	$659,147

6. PENSION AND OTHER POST-EMPLOYMENT BENEFITS 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 governed by the State of Michigan (State) originally created under Public Act 136 of 1945, recodified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the board's authority to promulgate or amend the provisions of the System. The board consists of twelve members - eleven appointed by the Governor and the State Superintendent of Instruction, who serves as an ex-officio member.

The System'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 at www.michigan.gov/orsschools.

Defined Benefit Plan

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 member 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 September 30, 2020 valuation will be amortized over an 18-year period beginning October 1, 2020 and ending September 30, 2038.

The schedule below summarizes pension contribution rates in effect for the fiscal year ended September 30, 2021.

		Employer	
Benefit Structure	Member	Universities	Non-Universities
Basic	0.0-4.0%	26.26%	19.78%
Member Investment Plan	3.0-7.0	26.26	19.78
Pension Plus	3.0-6.4	N/A	16.82
Pension Plus 2	6.2	N/A	19.59
Defined Contribution	0.0	19.74	13.39

Required contributions to the pension plan from the District were $1,688,787 for the year ended September 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
At June 30, 2022, the District reported a liability of $13,315,935 for its proportionate share of the MPSERS net pension liability. The net pension liability was measured as of September 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 2020. The District'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 September 30, 2021, the District's proportion was .05624373 percent, which was a decrease of .00183592 percent from its proportion measured as of September 30, 2020.

For the year ended June 30, 2022, the District recognized pension expense of $982,443.

At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ 206,270	$ 78,415
Changes of assumptions	839,389	-
Net difference between projected and actual earnings on pension plan investments	-	4,281,030
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,068,778
Employer contributions subsequent to the measurement date	1,190,326	-
Total	$2,235,985	$5,428,223

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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Amount
2022	$ (872,314)
2023	(1,077,138)
2024	(1,221,340)
2025	(1,211,772)

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, 2020
Actuarial Cost Method:	Entry Age, Normal
Wage Inflation Rate:	2.75%
Investment Rate of Return:	
MIP and Basic Plans:	6.80% net of investment expenses
Pension Plus Plan:	6.80% 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:	RP-2014 Male and Female Healthy Annuitant Mortality Tables, scaled by 82% for males and 78% for females and adjusted for mortality improvements using projection scale MP-2017 from 2006.
Active Members:	P-2014 Male and Female Employee Annuitant Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2017 from 2006.

Notes:

- *Assumption changes as a result of an experience study for the period 2012 through 2017 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2018 valuation. The total pension liability as of September 30, 2021, is based on the results of an actuarial valuation date of September 30, 2020, 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: [4.4367 for non-university employers or 1.0000 for university employers]*
- *Recognition period for assets in years is 5.0000.*
- *Full actuarial assumptions are available in the 2021 MPSERS Comprehensive Annual Financial Report found on the ORS website at* www.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 building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2021, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
Domestic Equity Pools	25.0%	5.4%
Private Equity Pools	16.0%	9.1%
International Equity Pools	15.0%	7.5%
Fixed Income Pools	10.5%	(0.7)%
Real Estate and Infrastructure Pools	10.0%	5.4%
Absolute Return Pools	9.0%	2.6%
Real Return/Opportunistic Pools	12.5%	6.1%
Short Term Investment Pools	2.0%	(1.3)%
	100%	

*** Long-term rates of return are net of administrative expenses and 2.0% inflation.**

Rate of Return

For the fiscal year ended September 30, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 27.3%. 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 6.8% was used to measure the total pension liability (6.8% for the Pension Plus plan, 6.0% 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 6.8% (6.8% for the Pension Plus plan, 6.0% 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 District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate
The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.8% (6.8% for the Pension Plus plan, 6.0% for the Pension Plus 2 plan), as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher:

1% Decrease 5.8% / 5.8% / 5.0%	Current Single Discount Rate Assumption * 6.8% / 6.8% / 6.0%	1% Increase 7.8% / 7.8% / 7.0%
$19,038,176	$13,315,935	$8,571,822

** Discount rates listed in the following order: Basic and Member Investment Plan (MIP), Pension Plus, and Pension Plus 2. Non-university employers provide Basic, MIP, Pension Plus and Pension Plus 2 plans. University employers provide only the Basic and MIP plans.*

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 CAFR, available on the ORS website at www.michigan.gov/orsschools.

Payables to the Michigan Public School Employees' Retirement System (MPSERS)
At June 30, 2022, the District reported payables to the defined benefit pension plan totaling $163,563. The balance represents legally required contributions to the pension plan.

Other Post-Employment Benefits

Benefits Provided
Benefit provisions of the post-employment 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 post-employment benefits, members who first worked on or after July 1, 2008 (MIP-Plus plan members) have a graded premium subsidy based on career length where they accrue credit towards their insurance premiums in retirement, not to exceed the maximum

allowable by statute. Public Act 300 of 2012 sets the maximum subsidy at 80% beginning January 1, 2013; 90% for those Medicare eligible and enrolled in the insurances as of that date. 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 September 3, 2012 or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their retirement healthcare. Any changes to a member's healthcare benefit are effective as of the member's transition date, which is defined as the first day of the pay period that begins on or after February 1, 2013.

