



## **JENISON PUBLIC SCHOOLS**

### Annual Financial Report Year Ended June 30, 2021

# **Jenison Public Schools**

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Annual Financial Report  
Year Ended June 30, 2021

# Jenison Public Schools

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## Independent Auditor's Report

Board of Education  
Jenison Public Schools  
Jenison, Michigan

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jenison Public Schools (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Jenison Public Schools' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Jenison Public Schools, as of June 30, 2021, and the respective changes in financial position thereof 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 (GAAS) 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 Jenison Public Schools 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 Jenison Public Schools' ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.



### ***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 GAAS 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 GAAS 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 Jenison Public Schools' 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 Jenison Public Schools' 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.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 8 through 14 and the other required supplementary information, on pages 64 through 70, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and



comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other 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 combining, individual fund financial statements and schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining, individual fund financial statements and schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining, individual fund financial statements and schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2021 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 Jenison Public Schools' internal control over financial reporting and compliance.

BDO USA, LLP

October 13, 2021

## **Management's Discussion and Analysis**

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# Jenison Public Schools

## Management's Discussion and Analysis Year Ended June 30, 2021

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As management of Jenison Public Schools (the District), we offer this narrative overview and analysis of the financial activities of Jenison Public Schools for the year ended June 30, 2021. Accounting principles generally accepted in the United States of America (U.S. GAAP) require the reporting of two types of financial statements: the District-Wide Financial Statements and the Fund Financial Statements.

### **District-Wide Financial Statements**

The District-wide financial statements are prepared using full accrual accounting and more closely represent those presented by business and industry. All of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both short- and long-term, are reported. As such, these statements include capital assets, net of related depreciation, as well as the bonded debt and other long-term liabilities of the District.

The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases and decreases in net position can serve as a barometer of financial health and whether the District's financial position is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the year. This statement focuses on both the gross and net cost of the various activities which are supported by the District's property taxes, state aid, and other revenues. This presentation is intended to summarize and simplify the user's analysis of the cost of the various services.

### **Fund Financial Statements**

The governmental fund financial statements are reported on a modified accrual basis in that only those assets that are measurable and currently available are reported. Liabilities are recognized to the extent that they are normally expected to be paid with current financial resources.

The fund statements are formatted to comply with the legal requirements of the *Michigan Department of Education's Accounting Manual*. In the State of Michigan, school districts' major instruction and instructional support activities are reported in the General Fund. Additional activities are reported in the Special Revenue Fund, Debt Retirement Funds, and Capital Project Funds.

In the fund financial statements, capital assets purchased are reported as expenditures in the year of acquisition, with no asset being reported. The issuance of debt is recorded as a financial resource. The current year's payments of principal and interest on long-term obligations are recorded as expenditures. The obligations for future years' debt obligations are not recorded in the fund financial statements.

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# Jenison Public Schools

## Management's Discussion and Analysis Year Ended June 30, 2021

### Summary of Net Position

The following schedule summarizes the net position:

<i>June 30,</i>	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Current assets	\$ 83,077,803	\$ 20,178,602
Capital assets, net of accumulated depreciation	65,620,788	63,858,808
<b>Total Assets</b>	<b>148,698,591</b>	<b>84,037,410</b>
<b>Deferred Outflows of Resources</b>		
Deferred interest on refunding	1,242,778	1,430,672
Related to pensions	27,492,950	35,380,596
Related to OPEB	9,710,585	8,842,782
<b>Total Deferred Outflows of Resources</b>	<b>38,446,313</b>	<b>45,654,050</b>
<b>Liabilities</b>		
Current liabilities	9,485,029	7,957,639
Long-term liabilities, including current portion of long-term obligations	252,651,859	198,958,702
<b>Total Liabilities</b>	<b>262,136,888</b>	<b>206,916,341</b>
<b>Deferred Inflows of Resources</b>		
Related to pensions	5,192,619	8,256,935
Related to OPEB	13,945,579	9,578,708
<b>Total Deferred Inflows of Resources</b>	<b>19,138,198</b>	<b>17,835,643</b>
<b>Net Position</b>		
Net investment in capital assets	8,510,716	5,421,369
Restricted for capital projects	56,198,625	292,478
Restricted for debt retirement	1,657,333	1,936,712
Restricted for food service	2,209,711	865,901
Unrestricted	(162,706,567)	(103,576,984)
<b>Total Net Position</b>	<b>\$ (94,130,182)</b>	<b>\$ (95,060,524)</b>

### Capital Assets and Long-Term Debt

#### *Capital Assets*

By the end of the 2020-21 fiscal year, the District had invested approximately \$65.6 million, net of accumulated depreciation, in a broad range of capital assets including school buildings and facilities, site improvements, school buses and other vehicles, and various types of equipment. Depreciation expense for the year amounted to approximately \$2.1 million, bringing accumulated depreciation to \$62.4 million as of June 30, 2021.

# Jenison Public Schools

## Management's Discussion and Analysis Year Ended June 30, 2021

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### *Capital Assets (Net of Accumulated Depreciation)*

<i>June 30,</i>	2021	2020
Land	\$ 553,166	\$ 553,166
Construction in process	2,957,935	311,754
Buildings and improvements	58,907,688	59,869,621
Machinery, equipment and furniture	2,543,854	2,283,774
Transportation equipment	658,145	840,493
	<b>\$ 65,620,788</b>	<b>\$ 63,858,808</b>

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### *Long-Term Obligations*

At June 30, 2021, the District had approximately \$116.4 million in long-term obligations outstanding. This represents an increase of approximately \$54.8 million over the amount outstanding at the close of the prior fiscal year. The increase is due mainly to \$49.2 million of new debt.

For more detailed information regarding capital assets and long-term obligations, please review the Notes to Financial Statements located in the financial section of this report.

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# Jenison Public Schools

## Management's Discussion and Analysis Year Ended June 30, 2021

### Results of Operations

The results of operations on a District-wide basis were as follows:

<i>Year ended June 30,</i>	<b>2021</b>	<b>2020</b>	<b>Change (%)</b>
<b>Revenues</b>			
General revenues:			
Property taxes levied for general purposes	\$ 3,295,774	\$ 3,186,582	3.4
Property taxes levied for debt service	8,318,491	7,903,434	5.3
Unrestricted state aid	39,655,727	38,104,621	4.1
Investment earnings	742,706	574,199	29.3
Other	181,902	-	100.0
<b>Total General Revenues</b>	<b>52,194,600</b>	<b>49,768,836</b>	<b>4.9</b>
Program revenues:			
Charges for services	1,300,589	3,144,844	(58.6)
Operating grants and contributions	28,186,038	21,012,762	34.1
<b>Total Program Revenues</b>	<b>29,486,627</b>	<b>24,157,606</b>	<b>22.1</b>
<b>Total Revenues</b>	<b>81,681,227</b>	<b>73,926,442</b>	<b>10.5</b>
<b>Expenses</b>			
Instruction	44,488,725	44,620,072	(0.3)
Support services	23,130,231	22,664,874	2.1
Community services	1,908,347	2,142,091	(10.9)
Food service	4,058,592	3,751,836	8.2
Student activities	485,665	1,027,250	(52.7)
Interest on long-term debt	4,244,479	3,028,163	40.2
Unallocated depreciation	2,070,738	2,037,730	1.6
Bond issuance costs	364,108	60,707	499.8
<b>Total Expenses</b>	<b>80,750,885</b>	<b>79,332,723</b>	<b>1.8</b>
<b>Change in Net Position</b>	<b>930,342</b>	<b>(5,406,281)</b>	
<b>Net Position, beginning of year</b>	<b>(95,060,524)</b>	<b>(90,220,299)</b>	
<b>GASB No. 84 Adjustment</b>	<b>-</b>	<b>566,056</b>	
<b>Net Position, end of year</b>	<b>\$ (94,130,182)</b>	<b>\$ (95,060,524)</b>	

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# Jenison Public Schools

## Management's Discussion and Analysis Year Ended June 30, 2021

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### Analysis of Significant Revenues and Expenditures

Significant revenues and expenditures are discussed in the segments below.

#### *State Sources*

The District is funded predominately by state aid. The State of Michigan funds districts based on a blended student enrollment. For the year ended June 30, 2021, the blended enrollment was based on 75% of the blended average pupil membership counts taken in February 2019 and October 2019 and 25% of the blended average of pupil membership counts taken in February 2020 and October 2020. For the year ended June 30, 2020, the blended enrollment consisted of 90% of the October 2019 count and 10% of the February 2019 count. Blended state aid membership was 5,349 and 5,343 in 2020-21 and 2019-20, respectively. The state per-pupil allocation for 2020-21 and 2019-20 was \$8,111 and \$7,936, respectively.

#### *Student Enrollment*

The following schedule compares FTE for the blended student enrollment for the past five fiscal years:

Fiscal Year	Actual Blended Student FTE	Increase (Decrease)
2020-21	5,349	6
2019-20	5,343	107
2018-19	5,236	67
2017-18	5,169	174
2016-17	4,995	93

#### *Property Taxes*

The District levies 18 mills of property taxes for operations on non-homestead properties, less the mandatory reductions required by the Headlee Amendment. According to Michigan law, the taxable levy is based on the taxable valuation of properties. The annual taxable valuation increases are capped at the rate of the prior year's Consumer Price Index increase or 5%, whichever is less. At the time property is sold, its taxable valuation is readjusted to the State Equalized Value, which in theory is 50% of the property's market value.

For the 2020-21 fiscal year, the District's non-homestead property tax collections were approximately \$3.3 million. This is a 3.4% increase from the prior year.

The District levies 8.5 mills of property taxes on all classes of property located within the District for bonded debt retirement. This levy is not subject to rollback provisions and is used to pay the principal and interest on bond obligations. The total amount collected for debt retirement in the current year was approximately \$8.3 million. This is a 5.3% increase from the prior year.

#### *General Fund Budgetary Highlights*

The Uniform Budget Act of the State of Michigan requires that the local Board of Education approve the original budget for the upcoming fiscal year prior to its starting on July 1. Any amendments

# Jenison Public Schools

## Management’s Discussion and Analysis Year Ended June 30, 2021

made to the operating budget must be approved by the Board of Education prior to the close of the fiscal year on June 30.