Under Public Act 300 of 2012, members were given the choice between continuing the 3% contribution to retiree healthcare and keeping the premium subsidy benefit described above, or choosing not to pay the 3% contribution and instead opting out of the subsidy benefit and becoming a participant in the Personal Healthcare Fund (PHF), a portable, tax-deferred fund that can be used to pay healthcare expenses in retirement. Participants in the PHF are automatically enrolled in a 2% employee contribution into their 457 account as of their transition date, earning them a 2% employer match into a 401(k) account. Members who selected this option stop paying the 3% contribution to retiree healthcare as of the day before their transition date, and their prior contributions 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 September 30, 2020 valuation will be amortized over a 18-year period beginning October 1, 2020 and ending September 30, 2038.

The schedule below summarizes OPEB contribution rates in effect for fiscal year ended September 30, 2021.

		Employer	
Benefit Structure	Member	Universities	Non-Universities
Premium Subsidy	3.00%	6.91%	8.43%
Personal Healthcare Fund (PHF)	0.00	5.99	7.57

Required contributions to the OPEB plan from the District were $122,962 for the year ended September 30, 2021.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
At June 30, 2022, the District reported a liability of $845,740 for its proportionate share of the MPSERS net OPEB liability. The net OPEB liability was measured as of September 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation rolled forward

from September 2020. The District's proportion of the net OPEB liability 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 September 30, 2021, the District's proportion was .05540831 percent, which was a decrease of .00131807 percent from its proportion measured as of October 1, 2020.

For the year ended June 30, 2022, the District recognized OPEB expense of $(628,367). At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$ -	$2,414,105
Changes of assumptions	706,997	105,793
Net difference between projected and actual earnings on OPEB plan investments	-	637,450
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,262	415,586
Employer contributions subsequent to the measurement date	721,140	-
Total	$1,430,399	$3,572,934

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 liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30,	Amount
2022	$(793,018)
2023	(703,411)
2024	(598,503)
2025	(555,700)
2026	(188,339)
Thereafter	(24,704)

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, 2020
Actuarial Cost Method:	Entry Age, Normal
Wage Inflation Rate:	2.75%

Investment Rate of Return:	6.95% net of investment expenses
Projected Salary Increases:	2.75 - 11.55%, including wage inflation at 2.75%
Healthcare Cost Trend Rate:	Pre-65: 7.75% Year 1 graded to 3.5% Year 15; 3.0% Year 120 Post-65: 5.25% Year 1 graded to 3.5% Year 15; 3.0% Year 120
Mortality:	
Retirees:	RP-2014 Male and Female Healthy Annuitant Mortality Tables, scaled by 82% for males and 78% for females and adjusted for mortality improvements using projection scale MP-2017 from 2006.
Active Members:	P-2014 Male and Female Employee Annuitant Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2017 from 2006.
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 2012 through 2017 have been adopted by the System for use in the annual OPEB valuations beginning with the September 30, 2018 valuation. The total OPEB liability as of September 30, 2021, is based on the results of an actuarial valuation date of September 30, 2020, 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: [6.1312 for non-university employers or 1.0000 for university employers]*
- *Recognition period for assets in years is 5.0000.*
- *Full actuarial assumptions are available in the 2021 MPSERS Comprehensive Annual Financial Report found on the ORS website at www.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 building-block 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 September 30, 2021, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
Domestic Equity Pools	25.0%	5.4%
Private Equity Pools	16.0%	9.1%
International Equity Pools	15.0%	7.5%
Fixed Income Pools	10.5%	(0.7)%
Real Estate and Infrastructure Pools	10.0%	5.4%
Absolute Return Pools	9.0%	2.6%
Return Real/Opportunistic Pools	12.5%	6.1%
Short Term Investment Pools	2.0%	(1.3)%
	100%	

*** Long-term rates of return are net of administrative expenses and 2.0% inflation.**

Rate of Return
For the fiscal year ended September 30, 2021, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 27.14%. 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 6.95% was used to measure the total OPEB liability. This discount rate was based on the long-term expected rate of return on OPEB plan investments of 6.95%. 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 liability.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate
The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 6.95%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher:

1% Decrease 5.95%	Current Discount Rate 6.95%	1% Increase 7.95%
$1,571,538	$845,740	$229,797

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Healthcare Cost Trend Rate
The following presents the District's proportionate share of the net OPEB liability calculated using the assumed trend rates, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a trend rate that is 1 percentage point lower or 1 percentage higher:

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
$205,846	$845,740	$1,565,698

Michigan Public School Employees' Retirement System (MPSERS) Fiduciary Net Position
Detailed information about the OPEB plan's fiduciary net position is available in the separately issued 2021 MPSERS CAFR, available on the ORS website at www.michigan.gov/orsschools.

Payables to the Michigan Public School Employees' Retirement System (MPSERS)
At June 30, 2022, the District reported payables to the OPEB plan totaling $160,253. The balance represents legally required contributions to the OPEB plan.

Defined Contribution Plan

Public Act 75 of 2010 established the Pension Plus plan which provides all individuals hired on or after July 1, 2010, with a combined defined benefit and defined contribution benefit structure. Any member of MPSERS who became a member of MPSERS on or after July 1, 2010 is or may be a Pension Plus plan member.

Public Act 300 of 2012 was signed into law on September 4, 2012 amending the MPSERS system. An employee who first works September 4, 2012 or after joins the MPSERS system as a Pension Plus with Personal Healthcare Fund (PHF) member. Within 75 days of first being reported to the Office of Retirement Services, these employees can elect to become straight defined contribution plan participants. The PHF must be retained with whichever benefit plan they elect. The plan becomes retroactive to their first day.

Employees under the Pension plus plan automatically default with an employee contribution of 2 percent of the employee's pay. The District is required to match 50 percent of the employee contribution up to 1 percent. Employees may increase their personal contribution up to the annual IRS limit or can elect out of contributing.

Employees under the straight defined contribution plan automatically default with an employee contribution of 6 percent of the employee's pay. The District is required to match 50 percent of the employee contribution up to 3 percent.

Public Act 92 of 2017 establishes a new hybrid plan, and is the default option, for Michigan public school employees who first work on or after February 1, 2018. This plan is similar to the Pension Plus plan established in 2010 (and changed again in 2012) in that it has both a pension and a savings component. Eligibility for pension benefits remains the same as the Pension Plus plan at 60 years old with at least 10 years of service. Contributions are made in the savings component by both the District and employee and are deposited into a 401(k) and/or 457 tax deferred account. An employee must affirmatively elect the new hybrid plan to participate. If the employee makes no choice, as mentioned above, the default set by the law means the employee will be enrolled in the defined contribution plan. This new law mandates enhanced contributions for defined contribution participants who first work on or after September 4, 2012 which requires mandatory District contributions of 4 percent beginning with the first pay period after October 1, 2017. Beginning on February 2, 2018, the District is required to match 100 percent of the contributions made by the employee up to a maximum of 3 percent. Public Act 92 also requires the defined contribution plan to offer one or more fixed and variable annuity options for plan participants.

For the year ended June 30, 2022, District and employee contributions were $40,046 and $94,953, respectively.

7. DEBT

Short-term Debt

The following is a summary of short-term debt transactions of the District for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Michigan state aid note payable 2020 A-1; due in seven monthly payments with final payment due in July 2021; interest payable at .25%	$200,113	$ -	$200,113	$ -
Michigan state aid note payable 2020 A-2; due in one payment in August 2021; interest payable at .25%	401,000	-	401,000	-

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Michigan state aid note payable 2021 A-1; due in seven monthly payments with final payment due in July 2022; interest payable at .12%	$ -	$1,401,411	$1,201,210	$200,201
Michigan state aid note payable 2021 A-2; due in one payment in August 2022; interest payable at .12%	-	400,483	-	400,483
Total short-term debt	**$601,113**	**$1,801,894**	**$1,802,323**	**$600,684**

As additional security for state aid notes, the State has pledged its full faith, credit and resources and in the event of default or the unavailability or insufficiency of state school aid for any reason, the notes are payable from taxes levied within the State's constitutional and statutory limitations or payable from its unencumbered funds.

Long-term Debt

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
Governmental Activities					
Bonds					
2016 Refunding Bonds – Series A payable in annual installments ranging from $620,000 to $610,000 due May 2018 through May 2029 plus interest at 4.00%	$ 4,955,000	$ -	$ 630,000	$ 4,325,000	$ 630,000
2016 Refunding Bonds – Series B payable in annual installments ranging from $1,060,000 to $1,235,000 plus interest from 1.550% to 2.430% due May 2022	1,235,000	-	1,235,000	-	-
2017 Refunding Bonds payable in annual installments ranging from $385,000 to $625,000 due May 2019 through May 2031 plus interest at 4.00%	5,295,000	-	445,000	4,850,000	465,000
2018 Refunding Bonds with interest only payments due through 2030 and beginning in 2031 principal installments ranging from $145,000 to $840,000 through May 2038 plus interest at 4.00%	5,655,000	-	-	5,655,000	-