For the 2020-21 fiscal year, the District amended the General Fund budget two times, with the Board of Education adopting the changes in February and June 2021. The following schedule shows a comparison of the original General Fund budget, the final amended General Fund budget, and actual totals from operations:

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Total Revenues and Other Financing Source</b>	\$ 57,868,778	\$ 67,058,705	\$ 67,438,301	\$ 379,596
<b>Expenditures</b>				
Instruction	\$ 39,087,702	\$ 40,557,170	\$ 39,746,760	\$ 810,410
Support services	20,932,177	21,907,862	21,165,499	742,363
Community services	1,980,700	1,931,276	1,750,238	181,038
<b>Other Financing Uses</b>	233,000	614,831	508,075	106,756
<b>Total Expenditures and Other Financing Uses</b>	\$ 62,233,579	\$ 65,011,139	\$ 63,170,572	\$ 1,840,567

The variance between the original and final budget was due to unusual circumstances. The State of Michigan’s financial health was in jeopardy at the end of fiscal year 2020, therefore the original budget reflected a \$750/pupil decrease in state funding (over \$4 million). Subsequent to adoption of the 2020/21 budget, the state’s revenues were greater than anticipated and increases were received in both State and Federal funding. Federal funds doubled due to the CARES funding in response to the COVID-19 pandemic. Expenditures fluctuated slightly from original budget due to the extra costs related to COVID-19.

Overall, the General Fund increased its fund balance by \$4,267,729.

### Factors Bearing on the District’s Future

The District considered many factors in preparing the 2021-22 fiscal year budget. Approximately 72% of the General Fund revenues are from the foundation allowance, including property taxes. The state foundation allowance is determined by multiplying the blended student count by the foundation allowance per pupil. The student count estimate is one of the most important factors impacting the budget. Enrollment has increased each year due to enhanced programming and schools of choice. This same trend is expected for 2021-22.

The 2020-21 and 2021-22 fiscal years are very different from previous years due to the expected increase in the foundation allowance per pupil and additional one-time funds from the Federal government. Management has strategically planned on how to properly budget and spend the anticipated funds.

# **Jenison Public Schools**

## **Management's Discussion and Analysis Year Ended June 30, 2021**

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### **Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, please contact the Director of Finance & Operations, Christine Marcy, Jenison Public Schools, 8375 20<sup>th</sup> Avenue, Jenison, Michigan 49428.

## **District-Wide Financial Statements**

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**Jenison Public Schools**  
**District-Wide Financial Statements**  
**Statement of Net Position**

June 30, 2021

	Governmental Activities
<b>Assets</b>	
<b>Current Assets</b>	
Cash and investments (Note 2)	\$ 72,443,647
Accounts receivable	2,209
Interest receivable	156,666
Due from other governmental units (Note 4)	10,307,918
Inventories	78,531
Prepaid expenses	88,832
<b>Total Current Assets</b>	<b>83,077,803</b>
<b>Noncurrent Assets</b>	
Land and construction in process (Note 5)	3,511,101
Depreciable capital assets, net (Note 5)	62,109,687
<b>Total Noncurrent Assets</b>	<b>65,620,788</b>
<b>Total Assets</b>	<b>148,698,591</b>
<b>Deferred Outflows of Resources</b>	
Deferred interest on refunding	1,242,778
Related to pensions (Note 7)	27,492,950
Related to OPEB (Note 7)	9,710,585
<b>Total Deferred Outflows of Resources</b>	<b>38,446,313</b>
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts payable	810,140
Accrued payroll	6,171,345
Accrued interest	760,790
Due to other governmental units (Note 4)	821,916
Unearned revenue	920,838
Current portion of long-term obligations (Note 6)	5,197,222
<b>Total Current Liabilities</b>	<b>14,682,251</b>
<b>Noncurrent Liabilities</b>	
Long-term obligations (Note 6)	111,209,966
Net pension liability (Note 7)	117,756,436
Net OPEB liability (Note 7)	18,488,235
<b>Total Noncurrent Liabilities</b>	<b>247,454,637</b>
<b>Total Liabilities</b>	<b>262,136,888</b>
<b>Deferred Inflows of Resources</b>	
Related to pensions (Note 7)	5,192,619
Related to OPEB (Note 7)	13,945,579
<b>Total Deferred Inflows of Resources</b>	<b>19,138,198</b>
<b>Net Position</b>	
Net investment in capital assets (Note 11)	8,510,716
Restricted for capital projects	56,198,625
Restricted for debt retirement	1,657,333
Restricted for food service	2,209,711
Unrestricted	(162,706,567)
<b>Total Net Position</b>	<b>\$ (94,130,182)</b>

*See accompanying notes to financial statements.*

**Jenison Public Schools**  
**District-Wide Financial Statements**  
**Statement of Activities**

Year ended June 30, 2021

	Program Revenues			Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Total
<b>Governmental Activities</b>				
Instruction:				
Basic programs	\$ 36,539,696	\$ -	\$ 5,857,679	\$ (30,682,017)
Special education	6,820,094	120,240	10,050,750	3,350,896
Other instruction	1,128,935	-	783,234	(345,701)
Support services:				
Student services	6,786,983	-	2,060,460	(4,726,523)
Instructional staff	2,509,328	-	1,026,035	(1,483,293)
General administration	864,214	-	52,496	(811,718)
School administration	3,970,608	-	717,834	(3,252,774)
Business office	619,859	-	70,764	(549,095)
Operations and maintenance	4,259,574	-	726,082	(3,533,492)
Student transportation	1,565,766	-	122,440	(1,443,326)
Athletics	1,329,768	20,370	-	(1,309,398)
Other support services	1,224,131	-	243,472	(980,659)
Community services	1,908,347	977,466	799,175	(131,706)
Food service	4,058,592	182,513	5,153,330	1,277,251
Student activities	485,665	-	522,286	36,621
Interest on long-term debt	4,244,479	-	-	(4,244,479)
Unallocated depreciation	2,070,738	-	-	(2,070,738)
Bond issuance costs	364,108	-	-	(364,108)
<b>Total School District</b>	<b>\$ 80,750,885</b>	<b>\$ 1,300,589</b>	<b>\$ 28,186,038</b>	<b>\$ (51,264,258)</b>
General revenues:				
Property taxes levied for general purposes				\$ 3,295,774
Property taxes levied for debt service				8,318,491
Unrestricted state aid				39,655,727
Investment earnings				742,706
Other				181,902
<b>Total General Revenues</b>				<b>52,194,600</b>
<b>Change in Net Position</b>				<b>930,342</b>
<b>Net Position, beginning of year</b>				<b>(95,060,524)</b>
<b>Net Position, end of year</b>				<b>\$ (94,130,182)</b>

*See accompanying notes to financial statements.*

**Fund Financial Statements**

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# Jenison Public Schools

## Governmental Funds Balance Sheet

June 30, 2021

	General	2020 Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and investments (Note 2)	\$ 10,915,220	\$ 56,499,038	\$ 5,029,389	\$ 72,443,647
Accounts receivable	2,209	-	-	2,209
Interest receivable	-	156,666	-	156,666
Due from other governmental units (Note 4)	9,944,162	-	363,756	10,307,918
Inventories	17,987	-	60,544	78,531
Prepaid expenditures	88,832	-	-	88,832
<b>Total Assets</b>	<b>\$ 20,968,410</b>	<b>\$ 56,655,704</b>	<b>\$ 5,453,689</b>	<b>\$ 83,077,803</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 318,273	\$ 457,079	\$ 34,788	\$ 810,140
Accrued payroll	6,154,767	-	16,578	6,171,345
Due to other governmental units (Note 4)	820,118	-	1,798	821,916
Unearned revenue	703,307	-	217,531	920,838
<b>Total Liabilities</b>	<b>7,996,465</b>	<b>457,079</b>	<b>270,695</b>	<b>8,724,239</b>
<b>Fund Balances</b>				
Nonspendable:				
Inventories	17,987	-	60,544	78,531
Prepaid expenditures	88,832	-	-	88,832
Restricted:				
Capital projects	-	56,198,625	-	56,198,625
Debt retirement	-	-	1,657,333	1,657,333
Food service	-	-	2,209,711	2,209,711
Committed for student activities	-	-	602,487	602,487
Assigned:				
Jenison International Academy programming	1,069,969	-	-	1,069,969
Capital projects	-	-	652,919	652,919
Unassigned in General Fund	11,795,157	-	-	11,795,157
<b>Total Fund Balances</b>	<b>12,971,945</b>	<b>56,198,625</b>	<b>5,182,994</b>	<b>74,353,564</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 20,968,410</b>	<b>\$ 56,655,704</b>	<b>\$ 5,453,689</b>	<b>\$ 83,077,803</b>

*See accompanying notes to financial statements.*

## Jenison Public Schools

### Reconciliation of Fund Balance of Governmental Funds to Net Position on the Statement of Net Position

*June 30, 2021*

Total fund balances - total governmental funds (from page 20)	\$ 74,353,564
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:	
Capital assets, at cost	\$ 128,070,483
Accumulated depreciation	(62,449,695)
<b>Net Capital Assets</b>	<b>65,620,788</b>
Deferred outflows are not available resources and, therefore, not reported in the funds.	
Deferred interest from refunding	1,242,778
Deferred outflows of resources - related to pensions	27,492,950
Deferred outflows of resources - related to OPEB	9,710,585
Deferred inflows are future resources yet to be recognized and, therefore not reported in the funds.	
Deferred inflows of resources - related to pensions	(5,192,619)
Deferred inflows of resources - related to OPEB	(13,945,579)
<b>Net Deferred Outflows</b>	<b>19,308,115</b>
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Balances are as follows:	
Bonds payable	(96,605,000)
Early retirement incentive payable	(1,045,538)
Compensated absences	(468,161)
Bond premium, net	(18,288,489)
Accrued interest on bonds and notes	(760,790)
Net pension liability	(117,756,436)
Net OPEB liability	(18,488,235)
<b>Total Long-Term Liabilities</b>	<b>(253,412,649)</b>
<b>Net Position of Governmental Activities</b>	<b>\$ (94,130,182)</b>