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
2019 Refunding Bonds with interest only payments due through 2022 and beginning in 2023 principal installments ranging from $505,000 to $750,000 through May 2029 plus interest from 2.01% to 2.55%	$ 4,385,000	$ -	$ -	$ 4,385,000	$ 505,000
2021 School Building and Site Bond with interest only payments due through 2023 and beginning in 2024 principal installments ranging from $100,000 to $765,000 through May 2051 plus interest at 4.0%	-	9,255,000	-	9,255,000	-
Total Bonds	21,525,000	9,255,000	2,310,000	28,470,000	1,600,000
Direct Placements and Direct Borrowings					
2016 School bus installment purchase payable in annual installments ranging from $18,327 to $19,986 due August 2017 through August 2021 plus interest at 2.19%	20,390	-	20,390	-	-
2018 Technology equipment installment purchase payable in annual installments ranging from $32,627 to $35,819 due June 2019 through June 2022 plus interest at 3.16%	36,849	-	36,849	-	-
2018 School bus installment purchase payable in annual installments ranging from $13,379 to $15,631 due June 2019 through June 2024 plus interest at 3.16%	45,471	-	14,688	30,783	15,152
2019 School bus installment purchase payable in annual installments ranging from $13,379 to $15,631 due June 2019 through June 2024 plus interest at 3.16%	73,738	-	17,583	56,155	18,139
2020 Computer installment purchase payable in annual installments ranging from $43,811 to $45,394 due September 2021 through September 2023 plus interest at 1.79%	133,800	-	43,811	89,989	44,595
2020 School bus installment purchase payable in annual installments ranging from $22,084 to $23,708 due September 2021 through September 2025 plus interest at 1.79%	114,443	-	22,084	92,359	22,479

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
School bond loan fund	$3,072,381	$1,433,120	$ -	$4,505,501	$ -
Total Direct Placements and Direct Borrowings	3,497,072	1,433,120	155,405	4,774,787	100,365
Capital leases repaid	-	-	-	-	-
Total Debt	**25,022,072**	**10,688,120**	**2,465,405**	**33,244,787**	**1,700,365**
Unamortized bond premium	1,099,345	1,671,933	212,083	2,559,195	-
Compensated absences	52,048	-	333	51,715	-
Early retirement incentive	273,000	46,000	55,000	264,000	63,000
Total long-term debt	**$26,446,465**	**$12,406,053**	**$2,732,821**	**$36,119,697**	**$1,763,365**

The annual requirements to amortize all debt outstanding (excluding unamortized bond premium, early retirement incentive, school bond loan fund, capital leases, and compensated absences) as of June 30, 2022 are as follows:

	Bonds		Direct Placements and Direct Borrowings	
	Principal	Interest	Principal	Interest
2023	$ 1,600,000	$ 1,066,204	$ 100,365	$ 6,011
2024	1,755,000	1,012,254	102,618	3,759
2025	1,815,000	952,260	42,595	1,451
2026	1,875,000	889,898	23,708	424
2027	1,935,000	825,084	-	-
2028-2032	6,360,000	3,210,550	-	-
2033-2037	4,435,000	2,277,800	-	-
2038-2042	2,815,000	1,482,200	-	-
2043-2047	3,010,000	946,200	-	-
2048-2051	2,870,000	293,000	-	-
Total	$28,470,000	$12,955,450	$269,286	$11,645

Compensated absences are expected to be liquidated with general fund resources.

Borrowing through the school bond loan fund is facilitated through the State of Michigan. This borrowing was necessary when debt service requirements exceeded debt service funding within allowable debt millage limits. Payment of the school bond loan fund balance is required as debt service funding within allowable debt millage limits becomes available. The balance of the school bond loan fund payable above includes accrued interest on these borrowings to date.

The outstanding direct placements and borrowings contain a provision that in the event of default or the unavailability or insufficiency of funds the notes are payable from taxes levied within the School's constitutional and statutory limitations or from its unencumbered funds. The School has pledged its limited full faith and credit.

8. CONTINGENCIES

Under the terms of various Federal and State grants and regulatory requirements, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants and requirements. Such audits could lead to reimbursement to the grantor or regulatory agencies. However, management believes such disallowances, if any, will not be material to the financial position of the District.

9. TAX ABATEMENTS

The District receives reduced property tax revenues as a result of Industrial Facilities Tax (IFT) exemptions granted by various townships in Mason, Newaygo and Oceana counties. IFT exemptions entered into under the Plant Rehabilitation and Industrial Development Districts Act, (known as the Industrial Facilities Exemption) PA 198 of 1974, as amended, provide a tax incentive to manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. An IFT certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a term of 1-12 years as determined by the local unit of government and is computed at half the local property tax millage rate, amounting to a reduction in property taxes of approximately 50%.

For the year ended June 30, 2022, the District's property tax revenues were reduced by the following as a result of Industrial Facilities Tax exemptions:

Municipality	Amount
Ravenna Township	$4,224
Sullivan Township	7,824

The District is reimbursed from the State of Michigan under the school aid formula for lost revenue caused by tax abatements on the operating millage of non-homestead properties. The District is not reimbursed for lost revenue from the debt service millage. There are no abatements made by the District.

10. SUBSEQUENT EVENTS

Subsequent to year-end, the District entered into a state school aid note through the Michigan Finance Authority in the amount of $985,000.

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REQUIRED SUPPLEMENTARY INFORMATION

RAVENNA PUBLIC SCHOOLS

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance Positive
	Original	Final	Amount	(Negative)
Revenues				
Local sources	$ 819,381	$ 1,107,737	$ 1,024,019	$ (83,718)
State sources	9,523,865	10,415,834	10,552,139	136,305
Federal sources	928,172	1,136,102	1,104,896	(31,206)
Total revenues	11,271,418	12,659,673	12,681,054	21,381
Expenditures				
Current				
Instruction	6,395,318	7,163,413	7,070,004	93,409
Support services	4,693,343	4,922,080	4,766,834	155,246
Community services	13,965	7,991	7,906	85
Athletics	466,569	440,761	432,062	8,699
Payments to other governmental entities	42	-	-	-
Debt service				
Principal	80,594	74,337	74,745	(408)
Interest expense	16,500	14,000	16,072	(2,072)
Total expenditures	11,666,331	12,622,582	12,367,623	254,959
Revenues over (under) expenditures	(394,913)	37,091	313,431	276,340
Other financing sources (uses)				
Transfers out	(5,000)	(5,000)	(4,870)	130
Net changes in fund balance	(399,913)	32,091	308,561	276,470
Fund balance, beginning of year	1,983,963	1,983,963	1,983,963	-
Fund balance, end of year	$ 1,584,050	$ 2,016,054	$ 2,292,524	$ 276,470

RAVENNA PUBLIC SCHOOLS

DEFINED BENEFIT PENSION PLAN
SCHEDULE OF DISTRICT'S PROPROTIONATE SHARE OF NET PENSION LIABILITY

FOR THE YEAR ENDED JUNE 30, 2022

	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (%)	0.05624%	0.05808%	0.05983%	0.06281%	0.06575%	0.06317%	0.06218%	0.06055%
District's proportionate share of the net pension liability	$ 13,315,935	$ 19,950,992	$ 19,812,823	$ 18,883,218	$ 17,039,563	$ 15,759,767	$ 15,188,366	$ 13,337,739
District's covered payroll	$ 5,048,253	$ 5,042,491	$ 5,221,255	$ 5,116,122	$ 5,584,832	$ 5,376,704	$ 5,405,416	$ 4,523,153
District's proportionate share of the net pension liability as a percentage of its covered payroll (%)	263.77%	395.66%	379.46%	369.09%	305.10%	293.11%	280.98%	294.88%
Plan fiduciary net position as a percentage of total pension liability	72.60%	59.72%	60.31%	62.36%	64.21%	63.27%	63.17%	66.20%

Notes to schedule:

Amounts were determined as of September 30 of each fiscal year.

Changes of benefit terms: There were no changes of benefit terms in 2021.

Changes of assumptions: There were no changes of benefit assumptions in 2021.

This schedule is being accumulated prospectively until ten years of data is presented.

RAVENNA PUBLIC SCHOOLS

DEFINED BENEFIT PENSION PLAN
SCHEDULE OF DISTRICT'S PENSION CONTRIBUTIONS

FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contributions	$ 1,688,787	$ 1,596,104	$ 1,589,338	$ 1,710,457	$ 1,542,272	$ 1,467,105	$ 1,362,349	$ 1,312,688
Contributions in relation to statutorily required contributions *	1,688,787	1,596,104	1,589,338	1,710,457	1,542,272	1,466,506	1,363,198	1,313,129
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ 599	$ (849)	$ (441)
District's covered payroll	$ 5,582,996	$ 5,025,978	$ 5,012,240	$ 5,214,147	$ 5,188,243	$ 5,376,704	$ 5,337,539	$ 5,455,839
Contributions as a percentage of covered payroll	30.2%	31.8%	31.7%	32.8%	29.7%	27.3%	25.5%	24.1%

** Contributions in relation to statutorily required pension contributions are the contributions an employer actually made to the System, as distinct from the statutorily required contributions.*

Notes to schedule:
Amounts were determined as of June 30 of each fiscal year.
This schedule is being accumulated prospectively until ten years of data is presented.

RAVENNA PUBLIC SCHOOLS

OTHER POST-EMPLOYMENT BENEFITS PLAN SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET OPEB LIABILITY

FOR THE YEAR ENDED JUNE 30, 2022

	2021	2020	2019	2018	2017
District's proportion of the net OPEB liability (%)	0.05541%	0.05673%	0.05957%	0.06003%	0.06555%
District's proportionate share of the net OPEB liability	$ 845,740	$ 3,038,984	$ 4,275,896	$ 4,771,865	$ 5,804,960
District's covered payroll	$ 5,048,253	$ 5,042,491	$ 5,221,255	$ 5,116,122	$ 5,584,832
District's proportionate share of the net OPEB liability as a percentage of its covered payroll (%)	16.75%	60.27%	81.89%	93.27%	103.94%
Plan fiduciary net position as a percentage of total OPEB liability	87.33%	59.44%	48.46%	42.95%	36.39%

Notes to schedule:
Amounts were determined as of September 30 of each fiscal year.
Changes of benefit terms: There were no changes of benefit terms in 2021.
Changes of assumptions: There were no changes of benefit assumptions in 2021.
This schedule is being accumulated prospectively until ten years of data is presented.