*See accompanying notes to financial statements.*

# Jenison Public Schools

## Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2021

	General	2020 Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Local sources:				
Property taxes	\$ 3,295,774	\$ -	\$ 8,318,491	\$ 11,614,265
Interdistrict	7,097,497	-	-	7,097,497
Other local	1,131,499	22,094	897,158	2,050,751
State sources	52,079,146	-	313,175	52,392,321
Federal sources	3,728,933	-	4,840,155	8,569,088
<b>Total Revenues</b>	<b>67,332,849</b>	<b>22,094</b>	<b>14,368,979</b>	<b>81,723,922</b>
<b>Expenditures</b>				
Instruction	39,746,760	-	-	39,746,760
Support services	21,165,499	-	-	21,165,499
Community services	1,750,238	-	-	1,750,238
Food service	-	-	3,890,788	3,890,788
Student activities	-	-	485,665	485,665
Debt retirement:				
Redemption of principal	-	-	6,125,000	6,125,000
Bond issuance costs	-	364,108	-	364,108
Interest and fiscal charges	-	-	3,667,623	3,667,623
Capital projects	-	4,314,308	307,770	4,622,078
<b>Total Expenditures</b>	<b>62,662,497</b>	<b>4,678,416</b>	<b>14,476,846</b>	<b>81,817,759</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>4,670,352</b>	<b>(4,656,322)</b>	<b>(107,867)</b>	<b>(93,837)</b>
<b>Other Financing Sources (Uses)</b>				
Issuance of bonds (Note 6)	-	49,225,000	-	49,225,000
Premium on bonds issued	-	12,814,610	-	12,814,610
Redemption of principal	(185,000)	-	-	(185,000)
Interest and fiscal charges	(48,075)	-	-	(48,075)
Transfers in (Note 3)	105,452	-	1,891,059	1,996,511
Transfers out (Note 3)	(275,000)	(1,184,663)	(536,848)	(1,996,511)
<b>Total Other Financing Sources (Uses)</b>	<b>(402,623)</b>	<b>60,854,947</b>	<b>1,354,211</b>	<b>61,806,535</b>
<b>Net Change in Fund Balances</b>	<b>4,267,729</b>	<b>56,198,625</b>	<b>1,246,344</b>	<b>61,712,698</b>
<b>Fund Balances, beginning of year</b>	<b>8,704,216</b>	<b>-</b>	<b>3,936,650</b>	<b>12,640,866</b>
<b>Fund Balances, end of year</b>	<b>\$ 12,971,945</b>	<b>\$ 56,198,625</b>	<b>\$ 5,182,994</b>	<b>\$ 74,353,564</b>

*See accompanying notes to financial statements.*

## Jenison Public Schools

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

*Year ended June 30, 2021*

Net change in fund balances - total governmental funds (from page 22)	\$ 61,712,698
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 is allocated over their estimated useful lives as depreciation expense.	
Loss on disposal of capital assets	(32,176)
Capital asset additions	3,864,894
Depreciation expense	(2,070,738)
<b>Net Effect of Capital Outlays</b>	<b>1,761,980</b>
Bond and note proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and note principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Bonds issued	(49,225,000)
Bond premium	(12,814,610)
Principal payments	6,310,000
<b>Net Effect of Bonds</b>	<b>(55,729,610)</b>
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 governmental funds.	
Amortization	516,338
Accrued interest	(340,887)
Early retirement incentive payable	221,971
Compensated absences	(18,503)
Pension related items	(8,962,908)
OPEB related items	2,508,690
<b>Net Effect of Long-Term Liabilities</b>	<b>(6,075,299)</b>
Restricted revenue reported in the governmental funds that is deferred to offset the deferred outflows related to section 147c pension contributions subsequent to the measurement period:	
State aid funding for pension	(739,427)
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 930,342</b>

*See accompanying notes to financial statements.*

## Custodial Fund

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**Jenison Public Schools**  
**Custodial Fund**  
**Statement of Fiduciary Net Position**

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*June 30, 2021*

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	Custodial Balance
<hr/>	
<b>Assets</b>	
Cash and investments (Note 2)	\$ 11,075
<hr/>	
<b>Net Position</b>	
Restricted for student groups	\$ 11,075

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*See accompanying notes to financial statements.*

# Jenison Public Schools

## Custodial Fund Statement of Changes in Fiduciary Net Position

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<i>Year ended June 30, 2021</i>	Balance, July 1, 2020	Additions	Deletions	Balance, June 30, 2021
<b>Assets</b>				
Cash and investments	\$ 10,522	\$ 29,056	\$ 28,503	\$ 11,075
<b>Net Position</b>				
Restricted for student groups	\$ 10,522	\$ 31,532	\$ 30,979	\$ 11,075

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*See accompanying notes to financial statements.*

# Jenison Public Schools

## Notes to Financial Statements

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### 1. Summary of Significant Accounting Policies

The basic financial statements of Jenison Public Schools (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below.

#### ***Reporting Entity***

The District is an independent entity with an elected Board of Education. The Board of Education consists of seven members elected to six-year terms. The Board of Education has responsibility and control over all matters affecting the District, including the authority to levy taxes and determine its budget, the power to designate management and primary accountability for fiscal matters. The basic financial statements of the District contain all funds and account groups for which the District is financially accountable.

#### ***Basis of Presentation***

*District-wide financial statements:* The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. The District-wide financial statements categorize activities as either governmental or business-type. All of the District's activities are classified as governmental.

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. Program revenues include (1) charges to recipients who purchase, use or directly benefit from goods, services or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function. Property taxes, state aid foundation and certain other items are reported as general revenues.

*Fund Financial Statements* - The fund financial statements provide information about the District's funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the District-wide financial statements. Major individual governmental funds are reported in separate columns in the fund financial statements.

#### ***Governmental Funds***

Governmental funds are used to account for the District's general activity. The focus is on determination of the financial position and changes in financial position. The following is a description of the governmental funds of the District:

*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. It is considered a major fund. The main funding sources are property taxes and state and federal grants.

# Jenison Public Schools

## Notes to Financial Statements

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*Special Revenue Funds* are used to account for and report proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District operates two special revenue funds: Food Service and Student Activity. Food service revenues are derived from food sales and state and federal grants. Student activity revenues are derived from fundraising activities and student fees.

*Debt Retirement Funds* are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest. Revenues are derived from property taxes and investment income.

*Capital Projects Funds* are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital projects. The 2020 Capital Projects Fund is considered a major fund.

### ***Fiduciary Fund***

The *Student Activities Custodial Fund* is used to account for assets held by the District in a trustee capacity for individuals or school-related organizations. The Custodial Fund is custodial in nature and does not involve measurement of results of operations.

### ***Measurement Focus and Basis of Accounting***

Measurement focus refers to what is being measured, and basis of accounting refers to when revenues and expenditures 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.

*District-wide and fiduciary fund 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.

*Governmental fund financial statements* are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within the current period or soon enough after to pay liabilities for the current period. The District considers most revenues available if collected within 60 days after year-end, including property taxes, state aid and interest; a 90-day window is used for entitlement funds and grants.

When both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first.

Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

# Jenison Public Schools

## Notes to Financial Statements

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### *State Foundation Revenue*

The State of Michigan provides funds through a foundation grant approach, which provides for a specific annual amount of revenue per student based on a statewide formula. The foundation is funded from state and local sources. Revenues from state sources are governed primarily by the School Aid Act and the School Code of Michigan. For the year ended June 30, 2021, the foundation allowance was based on 75% of the blended average pupil membership counts taken in February 2019 and October 2019 and 25% of the blended average of pupil membership counts taken in February 2020 and October 2020.

The state portion of the foundation is provided primarily by a state education property tax millage of six mills and an allocated portion of state sales and other taxes. The local portion of the foundation is funded primarily by non-homestead property taxes, which may be levied at a rate of up to 18 mills.

### *State Categorical Revenue*

The District also receives revenue from the state to administer certain categorical education programs. State rules require that revenue earmarked for these programs be expended for its specific purpose. Categorical funds received which are not expended by the close of the fiscal year are recorded as unearned revenue.

### *Federal Revenue*

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

### *Investments*

Investments are reported at fair value based on quoted market prices.

### *Inventories*

Inventories are stated at cost except USDA donated commodities, which are recorded at fair market value. Inventories consist primarily of food, cafeteria supplies, and teaching and maintenance supplies, and are reported as assets until consumed, at which time an expenditure is recorded.

### *Capital Assets*

Capital assets, which include property, buildings and equipment, are reported in the District-wide financial statements. Assets having a useful life in excess of one year and whose costs exceed \$5,000 are capitalized. Capital assets are stated at historical cost or estimated historical cost where actual cost information is not available. Donated capital assets are stated at their market value as of the donation date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' useful lives are not capitalized. Major outlays for capital assets are capitalized as projects are constructed.

# Jenison Public Schools

## Notes to Financial Statements

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Depreciation is provided for on the straight-line basis over the estimated useful lives of the assets as follows:

Asset Category	Useful Life (Years)
Buildings and improvements	20-50
Furniture, fixtures, and equipment	5-25
Transportation equipment	8
Software	10

### ***Defined Benefit Plan***

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

### ***Deferred Outflows/Inflows of Resources***

#### ***Deferred Outflows***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. They are the deferred interest on refunding and pension and OPEB related items reported in the government-wide statement of net position. A deferred interest on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows are also recognized for pension and OPEB related items. These amounts are expensed in the plan years in which they apply.

#### ***Deferred Inflows***

These items are future resources yet to be recognized in relation to the pension and OPEB actuarial calculation. These future resources arise from differences in the estimates used by the actuary to calculate the pension and OPEB liability and the actual results. The amounts are amortized over a period determined by the actuary.

### ***Compensated Absences***

District employees are granted vacation and sick leave in varying amounts based on length of service. Sick leave is accumulated at different rates for various categories of employees. Unused sick leave accumulates from year to year to a maximum, which varies for different categories of employees. Eligible bus drivers receive half their accumulated sick time upon retirement. Unused sick leave is not paid to any other employees upon termination. Vacation days are paid to employees

# Jenison Public Schools

## Notes to Financial Statements

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for unused days up to twice their yearly allowance at the time of severance from employment. In the fund financial statements, only the matured liability for compensated absences is reported. The total liability for compensated absences is reported in the District-wide financial statements.

### ***Long-Term Obligations***

In the District-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Premiums and discounts on bonds issued are deferred and amortized over the life of the related bonds. Bond issue costs are expensed.

In the fund financial statements, the face amount of debt is reported as other financing sources. Bond premiums and discounts, as well as issuance costs, are recognized during the current period. Premiums and discounts are reported as other financing sources (uses); issuance costs are reported as expenditures.

### ***Net Position***

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows on the District-wide financial statements. Net position invested in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition or construction of those assets. Net position is reported as restricted when there are limitations imposed on its use either through legislation or through external restrictions imposed by creditors, grantors, laws or regulations from other governments.

### ***Fund Balance***

Fund balance represents the difference between assets and liabilities in the governmental fund financial statements. The District's fund balance is classified in the following categories:

*Nonspendable Fund Balance* - This represents amounts that cannot be spent due to legal requirements or because it is not in spendable form. The District reports nonspendable fund balance for inventories and prepaid expenditures.

*Restricted Fund Balance* - This represents amounts restricted for specific purposes imposed by grantors, bondholders, constitutional provisions or enabling legislation. The District reports restricted fund balance in the Food Service Fund, Debt Funds, 2016 Capital Projects Fund and 2020 Capital Projects Fund.

*Committed Fund Balance* - This represents amounts constrained on use to student activities.

*Assigned Fund Balance* - This is intended to be used for specific purposes but doesn't meet the criteria for restricted or committed fund balance. The District reports assigned fund balance in the General Capital Projects Fund and also in the General Fund to report specific projects. The Board of Education has delegated the authority to the Director of Finance and Operations to assign amounts to be used for specific purposes.

*Unassigned Fund Balance* - This is the residual fund balance of the General Fund.

The District typically uses restricted fund balance first, then committed, assigned and unassigned fund balances.

# Jenison Public Schools

## Notes to Financial Statements

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### *Property Taxes*

Properties are assessed as of December 31 and are levied and become a lien on July 1. These taxes are due on September 14, with the final collection date of February 28 before they are added to the county delinquent tax rolls.

### *Interfund Activity*

During the course of its operations, the District has certain transactions between funds. Outstanding balances between funds at year-end are reported as due from/to other funds. Balances typically are liquidated in the subsequent year.

### *Use of Estimates*

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

### *Subsequent Events*

Management has evaluated subsequent events through October 13, 2021, the date the financial statements were available to be issued. Based on that evaluation, there were no matters identified that had a significant impact on the financial statements as presented.

## **2. Cash and Investments**

### *Deposits*

State statutes require that certificates of deposit, savings accounts, deposit accounts and depository receipts are made with banks doing and having a place of business in the State of Michigan that are also members of a federal or national insurance corporation.

### *Custodial Credit Risk Related to Deposits*

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District minimizes custodial credit risk by pre-qualifying financial institutions. At June 30, 2021, approximately \$3,150,000 of the District's bank balances of \$3,400,000 was uninsured and uncollateralized.

The Federal Deposit Insurance Corporation (FDIC) general deposit insurance rules provide \$250,000 of insurance per depositor, per insured bank.



# Jenison Public Schools

## Notes to Financial Statements

A reconciliation of deposits to cash and investments as shown on the fund and the District-wide financial statements is as follows:

*June 30, 2021*

Carrying amount of deposits	\$ 72,454,240
Cash on hand	482
Less: cash of Fiduciary Funds	(11,075)
	\$ 72,443,647

### *Investments*

At June 30, 2021, the District had the following investments:

Investment Type	Investment Maturities in Years				Total
	Less Than 1	1-5	6-10	10+	
Michigan Liquid Asset Fund (MILAF)	\$ 26,630,624	\$ -	\$ -	\$ -	\$ 26,630,624
MILAF Term Portfolio	5,000,000	-	-	-	5,000,000
U.S. Government Agencies	1,491,331	30,513,702	-	-	32,005,033
Supra-National Agencies	-	622,762	-	-	622,762
Commercial Paper	5,188,262	-	-	-	5,188,262
	\$ 38,310,217	\$ 31,136,464	\$ -	\$ -	\$ 69,446,681

### *Interest Rate Risk*

The District does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the investment policy states the District may assess and control such risks using the following methods: segmented time distribution, specific identification, weighted average maturity, duration and simulation model.

### *Custodial Credit Risk Related to Investments*

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments that are in the possession of an outside party. The District minimizes custodial credit risk by limiting investments and pre-qualifying financial institutions.

### *Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit ratings are established by Standard & Poor's.

# Jenison Public Schools

## Notes to Financial Statements

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At June 30, 2021, the District had the following investments:

Investment Type	Fair Value	Standard & Poor's Ratings
Michigan Liquid Asset Fund (MILAF)	\$ 26,630,624	AAAm
MILAF Term Portfolio	5,000,000	AAAkf
U.S. Government Agencies	32,005,033	AA+
Supra-National Agencies	622,762	AAA
Commercial Paper	5,188,262	A-1

State statutes authorize the District to invest in obligations and certain repurchase agreements of the U.S. Treasury and related governmental agencies, commercial paper rated prime at the time of purchase and maturing not more than 270 days from the date of purchase, bankers' acceptance and certificates of deposit issued or created by a state or national bank insured with the applicable federal agency, and investment pools authorized by the Surplus Funds Investment Pool Act. The District follows state statutes and has no investment policy that would further limit its investment choices.

### *Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. Although the District places no limit on the amount that may be invested in any one issuer, the District minimizes concentration of credit risk by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimal. Other than the investment in MILAF, the District had no investments that exceeded 5%.

### *Fair Value Measurement*

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

*Level 1* - This level consists of quoted prices in active markets for identical securities.

*Level 2* - This level consists of prices determined using other significant observable inputs. Observable inputs are inputs that other market participants may use in pricing a security. These may include prices for similar securities, interest rates, prepayment speeds, credit risk and others.

*Level 3* - This level consists of prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant, unobservable inputs may be used. Unobservable inputs reflect the District's own assumptions about the factors market participants would use in pricing an investment and would be based on the best information available.

# Jenison Public Schools

## Notes to Financial Statements

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

The following tables set forth by level within the fair value hierarchy the investment assets and investment liabilities at fair value, as of June 30, 2021. There have been no significant transfers into or out of Levels 1, 2 or 3.

*June 30, 2021*

	Fair Value Measurements			
	Level 1	Level 2	Level 3	Total
U.S. Government Agency Bonds	\$ -	\$ 32,005,033	\$ -	\$ 32,005,033
Supra-National Agency Bonds	-	622,762	-	622,762
Commercial Paper	-	5,188,262	-	5,188,262
<b>Total Investments at Fair Value</b>	<b>\$ -</b>	<b>\$ 37,816,057</b>	<b>\$ -</b>	<b>\$ 37,816,057</b>

Investments of \$31,630,624 in pooled accounts are not subject to fair value measurement.

### 3. Interfund Activity

The District had no interfund receivable and payable balances at June 30, 2021.

The Food Service Fund transferred \$100,000 to the General Fund for indirect costs. The 2020 Capital Projects Fund transferred \$1,184,772 to the 2020 Building & Site Debt Fund to be applied toward debt repayments. The General Fund transferred \$275,000 to the General Capital Projects Fund for future projects. The Student Activity Fund transferred \$5,452 to the General Fund for state funds. The 2011B Debt Retirement Fund transferred \$431,287 to the 2017 Debt Retirement Fund for future debt repayment.

### 4. Due from/to Other Governmental Units

Due from other governmental units at June 30, 2021 consists of the following:

Fund	State	Federal	Total
General Fund	\$ 9,507,547	\$ 436,615	\$ 9,944,162
Nonmajor Governmental Funds	33,012	330,744	363,756
	<b>\$ 9,540,559</b>	<b>\$ 767,359</b>	<b>\$ 10,307,918</b>

Due to other governmental units at June 30, 2021 consists of the following:

Fund	State	Total
General Fund	\$ 820,118	\$ 820,118
Nonmajor Governmental Funds	1,798	1,798
	<b>\$ 821,916</b>	<b>\$ 821,916</b>

# Jenison Public Schools

## Notes to Financial Statements

All balances are expected to be collected or paid within one year.

### 5. Capital Assets

The following summarizes capital asset activity for the year ended June 30, 2021:

	Balance, July 1, 2020	Additions	Deletions	Balance, June 30, 2021
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 553,166	\$ -	\$ -	\$ 553,166
Construction in process	311,754	2,957,935	311,754	2,957,935
Capital assets being depreciated:				
Buildings and improvements	113,841,934	528,953	-	114,370,887
Furniture and fixtures	1,995,496	383,528	1,531,862	847,162
Machinery and equipment	1,707,155	51,614	35,700	1,723,069
Outside equipment	4,207,058	254,618	-	4,461,676
Transportation equipment	3,464,148	-	326,397	3,137,751
Software	18,837	-	-	18,837
<b>Total, at historical cost</b>	<b>126,099,548</b>	<b>4,176,648</b>	<b>2,205,713</b>	<b>128,070,483</b>
Less: accumulated depreciation for:				
Buildings and improvements	53,972,313	1,490,886	-	55,463,199
Furniture and fixtures	1,695,455	43,662	1,506,826	232,291
Machinery and equipment	1,062,961	102,448	28,560	1,136,849
Outside equipment	2,867,519	251,394	-	3,118,913
Transportation equipment	2,623,655	182,348	326,397	2,479,606
Software	18,837	-	-	18,837
<b>Total Accumulated Depreciation</b>	<b>62,240,740</b>	<b>2,070,738</b>	<b>1,861,783</b>	<b>62,449,695</b>
<b>Net Capital Assets</b>	<b>\$ 63,858,808</b>	<b>\$ 2,105,910</b>	<b>\$ 343,930</b>	<b>\$ 65,620,788</b>

Depreciation for the year ended June 30, 2021, was \$2,070,738. The District determined that it was impractical to allocate depreciation to various governmental activities, as the assets serve multiple functions.

### 6. Long-Term Obligations

The following is a summary of changes in long-term obligations for the District for the year ended June 30, 2021:

	Balance, July 1, 2020	Additions	Deductions	Balance, June 30, 2021	Due Within One Year
Bonds payable	\$ 53,690,000	\$ 49,225,000	\$ 6,310,000	\$ 96,605,000	\$ 4,780,000
Premium on bonds	6,178,111	12,814,610	704,232	18,288,489	-
Retirement incentive	1,267,509	282,524	504,495	1,045,538	400,423
Compensated absences	449,658	36,149	17,646	468,161	16,799
	<b>\$ 61,585,278</b>	<b>\$ 62,358,283</b>	<b>\$ 7,536,373</b>	<b>\$116,407,188</b>	<b>\$ 5,197,222</b>

Early retirement incentives and compensated absences are normally liquidated by the General Fund and Food Service Fund.