RAVENNA PUBLIC SCHOOLS

OTHER POST-EMPLOYMENT BENEFITS PLAN
SCHEDULE OF DISTRICT'S OPEB CONTRIBUTIONS

FOR THE YEAR ENDED JUNE 30, 2022

	2022	2021	2020	2019	2018
Statutorily required contributions	$ 411,321	$ 400,786	$ 409,023	$ 389,661	$ 510,352
Contributions in relation to statutorily required contributions *	411,321	400,786	409,023	389,661	510,352
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered payroll	$ 5,582,996	$ 5,025,978	$ 5,012,240	$ 5,214,147	$ 5,188,243
Contributions as a percentage of covered payroll	7.4%	8.0%	8.2%	7.5%	9.8%

** Contributions in relation to statutorily required pension contributions are the contributions an employer actually made to the System, as distinct from the statutorily required contributions.*

Notes to schedule:
Amounts were determined as of June 30 of each fiscal year.
This schedule is being accumulated prospectively until ten years of data is presented.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

RAVENNA PUBLIC SCHOOLS

GENERAL FUND
SCHEDULE OF REVENUES
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance Positive
	Original	Final	Amount	(Negative)
Revenues				
Local sources				
Property taxes	$ 652,215	$ 683,653	$ 644,653	$ (39,000)
Interest	18,500	6,127	7,341	1,214
Athletic events	36,869	35,506	37,146	1,640
Transportation	20,000	-	-	-
Other	91,797	382,451	334,879	(47,572)
Total local sources	819,381	1,107,737	1,024,019	(83,718)
State sources				
Foundation allowance	7,508,088	8,157,836	8,157,876	40
MPSERS	900,883	1,052,504	1,089,768	37,264
Special education	201,000	241,183	321,283	80,100
At risk	396,442	395,347	395,347	-
Other	517,452	568,964	587,865	18,901
Total state sources	9,523,865	10,415,834	10,552,139	136,305
Federal sources				
Title I	107,109	105,964	104,700	(1,264)
Title II	27,095	26,177	26,092	(85)
Title III	6,387	3,379	3,160	(219)
TitleIV	10,000	10,000	9,679	(321)
I.D.E.A.	317,739	317,739	316,706	(1,033)
Other	459,842	672,843	644,559	(28,284)
Total federal sources	928,172	1,136,102	1,104,896	(31,206)
Total revenues	$ 11,271,418	$ 12,659,673	$ 12,681,054	$ 21,381

RAVENNA PUBLIC SCHOOLS

GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance Positive
	Original	Final	Amount	(Negative)
Expenditures				
Current				
Instruction				
Elementary	$ 1,735,075	$ 1,966,551	$ 1,959,993	$ 6,558
High school	1,486,919	1,496,174	1,466,965	29,209
Middle school	1,358,062	1,555,137	1,535,582	19,555
Pre-school	36,657	41,474	35,834	5,640
Special education	1,158,280	1,255,348	1,230,421	24,927
Compensatory education	620,325	848,729	841,209	7,520
Total instruction	6,395,318	7,163,413	7,070,004	93,409
Support services				
Guidance services	1,160,852	1,006,598	963,472	43,126
Improvement of instruction	57,427	64,869	59,717	5,152
Educational media services	224,585	262,130	225,376	36,754
Supervision/director of instruction	14,156	83,800	83,764	36
Student assessment	4,000	9,792	9,869	(77)
Board of Education	68,750	73,050	66,787	6,263
Executive administration	351,365	380,676	371,781	8,895
Principal	598,797	698,410	670,992	27,418
Fiscal services	236,681	187,288	186,871	417
Other business services	18,059	19,240	19,239	1
Operations and maintenance	1,189,134	1,435,182	1,445,554	(10,372)
Transportation	538,171	474,499	460,472	14,027
Staff/Personnel services	45,826	52,543	51,950	593
Technology services	185,540	174,003	150,990	23,013
Total support services	4,693,343	4,922,080	4,766,834	155,246
Community services	13,965	7,991	7,906	85
Athletics	466,569	440,761	432,062	8,699
Payments to other governmental entities	42	-	-	-
Debt service				
Principal	80,594	74,337	74,745	(408)
Interest expense	16,500	14,000	16,072	(2,072)
Total expenditures	$ 11,666,331	$ 12,622,582	$ 12,367,623	$ 254,959

RAVENNA PUBLIC SCHOOLS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

JUNE 30, 2022

	Special Revenue			
	Food Service	Technology	Student/School Activity	Total
Assets				
Cash and deposits	$ 195,118	$ -	$ 235,563	$ 430,681
Due from other funds	4,041	-	-	4,041
Due from other governments	14,259	-	-	14,259
Inventory	9,552	-	-	9,552
Total assets	$ 222,970	$ -	$ 235,563	$ 458,533
Liabilities and fund balances				
Liabilities				
Accounts payable	$ 4,778	$ -	$ -	$ 4,778
Due to other funds	-	-	4,528	4,528
Total liabilities	4,778	-	4,528	9,306
Fund balances				
Non-spendable				
Inventory	9,552	-	-	9,552
Restricted				
Food service	208,640	-	-	208,640
Committed				
Student/school activity	-	-	231,035	231,035
Total fund balances	218,192	-	231,035	449,227
Total liabilities and fund balances	$ 222,970	$ -	$ 235,563	$ 458,533