# Jenison Public Schools

## Notes to Financial Statements

Bonds payable are comprised of the following individual issues:

*June 30, 2021*

2020 general improvement bonds due in semiannual installments of \$400,000 to \$2,510,000 through May 2045; interest at 3.00% to 5.00%.	\$ 49,225,000
2020 refunding bonds due in annual installments of \$850,000 to \$915,000 through May 2023; interest at 0.91%.	1,765,000
2018 energy conservation improvement bonds due in annual installments of \$185,000 to \$220,000 through May 2028; interest at 3.00%.	1,405,000
2017 refunding bonds due in annual installments of \$855,000 to \$1,265,000 through May 2031; interest at 4.00% to 5.00%.	11,970,000
2016 general improvement and refunding bonds due in annual installments of \$935,000 to \$2,350,000 through May 2041; interest at 5.00%.	24,790,000
2011 Series A serial general improvement bonds due in annual installments of \$1,490,000 through May 2026; interest at 5.95% to 6.25%.	7,450,000
	\$ 96,605,000

The 2011 School Building and Site Bonds, Series A are designated as “Qualified School Construction Bonds” (QSCBs) under Section 54F of the Internal Revenue Code of 1986. Under IRS Section 54A, the District has elected to receive a direct credit (interest rate subsidy) from the U.S. Department of Treasury for a portion of the payment of interest on the bonds.

### ***Debt Service Requirements***

The annual requirements to service the bonds to maturity, including both principal and interest, are as follows:

*Year ending June 30,*

	Principal	Interest	Total
2022	\$ 4,780,000	\$ 4,558,748	\$ 9,338,748
2023	5,070,000	4,362,216	9,432,216
2024	5,780,000	4,151,686	9,931,686
2025	5,875,000	3,867,600	9,742,600
2026	5,755,000	3,580,126	9,335,126
2027-2031	24,555,000	14,030,750	38,585,750
2032-2036	17,375,000	9,008,500	26,383,500
2037-2041	17,375,000	4,730,050	22,105,050
2042-2045	10,040,000	1,255,000	11,295,000
	\$ 96,605,000	\$ 49,544,676	\$ 146,149,676

### ***Early Retirement Incentive***

The District offers some employees an early retirement incentive program as part of their contractual agreement. 31 employees participate in the early retirement program. The program

# Jenison Public Schools

## Notes to Financial Statements

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provides up to 72% of each employee's annual salary at the time of retirement, payable over five years. At June 30, 2021, the District's liability for the early retirement program was \$1,046,427. The total present value of the future payments, using a discount rate of 0.04%, is \$1,045,538.

### **7. Defined Benefit Plan and Other Post-Retirement Benefits (OPEB)**

#### *Plan Description*

MPSERS is a cost-sharing, multiple-employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan originally created under Public Act 136 of 1945, re-codified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this Act establishes the Board of Education's authority to promulgate or amend the provisions of the System. MPSERS issues a publicly available Comprehensive Annual Financial Report that can be obtained at <http://www.michigan.gov/orsschools/0,4653,7-206-36585---,00.html>.

#### *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. Retirement benefits for DB plan members are determined by final average compensation and years of service. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. MPSERS also provides disability and survivor benefits to DB plan members.

#### *Pension Reform 2010*

On May 9, 2010, the governor signed Public Act 75 of 2010 into law. As a result, any member of MPSERS who became a member after June 30, 2010 is a Pension Plus member. The Pension Plus plan pairs a guaranteed retirement income (defined benefit) with a flexible and transferable retirement savings (defined contribution) account.

#### *Pension Reform 2012*

On September 4, 2012, the governor signed Public Act 300 of 2012 into law. As a result, members of MPSERS who first worked before July 1, 2010 and earned service credit in the 12 months ended September 3, 2012 can voluntarily choose to increase, maintain or stop their contributions to the pension fund by electing from four plan options. Members who first work on or after September 4, 2012 are able to elect the Pension Plus plan or a defined contribution plan.

#### *Pension Reform 2017*

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

# Jenison Public Schools

## Notes to Financial Statements

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

*Eligibility* - Age 55 with 30 years credited service; or age 60 with ten years credited service. For Member Investment Plan (MIP) members of any age with 30 years credited service, or age 60 with ten years credited service, or age 60 with five years of credited service, provided the member worked through his/her 60<sup>th</sup> birthday and has credited service in each of the last five years. For Pension Plus (PPP) members, age 60 with ten years of credited service.

*Annual Amount* - Total credited service as of the transition date times 1.5% of final average compensation.

### ***Pension Plus***

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

*Option 1* - Credited service after the transition date times 1.5% times final average compensation (FAC).

*Option 2* - Credited service after the transition date (until total service reaches 30 years) times 1.5% times FAC, plus credited service after the transition date and over 30 years times 1.25% times FAC.

*Option 3* - Credited service after the transition date times 1.25% times FAC.

*Option 4* - None (member will receive benefit through a defined contribution plan).

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

### ***Member Contributions***

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

### ***Employer Contributions***

Employer contributions to MPSERS 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.

**Jenison Public Schools**  
**Notes to Financial Statements**

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The District's contributions to MPSERS for the current and two preceding years were as follows:

*Year ending June 30,*

	Employer Contribution
2021	\$ 13,245,485
2020	12,276,118
2019	11,643,750

During the year ended June 30, 2021, the District recorded \$4,506,295 of employer contributions for the MPSERS unfunded liabilities obligations in excess of the statutory cap. Funds were received from the State of Michigan through state aid payments to offset the employer contribution.

**Pension**

*Pension Liabilities*

At June 30, 2021, the District reported a liability of \$117,756,436 for its proportionate share of the net pension liability. The net pension liability was measured as of September 30, 2020; the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined. At September 30, 2020, the District's proportion was 0.34280%, which is a 0.57343% increase from the prior year.

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

For the year ended June 30, 2021, the District recognized pension expense of approximately \$17,830,000. The Reporting Unit reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

*June 30, 2021*

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 13,048,548	\$ -
Differences between expected and actual experience	1,799,222	(251,334)
Net difference between projected and actual earnings on pension plan investments	494,760	-
Changes in proportion and differences between reporting unit contributions and proportionate share of contributions	3,257,531	(434,990)
Reporting unit contributions subsequent to the measurement date	8,892,889	(4,506,295)
<b>Total</b>	<b>\$ 27,492,950</b>	<b>\$ (5,192,619)</b>

Deferred outflows of resources resulting from District employer contributions of \$8,892,889 made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. A portion of these deferred outflows are offset by section 147c pension contributions received from the State of Michigan subsequent to the measurement date.



# Jenison Public Schools

## Notes to Financial Statements

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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 June 30,*

2022	\$	8,247,423
2023		5,874,122
2024		2,964,271
2025		827,921

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### ***Other Post-Employment Benefits***

#### *Introduction*

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. Beginning fiscal year 2013, it is funded on a pre-funded basis. MPSERS has contracted to provide the comprehensive group medical, hearing, dental and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by MPSERS with the balance deducted from the monthly pension of each retiree health care recipient. For members who first worked before July 1, 2008, (Basic, MIP-Fixed, and MIP-Graded plan members), the subsidy is the maximum allowed by statute. To limit future liabilities of other 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 toward 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.

Public Act 75 of 2010 requires each actively employed member of MPSERS after June 30, 2010 to annually contribute 3% of their compensation to offset employer contributions for health care benefits of current retirees.

#### *Retiree Healthcare Reform of 2012*

Public Act 300 of 2012 granted all active members of MPSERS who earned service credit in the 12 months ended 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 began on or after December 1, 2012.

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

# Jenison Public Schools

## Notes to Financial Statements

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

*Eligibility* - Age 55 with 30 years credited service; or age 60 with ten years credited service. For Member Investment Plan (MIP) members, age 46 with 30 years credited service, or age 60 with ten years credited service, or age 60 with five years of credited service, provided the member worked through his/her 60<sup>th</sup> birthday and has credited service in each of the last five years. For Pension Plus (PPP) members, age 60 with ten years of credited service.

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

### *Member Contributions*

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

### *Employer Contributions*

Employers are required by Public Act 300 of 1980, as amended, to contribute amounts necessary to finance the coverage of members and retiree OPEB. Contribution provisions are specified by state statute and may be amended only by action of the state legislature.

Employer contributions to the system are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis.

The District's OPEB contributions for the year ended June 30, 2021 were equal to the statutorily required contribution amount of approximately \$4,210,000.

### *OPEB Liabilities*

At June 30, 2021, the District reported a liability of \$18,488,235 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of September 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation date of September 30, 2020 and rolled forward using generally accepted actuarial procedures. The District's proportion of the net OPEB liability was based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating districts, actuarially determined. At September 30, 2020, the District's proportion was 0.34511%, which is a 1.12192% increase from the prior year.

# Jenison Public Schools

## Notes to Financial Statements

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

For the year ended June 30, 2021, the District recognized OPEB expense of approximately \$1,700,000. The District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

*June 30, 2021*

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 6,095,938	\$ -
Differences between expected and actual experience	-	(13,775,463)
Net difference between projected and actual earnings on pension plan investments	154,305	-
Changes in proportion and differences between reporting unit contributions and proportionate share of contributions	1,377,238	(170,116)
Reporting unit contributions subsequent to the measurement date	2,083,104	-
<b>Total</b>	<b>\$ 9,710,585</b>	<b>\$ (13,945,579)</b>

\$2,083,104, reported as deferred outflows of resources related to OPEB resulting from District employer contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

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 June 30,*

2022		\$ (1,635,686)
2023		(1,421,113)
2024		(1,216,658)
2025		(1,122,496)
2026		(922,145)

***Actuarial Assumptions***

*Investment Rate of Return for Pension* - 6.8% a year, compounded annually net of investment and administrative expenses for the non-hybrid groups and Pension Plus plan, and 6.0% a year, compounded annually net of investment and administrative expenses for the hybrid group (Pension Plus 2 plan).

*Investment Rate of Return for OPEB* - 6.95% a year, compounded annually net of investment and administrative expenses.

*Salary Increases* - 2.75% - 11.55%, including wage inflation at 2.75%.

*Inflation* - 2.75%

# Jenison Public Schools

## Notes to Financial Statements

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*Mortality Assumptions* - 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: RP-2014 Male and Female Employee Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2017 from 2006. Disabled Retirees: RP-2014 Male and Female Disabled Annuitant Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2017 from 2006.

*Experience Study* - The annual actuarial valuation report of the system used for these statements is dated September 30, 2020. Assumption changes as a result of an experience study for the periods 2012 through 2017 have been adopted by the system for use in the annual pension valuations beginning with the September 30, 2017 valuation.

*The Long-Term Expected Rate of Return on Pension Plan Investments* - The rate was 6.8% (6.0% Pension Plus 2 plan) net of investment and administrative expenses was determined using a method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

*Healthcare Cost Trend Rate for Other Postemployment Benefit* - 7.0% for year one and graded to 3.5% for year 15.