RAVENNA PUBLIC SCHOOLS

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue			
	Food Service	Technology	Student/School Activity	Total
Revenues				
Local sources	$ 57,729	$ 218,417	$ 225,894	$ 502,040
State sources	54,139	-	-	54,139
Federal sources	761,185	-	-	761,185
Total revenues	873,053	218,417	225,894	1,317,364
Expenditures				
Current				
Support services	-	135,260	-	135,260
Food service	930,068	-	-	930,068
Student/school activity	-	-	255,351	255,351
Debt service				
Principal	-	80,660	-	80,660
Interest	-	2,497	-	2,497
Total expenditures	930,068	218,417	255,351	1,403,836
Revenues over (under) expenditures	(57,015)	-	(29,457)	(86,472)
Other financing sources (uses)				
Transfers in	4,870	-	-	4,870
Net changes in fund balances	(52,145)	-	(29,457)	(81,602)
Fund balances, beginning of year	270,337	-	260,492	530,829
Fund balances, end of year	$ 218,192	$ -	$ 231,035	$ 449,227

RAVENNA PUBLIC SCHOOLS

FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts Original	Budget Amounts Final	Actual Amount	Variance Positive (Negative)
Revenues				
Local sources	$ 46,250	$ 51,900	$ 57,729	$ 5,829
State sources	20,500	46,478	54,139	7,661
Federal sources	528,364	751,540	761,185	9,645
Total revenues	595,114	849,918	873,053	23,135
Expenditures				
Current				
Salaries	172,000	193,098	196,407	(3,309)
Fringe benefits	75,117	101,846	99,668	2,178
Food supplies	25,000	17,000	17,905	(905)
Contracted services	306,908	461,990	391,359	70,631
Indirect costs	6,300	225,732	224,729	1,003
Total expenditures	585,325	999,666	930,068	69,598
Net changes in fund balance	9,789	(149,748)	(57,015)	92,733
Fund balance, beginning of year	270,337	270,337	270,337	-
Fund balance, end of year	$ 280,126	$ 120,589	$ 213,322	$ 92,733

RAVENNA PUBLIC SCHOOLS

TECHNOLOGY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance Positive
	Original	Final	Amount	(Negative)
Revenues				
Local sources	$ 200,000	$ 209,151	$ 218,417	$ 9,266
Expenditures				
Current				
Support services				
Salaries	55,706	55,706	64,972	(9,266)
Fringe benefits	37,170	37,170	37,170	-
Technology services	11,937	21,088	33,118	(12,030)
Debt service				
Principal	91,872	91,872	80,660	11,212
Interest expense	3,315	3,315	2,497	818
Total expenditures	200,000	209,151	218,417	(9,266)
Net changes in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

RAVENNA PUBLIC SCHOOLS

STUDENT/SCHOOL ACTIVITY FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual	Variance Positive
	Original	Final	Amount	(Negative)
Revenues				
Local sources	$ -	$ 131,677	$ 225,894	$ 94,217
Expenditures				
Current				
Support services				
Student/school activity	-	169,759	255,351	(85,592)
Net changes in fund balance	-	(38,082)	(29,457)	8,625
Fund balance, beginning of year	260,492	260,492	260,492	-
Fund balance, end of year	$ 260,492	$ 222,410	$ 231,035	$ 8,625

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SINGLE AUDIT SECTION

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INDEPENDENT AUDITORS' 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*

September 12, 2022

Members of the Board of Education
Ravenna Public Schools
Ravenna, Michigan

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 and the major fund of Ravenna Public Schools, Ravenna, Michigan (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated September 12, 2022.

Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Vredeveld Haefner LLC

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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

September 12, 2022

Members of the Board of Education
Ravenna Public Schools
Ravenna, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Ravenna Public Schools, Ravenna, Michigan's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. the District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, forgery, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Vredeveld Haefner LLC

RAVENNA PUBLIC SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor Pass Through Grantor Program Title Grant Number	Federal CFDA Number	Approved Grant Award Amount	Accrued (Deferred) Revenue 7/1/2020	Current Year Receipts (Cash Basis)	Expenditures (Accrual Basis) (Memo Only) Prior Year	Expenditures (Accrual Basis) Current Year	Accrued (Deferred) Revenue 6/30/2021
U.S. Department of Education							
Passed through Michigan Department of Education							
Title I	84.010						
211530-2122		$ 107,109	$ 11,386	$ 11,386	$ -	$ -	$ -
221530-2122		105,964	-	93,392	-	104,700	11,308
Total Title I		213,073	11,386	104,778	-	104,700	11,308
Title II Part A	84.367						
210520-2022		27,095	3,484	3,484	-	-	-
220520-2122		26,177	-	17,485	-	26,092	8,607
Total Title II Part A		53,272	3,484	20,969	-	26,092	8,607
Title IV, Part A SSAE	84.424						
210750-2021		10,000	786	786	-	-	-
220750-2122		10,000	-	6,044	-	9,679	3,635
Total Title IV		20,000	786	6,830	-	9,679	3,635
Title III, Part A English Learners	84.365						
210580-2022		3,160	-	3,160	-	3,160	-
ESSER/GEER Formula Funds	84.425						
211202-2122		45,000	-	45,000	-	45,000	-
213712-2021		370,508	-	208,966	-	208,966	-
213722-2122		117,150	-	84,030	-	106,558	22,528
213742-2122		62,700	-	14,945	-	24,533	9,588
213713-2122		832,699	-	248,114	-	257,260	9,146
		1,428,057	-	601,055	-	642,317	41,262
Total passed through Michigan Department of Education		1,717,562	15,656	736,792	-	785,948	64,812
Passed through Muskegon Area Intermediate School District							
Special Education Cluster							
IDEA Grants to States	84.027A						
210450-2021		316,706	-	316,706	-	316,706	-
Total U.S. Department of Education		**2,034,268**	**15,656**	**1,053,498**	**-**	**1,102,654**	**64,812**

(continued)

RAVENNA PUBLIC SCHOOLS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

Federal Grantor / Pass Through Grantor / Program Title Grant Number	Federal CFDA Number	Approved Grant Award Amount	Accrued (Deferred) Revenue 7/1/2020	Current Year Receipts (Cash Basis)	Expenditures (Accrual Basis) (Memo Only) Prior Year	Expenditures (Accrual Basis) Current Year	Accrued (Deferred) Revenue 6/30/2021
U.S. Department of Agriculture							
Passed through Michigan Department of Education							
Nutrition Cluster							
Non-Cash Assistance (USDA Commodities)							
Entitlement Commodities	10.555	$ 17,905	$ -	$ 17,905	$ -	$ 17,905	$ -
Cash Assistance							
Breakfast Program	10.553						
211971		21,389	-	21,389	-	21,389	-
221971		148,283	-	145,237	-	148,283	3,046
Total Breakfast Program		169,672	-	166,626	-	169,672	3,046
Lunch Program	10.555						
220910		23,707	-	23,707	-	23,707	-
211961		68,864	-	68,864	-	68,864	-
221961		472,497	-	471,949	-	472,497	548
Total Lunch Program		565,068	-	564,520	-	565,068	548
SFSP	10.559						
210904		49,967	41,427	49,967	-	8,540	-
Pandemic EBT Administrative Costs Grants	10.649						
210980		614	-	614	-	614	-
Total Cash Assistance		785,321	41,427	781,727	-	743,894	3,594
Total Nutrition Cluster		803,226	41,427	799,632	-	761,799	3,594
Total U.S. Department of Agriculture		**803,226**	**41,427**	**799,632**	**-**	**761,799**	**3,594**
U.S. Department of Health and Human Services							
Passed through Muskegon Area Intermediate School District							
Medical Assistance Program	93.778						
2021		1,307	-	1,307	-	1,307	-
2022		321	-	321	-	321	-
Total Medical Assistance Program		1,628	-	1,628	-	1,628	-
TOTAL FEDERAL FINANCIAL ASSISTANCE		**$ 2,839,122**	**$ 57,083**	**$ 1,854,758**	**$ -**	**$ 1,866,081**	**$ 68,406**

(concluded)

See notes to schedule of expenditures of federal awards.

RAVENNA PUBLIC SCHOOLS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2022

1. The Schedule of Expenditures of Federal Awards is prepared in accordance with the modified accrual basis of accounting.

2. Management has utilized the Cash Management System Grant Auditor Report in preparing the Schedule of Expenditures of Federal Awards.

3. Revenues from federal sources per governmental funds financial statements and expenditures per the Schedule of Expenditures of Federal Awards both total $1,866,081.

4. The District did not elect to use the 10% de minimis cost rate as covered in Uniform Guidance section 2 CFR 200.414 indirect costs.

RAVENNA PUBLIC SCHOOLS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED JUNE 30, 2022

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	____ yes	X no
Significant deficiency(ies) identified?	____ yes	X none reported
Noncompliance material to financial statements noted?	____ yes	X no

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	____ yes	X no
Significant deficiency(ies) identified?	____ yes	X none reported
Type of auditors' report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance?	____ yes	X no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.555, 10.553, 10.559	Nutrition Cluster

Dollar threshold used to distinguish between Type A and B programs:	$750,000	
Auditee qualified as low-risk auditee?	____ yes	X no

SECTION II - FINANCIAL STATEMENT FINDINGS

None noted

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None noted

SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS

Finding 2021-001 was resolved during the year.