*Additional Assumptions for Other Post-Employment Benefit Only - Applies to Individuals Hired Before September 4, 2012:*

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

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

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

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# Jenison Public Schools

## Notes to Financial Statements

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

Investment Category	Target Allocation (%)	Long-Term Expected Real Rate of Return* (%)
Domestic equity pools	25.0	5.6
Private equity pools	16.0	9.3
International equity pools	15.0	7.4
Fixed income pools	10.5	0.5
Real estate and infrastructure pools	10.0	4.9
Absolute return pools	9.0	3.2
Real return/opportunistic pools	12.5	6.6
Short-term investment pools	2.0	(0.1)
<b>Total</b>	<b>100.0</b>	

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

**Pension Discount Rate** - The discount rate used to measure the total pension liability was 6.8% (6.0% for Pension Plus 2 Plan). The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from school districts will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**OPEB Discount Rate** - The discount rate of 6.95% was used to measure the total OPEB liability. The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that school districts' 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 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% (6.0% for 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 one percentage point lower or one percentage point higher than the current rate:

	1% Lower (5.8%/5.0%)	Discount Rate (6.8%/6.0%)	1% Higher (7.8%/7.0%)
Reporting unit's proportionate share of the net pension liability	\$ 152,415,730	\$ 117,756,436	\$ 89,031,606

# Jenison Public Schools

## Notes to Financial Statements

### ***Sensitivity 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 one percentage point lower or one percentage point higher than the current rate:

	1% Lower (5.95%)	Discount Rate (6.95%)	1% Higher (7.95%)
Reporting unit's proportionate share of the net OPEB liability	\$ 23,750,240	\$ 18,488,235	\$ 14,058,069

### ***Sensitivity 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 healthcare trend rates, as well as what the District's proportionate share of the net OPEB Liability would be if it were calculated using a healthcare trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Lower	Current Healthcare Cost Trend Rate	1% Higher
District's proportionate share of the net OPEB liability	\$ 13,888,446	\$ 18,488,235	\$ 23,719,928

### ***Pension and OPEB Plan Fiduciary Net Position***

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

### ***Payable to the Pension and OPEB Plan***

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

### ***Other Information***

The District's post-employment healthcare contributions to MPSERS for the year ended June 30, 2021 were approximately \$2,556,000.

# Jenison Public Schools

## Notes to Financial Statements

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### 8. Risk Management and Benefits

The District participates in a public entity risk (insurance) pool with other school districts in the SET-SEG Property/Casualty Pool, Inc. (a nonprofit corporation). This is a self-insurance fund which provides members with loss protection for property and casualty damages. The Pool was created on May 23, 1985 and organized under Public Act 138 of 1982, as amended as a governmental group property and casualty self-insurance pool. There have been no significant reductions in coverage and settlements have not exceeded insurance coverage during the past three years.

The District made a contribution of \$146,982 to the Pool for the year ended June 30, 2021. A member's contribution to the Pool in excess of its share of claim losses, expenses and other costs may be refunded as determined by the Board of Directors. The District received a refund of \$319 for the fiscal year ended June 30, 2021.

The Pool does not maintain separate funds for members, and consequently, the District's share of the total assets and total equity is unknown.

The District continues to carry commercial insurance for employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

### 9. Bond Compliance and Commitments

The Capital Projects Funds include activities funded by bonds that were issued after May 1, 1994. For these capital projects, the District has complied with the applicable provisions of Section 1351(a) of the Revised School Code. Beginning with the year of bond issuance, the District has reported the annual construction activity in the Capital Projects Funds as follows:

*June 30, 2021*

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	Cumulative Revenues	Cumulative Expenditures and Other Financing Uses
2016 Bonds	\$ 494,678	\$ 25,906,668
2020 Bonds	22,094	5,863,079

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### 10. Tax Abatements

The District receives reduced property tax revenues as a result of Industrial Facilities Tax exemptions granted by Georgetown Charter Township. Industrial facility exemptions are intended to promote construction of new industrial facilities or to rehabilitate historical facilities. The property taxes abated for all funds by Georgetown Charter Township under these programs were approximately \$8,700 for the year ended June 30, 2021.

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

There are no significant abatements made by the District.

**Jenison Public Schools**  
**Notes to Financial Statements**

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**11. Net Investment in Capital Assets**

The composition of the District's net investment in capital assets is as follows:

*June 30, 2021*

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<b>Capital Assets</b>	
Land and construction in process	\$ 3,511,101
Depreciable capital assets, net	62,109,687
<b>Total Capital Assets</b>	<b>65,620,788</b>
<b>Related Debt</b>	
Bonds payable	(96,605,000)
Bond premium	(18,288,489)
Unspent proceeds	56,540,639
Deferred interest on refunding	1,242,778
<b>Total Related Debt</b>	<b>(57,110,072)</b>
<b>Net Investment in Capital Assets</b>	<b>\$ 8,510,716</b>

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## General Fund

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# Jenison Public Schools

## General Fund Balance Sheet

June 30, 2021

	General
<b>Assets</b>	
Cash and investments	\$ 10,915,220
Accounts receivable	2,209
Due from other governmental units	9,944,162
Inventories	17,987
Prepaid expenditures	88,832
<b>Total Assets</b>	<b>\$ 20,968,410</b>
<b>Liabilities and Fund Balances</b>	
<b>Liabilities</b>	
Accounts payable	\$ 318,273
Accrued payroll	6,154,767
Due to other governmental units	820,118
Unearned revenue	703,307
<b>Total Liabilities</b>	<b>7,996,465</b>
<b>Fund Balances</b>	
Nonspendable:	
Inventories	17,987
Prepaid expenditures	88,832
Assigned for Jenison International Academy programming	1,069,969
Unassigned	11,795,157
<b>Total Fund Balances</b>	<b>12,971,945</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 20,968,410</b>

*See accompanying notes to financial statements.*

# Jenison Public Schools

## General Fund Schedule of Revenues and Other Financing Sources Budget to Actual

*Year ended June 30, 2021*

	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
<b>Local Sources</b>			
Property taxes	\$ 3,294,000	\$ 3,295,774	\$ 1,774
Tuition	98,000	120,240	22,240
Investment income	7,500	5,923	(1,577)
Athletics	20,000	20,370	370
Interdistrict	7,078,752	7,097,497	18,745
Other	699,000	984,966	285,966
<b>Total Revenues from Local Sources</b>	<b>11,197,252</b>	<b>11,524,770</b>	<b>327,518</b>
<b>State Sources</b>			
Unrestricted grants	39,652,354	39,655,727	3,373
Restricted grants	12,254,464	12,423,419	168,955
<b>Total Revenues from State Sources</b>	<b>51,906,818</b>	<b>52,079,146</b>	<b>172,328</b>
<b>Federal Sources</b>	<b>3,854,635</b>	<b>3,728,933</b>	<b>(125,702)</b>
<b>Other Financing Source</b>			
Transfers in	100,000	105,452	5,452
<b>Total Revenues and Other Financing Source</b>	<b>\$ 67,058,705</b>	<b>\$ 67,438,301</b>	<b>\$ 379,596</b>

*See accompanying notes to financial statements.*

**Jenison Public Schools**  
**General Fund**  
**Schedule of Expenditures and Other Financing Uses**  
**Budget to Actual**

Year ended June 30, 2021

	Salaries	Employee Benefits	Purchased Services	Supplies, Materials and Other Expenses	Capital Outlay	Total Actual Expenditures	Final Budget	Variance Positive (Negative)
<b>Expenditures</b>								
<b>Instruction</b>								
Basic programs:								
Elementary	\$ 9,012,186	\$ 6,850,505	\$ 1,089,227	\$ 288,482	\$ 24,750	\$ 17,265,150	\$ 17,338,334	\$ 73,184
Junior high	2,344,900	1,852,969	175,512	47,990	22,164	4,443,535	4,434,619	(8,916)
High school	4,287,336	3,222,664	609,857	78,863	25,486	8,224,206	8,579,259	355,053
Preschool	694,501	523,887	404,933	29,347	-	1,652,668	1,795,945	143,277
Summer school	41,080	20,714	-	101,503	-	163,297	250,000	86,703
<b>Total Basic Programs</b>	<b>16,380,003</b>	<b>12,470,739</b>	<b>2,279,529</b>	<b>546,185</b>	<b>72,400</b>	<b>31,748,856</b>	<b>32,398,157</b>	<b>649,301</b>
Added needs:								
Special education	3,780,031	2,754,884	316,835	15,584	1,635	6,868,969	7,021,657	152,688
Compensatory education	311,647	220,459	12,583	904	-	545,593	565,405	19,812
Vocational education	280,339	191,461	-	85,985	25,557	583,342	571,951	(11,391)
<b>Total Added Needs</b>	<b>4,372,017</b>	<b>3,166,804</b>	<b>329,418</b>	<b>102,473</b>	<b>27,192</b>	<b>7,997,904</b>	<b>8,159,013</b>	<b>161,109</b>
<b>Total Instruction</b>	<b>20,752,020</b>	<b>15,637,543</b>	<b>2,608,947</b>	<b>648,658</b>	<b>99,592</b>	<b>39,746,760</b>	<b>40,557,170</b>	<b>810,410</b>
<b>Support Services</b>								
Student services:								
Guidance	462,556	365,117	-	164	-	827,837	816,808	(11,029)
Health	261,554	197,488	10,375	2,514	-	471,931	513,959	42,028
Psychological	360,214	231,944	1,157	3,353	-	596,668	594,075	(2,593)
Speech	512,619	380,833	675	5,130	16	899,273	888,027	(11,246)
Social work	542,729	412,043	1,174	2,014	50	958,010	961,129	3,119
Teacher consultant	326,118	239,576	719	210	-	566,623	564,536	(2,087)
Other	295,007	185,717	114,318	-	-	595,042	624,160	29,118
<b>Total Student Services</b>	<b>2,760,797</b>	<b>2,012,718</b>	<b>128,418</b>	<b>13,385</b>	<b>66</b>	<b>4,915,384</b>	<b>4,962,694</b>	<b>47,310</b>
Instructional staff:								
Improvement of instruction	245,296	174,390	38,646	5,301	-	463,633	531,099	67,466
Library	127,369	80,602	15,936	5,839	-	229,746	228,806	(940)
Technology	381,628	246,149	54,532	60,417	227,440	970,166	954,440	(15,726)
Supervision and direction	483,332	319,874	2,114	21,462	-	826,782	839,518	12,736
<b>Total Instructional Staff</b>	<b>1,237,625</b>	<b>821,015</b>	<b>111,228</b>	<b>93,019</b>	<b>227,440</b>	<b>2,490,327</b>	<b>2,553,863</b>	<b>63,536</b>

**Jenison Public Schools**  
**General Fund**  
**Schedule of Expenditures and Other Financing Uses**  
**Budget to Actual**

Year ended June 30, 2021

	Salaries	Employee Benefits	Purchased Services	Supplies, Materials and Other Expenses	Capital Outlay	Total Actual Expenditures	Final Budget	Variance Positive (Negative)
<b>Support Services (continued)</b>								
General administration	\$ 355,889	\$ 217,481	\$ 81,275	\$ 58,997	\$ -	\$ 713,642	\$ 775,409	\$ 61,767
School administration	2,256,733	1,630,974	12,019	34,176	4,668	3,938,570	4,024,406	85,836
Business office:								
Fiscal	301,621	219,706	19,203	5,502	-	546,032	537,667	(8,365)
Internal services	22,838	19,695	26,140	-	-	68,673	79,456	10,783
Other	-	-	-	13,449	-	13,449	27,000	13,551
<b>Total Business Office</b>	<b>324,459</b>	<b>239,401</b>	<b>45,343</b>	<b>18,951</b>	<b>-</b>	<b>628,154</b>	<b>644,123</b>	<b>15,969</b>
Operations and maintenance	495,517	343,535	2,306,486	1,097,679	129,783	4,373,000	4,692,671	319,671
Student transportation	772,077	523,855	66,225	198,950	-	1,561,107	1,565,579	4,472
Athletics	546,047	320,217	317,141	54,745	91,618	1,329,768	1,424,586	94,818
Other support services:								
Personnel services	328,584	221,378	77,321	6,265	-	633,548	639,738	6,190
Other	150,015	98,120	282,925	50,939	-	581,999	624,793	42,794
<b>Total Other Support Services</b>	<b>478,599</b>	<b>319,498</b>	<b>360,246</b>	<b>57,204</b>	<b>-</b>	<b>1,215,547</b>	<b>1,264,531</b>	<b>48,984</b>
<b>Total Support Services</b>	<b>9,227,743</b>	<b>6,428,694</b>	<b>3,428,381</b>	<b>1,627,106</b>	<b>453,575</b>	<b>21,165,499</b>	<b>21,907,862</b>	<b>742,363</b>
<b>Community Services</b>	<b>630,575</b>	<b>427,514</b>	<b>626,008</b>	<b>31,723</b>	<b>34,418</b>	<b>1,750,238</b>	<b>1,931,276</b>	<b>181,038</b>
<b>Other Financing Uses</b>								
Redemption of principal	-	-	-	185,000	-	185,000	150,000	(35,000)
Interest and fiscal charges	-	-	-	48,075	-	48,075	83,075	35,000
Transfers out	-	-	-	275,000	-	275,000	381,756	106,756
<b>Total Other Financing Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>508,075</b>	<b>-</b>	<b>508,075</b>	<b>614,831</b>	<b>106,756</b>
<b>Total Expenditures and Other Financing Uses</b>	<b>\$ 30,610,338</b>	<b>\$ 22,493,751</b>	<b>\$ 6,663,336</b>	<b>\$ 2,815,562</b>	<b>\$ 587,585</b>	<b>\$ 63,170,572</b>	<b>\$ 65,011,139</b>	<b>\$ 1,840,567</b>

*See accompanying notes to financial statements.*

## **Nonmajor Governmental Funds**

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**Jenison Public Schools**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**

June 30, 2021

	Special Revenue		Debt Retirement				General Capital Projects	Total
	Food Service	Student Activity	2020 Refunding Debt	2017 Debt	2016 Debt	2011A Debt		
<b>Assets</b>								
Cash and investments	\$ 2,083,884	\$ 635,253	\$ 147,410	\$ 627,639	\$ 385,697	\$ 496,587	\$ 652,919	\$ 5,029,389
Due from other governmental units	363,756	-	-	-	-	-	-	363,756
Inventories	60,544	-	-	-	-	-	-	60,544
<b>Total Assets</b>	<b>\$ 2,508,184</b>	<b>\$ 635,253</b>	<b>\$ 147,410</b>	<b>\$ 627,639</b>	<b>\$ 385,697</b>	<b>\$ 496,587</b>	<b>\$ 652,919</b>	<b>\$ 5,453,689</b>
<b>Liabilities and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ 2,022	\$ 32,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,788
Accrued payroll	16,578	-	-	-	-	-	-	16,578
Due to other governmental units	1,798	-	-	-	-	-	-	1,798
Unearned revenue	217,531	-	-	-	-	-	-	217,531
<b>Total Liabilities</b>	<b>237,929</b>	<b>32,766</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>270,695</b>
<b>Fund Balances</b>								
Nonspendable - inventories	60,544	-	-	-	-	-	-	60,544
Restricted for debt retirement	-	-	147,410	627,639	385,697	496,587	-	1,657,333
Restricted for food service	2,209,711	-	-	-	-	-	-	2,209,711
Committed for student activities	-	602,487	-	-	-	-	-	602,487
Assigned for capital projects	-	-	-	-	-	-	652,919	652,919
<b>Total Fund Balances</b>	<b>2,270,255</b>	<b>602,487</b>	<b>147,410</b>	<b>627,639</b>	<b>385,697</b>	<b>496,587</b>	<b>652,919</b>	<b>5,182,994</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,508,184</b>	<b>\$ 635,253</b>	<b>\$ 147,410</b>	<b>\$ 627,639</b>	<b>\$ 385,697</b>	<b>\$ 496,587</b>	<b>\$ 652,919</b>	<b>\$ 5,453,689</b>

*See accompanying notes to financial statements.*

**Jenison Public Schools**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

Year ended June 30, 2021

	Special Revenue		Debt Retirement				Capital Projects		Total		
	Food Service	Student Activity	2020 Building & Site Debt	2020 Refunding Debt	2017 Debt	2016 Debt	2011B Debt	2011A Debt		2016 Capital Projects	General Capital Projects
<b>Revenues</b>											
Local sources:											
Property taxes	\$ -	\$ -	\$ -	\$ 2,759,782	\$ 587,188	\$ 1,859,427	\$ 1,340,745	\$ 1,771,349	\$ -	\$ -	\$ 8,318,491
Other local	182,818	522,286	291	6,649	295	924	792	1,139	62	181,902	897,158
State sources	313,175	-	-	-	-	-	-	-	-	-	313,175
Federal sources	4,840,155	-	-	-	-	-	-	-	-	-	4,840,155
<b>Total Revenues</b>	<b>5,336,148</b>	<b>522,286</b>	<b>291</b>	<b>2,766,431</b>	<b>587,483</b>	<b>1,860,351</b>	<b>1,341,537</b>	<b>1,772,488</b>	<b>62</b>	<b>181,902</b>	<b>14,368,979</b>
<b>Expenditures</b>											
Salaries	929,707	-	-	-	-	-	-	-	-	-	929,707
Employee benefits	548,548	-	-	-	-	-	-	-	-	-	548,548
Food and milk costs	1,428,547	-	-	-	-	-	-	-	-	-	1,428,547
Purchased services	344,544	-	-	-	-	-	-	-	-	-	344,544
Supplies, materials, other	577,636	-	-	-	-	-	-	-	-	-	577,636
Student activities	-	485,665	-	-	-	-	-	-	-	-	485,665
Capital outlay	61,806	-	-	-	-	-	-	-	292,540	15,230	369,576
Redemption of principal	-	-	-	2,625,000	-	760,000	1,250,000	1,490,000	-	-	6,125,000
Interest	-	-	1,184,663	37,730	553,850	1,277,500	62,500	542,360	-	-	3,658,603
Fiscal charges	-	-	400	2,231	911	1,301	1,688	2,489	-	-	9,020
<b>Total Expenditures</b>	<b>3,890,788</b>	<b>485,665</b>	<b>1,185,063</b>	<b>2,664,961</b>	<b>554,761</b>	<b>2,038,801</b>	<b>1,314,188</b>	<b>2,034,849</b>	<b>292,540</b>	<b>15,230</b>	<b>14,476,846</b>
<b>Excess (Deficiency) of Revenues</b>											
<b>Over Expenditures</b>	<b>1,445,360</b>	<b>36,621</b>	<b>(1,184,772)</b>	<b>101,470</b>	<b>32,722</b>	<b>(178,450)</b>	<b>27,349</b>	<b>(262,361)</b>	<b>(292,478)</b>	<b>166,672</b>	<b>(107,867)</b>
<b>Other Financing Sources (Uses)</b>											
Transfers in	-	-	1,184,772	-	431,287	-	-	-	-	275,000	1,891,059
Transfers out	(100,000)	(5,452)	-	-	(109)	-	(431,287)	-	-	-	(536,848)
<b>Total Other Financing Sources (Uses)</b>	<b>(100,000)</b>	<b>(5,452)</b>	<b>1,184,772</b>	<b>-</b>	<b>431,178</b>	<b>-</b>	<b>(431,287)</b>	<b>-</b>	<b>-</b>	<b>275,000</b>	<b>1,354,211</b>
<b>Net Change in Fund Balances</b>	<b>1,345,360</b>	<b>31,169</b>	<b>-</b>	<b>101,470</b>	<b>463,900</b>	<b>(178,450)</b>	<b>(403,938)</b>	<b>(262,361)</b>	<b>(292,478)</b>	<b>441,672</b>	<b>1,246,344</b>
<b>Fund Balances, beginning of year</b>	<b>924,895</b>	<b>571,318</b>	<b>-</b>	<b>45,940</b>	<b>163,739</b>	<b>564,147</b>	<b>403,938</b>	<b>758,948</b>	<b>292,478</b>	<b>211,247</b>	<b>3,936,650</b>
<b>Fund Balances, end of year</b>	<b>\$ 2,270,255</b>	<b>\$ 602,487</b>	<b>\$ -</b>	<b>\$ 147,410</b>	<b>\$ 627,639</b>	<b>\$ 385,697</b>	<b>\$ -</b>	<b>\$ 496,587</b>	<b>\$ -</b>	<b>\$ 652,919</b>	<b>\$ 5,182,994</b>

*See accompanying notes to financial statements.*



## **Schedules of Bonds Issued, Redeemed and Outstanding**

# Jenison Public Schools

## 2011 General Improvement Bonds, Series A Schedules of Bonds Issued, Redeemed and Outstanding June 30, 2021

Year ended June 30,

	Bonds Due	Interest Rate (%)	Bond Principal			Interest Due	
			Issued	Redeemed	Outstanding June 30, 2021	November 1	May 1
2012	5/1/2012	-	\$ -	\$ -	\$ -	\$ -	\$ -
2013	5/1/2013	-	-	-	-	-	-
2014	5/1/2014	-	-	-	-	-	-
2015	5/1/2015	3.75	50,000	50,000	-	-	-
2016	5/1/2016	4.30	50,000	50,000	-	-	-
2017	5/1/2017	4.75	1,490,000	1,490,000	-	-	-
2018	5/1/2018	5.15	1,490,000	1,490,000	-	-	-
2019	5/1/2019	5.45	1,490,000	1,490,000	-	-	-
2020	5/1/2020	5.55	1,490,000	1,490,000	-	-	-
2021	5/1/2021	5.75	1,490,000	1,490,000	-	-	-
2022	5/1/2022	5.95	1,490,000	-	1,490,000	228,343	228,343
2023	5/1/2023	6.05	1,490,000	-	1,490,000	184,015	184,015
2024	5/1/2024	6.15	1,490,000	-	1,490,000	138,943	138,943
2025	5/1/2025	6.25	1,490,000	-	1,490,000	93,125	93,125
2026	5/1/2026	6.25	1,490,000	-	1,490,000	46,563	46,563
			\$15,000,000	\$ 7,550,000	\$ 7,450,000	\$ 690,989	\$ 690,989

**Date of Issue:** 4/20/11

**Purpose**

Erecting, furnishing and equipping a performing arts center on the high school/middle school campus; partially remodeling, furnishing and refurbishing, equipping and re-equipping school facilities, in part to expand a physical education classroom at the high school; acquiring, installing and equipping educational technology for school facilities; purchasing school buses; developing and improving sites.

**Redemption Prior to Maturity**

The bonds or portions of bonds in multiples of \$5,000 due on or after May 1, 2022 are subject to redemption prior to maturity at the option of the District, in such order as the District may determine and by lot within any maturity, on any date occurring on or after May 1, 2021, at par and accrued interest to the date fixed for redemption.

# Jenison Public Schools

## 2016 General Improvement and Refunding Bonds Schedules of Bonds Issued, Redeemed and Outstanding June 30, 2021

Year ended June 30,

	Bonds Due	Interest Rate (%)	Bond Principal			Interest Due	
			Issued	Redeemed	Outstanding June 30, 2021	November 1	May 1
2017	5/1/2017	4.00	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -
2018	5/1/2018	4.00	240,000	240,000	-	-	-
2019	5/1/2019	4.00	405,000	405,000	-	-	-
2020	5/1/2020	4.00	535,000	535,000	-	-	-
2021	5/1/2021	5.00	760,000	760,000	-	-	-
2022	5/1/2022	5.00	935,000	-	935,000	619,750	619,750
2023	5/1/2023	5.00	960,000	-	960,000	596,375	596,375
2024	5/1/2024	5.00	2,340,000	-	2,340,000	572,375	572,375
2025	5/1/2025	5.00	2,345,000	-	2,345,000	513,875	513,875
2026	5/1/2026	5.00	2,350,000	-	2,350,000	455,250	455,250
2027	5/1/2027	5.00	2,350,000	-	2,350,000	396,500	396,500
2028	5/1/2028	5.00	965,000	-	965,000	337,750	337,750
2029	5/1/2029	5.00	965,000	-	965,000	313,625	313,625
2030	5/1/2030	5.00	965,000	-	965,000	289,500	289,500
2031	5/1/2031	5.00	965,000	-	965,000	265,375	265,375
2032	5/1/2032	5.00	965,000	-	965,000	241,250	241,250
2033	5/1/2033	5.00	965,000	-	965,000	217,125	217,125
2034	5/1/2034	5.00	965,000	-	965,000	193,000	193,000
2035	5/1/2035	5.00	965,000	-	965,000	168,875	168,875
2036	5/1/2036	5.00	965,000	-	965,000	144,750	144,750
2037	5/1/2037	5.00	965,000	-	965,000	120,625	120,625
2038	5/1/2038	5.00	965,000	-	965,000	96,500	96,500
2039	5/1/2039	5.00	965,000	-	965,000	72,375	72,375
2040	5/1/2040	5.00	965,000	-	965,000	48,250	48,250
2041	5/1/2041	5.00	965,000	-	965,000	24,125	24,125
			\$ 26,855,000	\$ 2,065,000	\$ 24,790,000	\$ 5,687,250	\$ 5,687,250

Date of Issue: 6/1/16

### Purpose

A portion of the bonds were used for the purpose of refunding all outstanding 2006B Bonds in July 2016. The remaining portion of the bonds will be used for remodeling, equipping and re-equipping and furnishing and refurbishing school buildings; purchasing and equipping school buses; acquiring, installing, equipping and re-equipping school buildings for instructional technology; erecting, furnishing and equipping a new early childhood center/elementary building; erecting an athletic storage building; and acquiring, preparing, developing, improving and equipping playgrounds and sites.

### Redemption Prior to Maturity

The bonds or portions of bonds in multiples of \$5,000 maturing on May 1, 2027 shall be subject to redemption prior to maturity at the option of the District in such order as the District may determine and by lot within any maturity, on any interest payment date occurring on or after May 1, 2026, at par and accrued interest to the date fixed for redemption.

**Jenison Public Schools**  
**2017 Refunding Bonds**  
**Schedules of Bonds Issued, Redeemed and Outstanding**  
**June 30, 2021**

*Year ended June 30,*

	Bonds Due	Interest Rate (%)	Bond Principal			Interest Due	
			Issued	Redeemed	Outstanding June 30, 2021	November 1	May 1
2018	5/1/2018	-	\$ -	\$ -	\$ -	\$ -	\$ -
2019	5/1/2019	-	-	-	-	-	-
2020	5/1/2020	-	-	-	-	-	-
2021	5/1/2021	-	-	-	-	-	-
2022	5/1/2022	4.00	855,000	-	855,000	276,925	276,925
2023	5/1/2023	4.00	1,110,000	-	1,110,000	259,825	259,825
2024	5/1/2024	4.00	1,255,000	-	1,255,000	237,625	237,625
2025	5/1/2025	4.00	1,245,000	-	1,245,000	212,525	212,525
2026	5/1/2026	5.00	1,240,000	-	1,240,000	187,625	187,625
2027	5/1/2027	5.00	1,245,000	-	1,245,000	156,625	156,625
2028	5/1/2028	5.00	1,245,000	-	1,245,000	125,500	125,500
2029	5/1/2029	5.00	1,245,000	-	1,245,000	94,375	94,375
2030	5/1/2030	5.00	1,265,000	-	1,265,000	63,250	63,250
2031	5/1/2031	5.00	1,265,000	-	1,265,000	31,625	31,625
			\$ 11,970,000	\$ -	\$ 11,970,000	\$ 1,645,900	\$ 1,645,900

**Date of Issue:** 11/28/17

**Purpose**

Refunding of portions of 2011 Series B Bond.

**Redemption Prior to Maturity**

The bonds or portions of bonds in multiples of \$5,000 due on or after May 1, 2028 shall be subject to redemption prior to maturity at the option of the District in such order as the District may determine and by lot within any maturity, on any interest payment date occurring on or after May 1, 2027, at par and accrued interest to the date fixed for redemption.

# Jenison Public Schools

## 2018 Energy Conservation Improvement Bonds Schedules of Bonds Issued, Redeemed and Outstanding June 30, 2021

Year ended June 30,

	Bonds Due	Interest Rate (%)	Bond Principal			Interest Due	
			Issued	Redeemed	Outstanding June 30, 2021	November 1	May 1
2019	5/1/2019	-	\$ -	\$ -	\$ -	\$ -	\$ -
2020	5/1/2020	3.00	110,000	110,000	-	-	-
2021	5/1/2021	3.00	185,000	185,000	-	-	-
2022	5/1/2022	3.00	185,000	-	185,000	21,075	21,075
2023	5/1/2023	3.00	190,000	-	190,000	18,300	18,300
2024	5/1/2024	3.00	195,000	-	195,000	15,450	15,450
2025	5/1/2025	3.00	200,000	-	200,000	12,525	12,525
2026	5/1/2026	3.00	205,000	-	205,000	9,525	9,525
2027	5/1/2027	3.00	210,000	-	210,000	6,450	6,450
2028	5/1/2028	3.00	220,000	-	220,000	3,300	3,300
			\$ 1,700,000	\$ 295,000	\$ 1,405,000	\$ 86,625	\$ 86,625

**Date of Issue:** 10/30/18

**Purpose**

Financing energy conservation improvements to school buildings.

**Redemption Prior to Maturity**

The bonds or portions of bonds in multiples of \$5,000 due on or after May 1, 2027 shall be subject to redemption prior to maturity at the option of the District in such order as the District may determine and by lot within any maturity, on any interest payment date occurring on or after May 1, 2026, at par and accrued interest to the date fixed for redemption.

# Jenison Public Schools

## 2020 Refunding Bonds Schedules of Bonds Issued, Redeemed and Outstanding June 30, 2021

*Year ended June 30,*

	Bonds Due	Interest Rate (%)	Bond Principal			Interest Due	
			Issued	Redeemed	Outstanding June 30, 2021	November 1	May 1
2021	5/1/2021	0.91	\$ 2,625,000	\$ 2,625,000	\$ -	\$ -	\$ -
2022	5/1/2022	0.91	915,000	-	915,000	8,031	8,031
2023	5/1/2023	0.91	850,000	-	850,000	3,868	3,868
			\$ 4,390,000	\$ 2,625,000	\$ 1,765,000	\$ 11,899	\$ 11,899

**Date of Issue:** 5/21/20

**Purpose**

Refunding of portions of 2010 Refunding Bonds.

**Redemption Prior to Maturity**

The bonds are not subject to redemption prior to maturity.

# Jenison Public Schools

## 2020 General Improvement Bonds Schedules of Bonds Issued, Redeemed and Outstanding June 30, 2021

Year ended June 30,

	Bonds Due	Interest Rate (%)	Bond Principal			Interest Due	
			Issued	Redeemed	Outstanding June 30, 2021	November 1	May 1
2022	11/1/2021	3.00	\$ 400,000	\$ -	\$ 400,000	\$ 1,128,250	\$ 1,122,250
2023	11/1/2022	3.00	470,000	-	470,000	1,122,250	1,115,200
2024	11/1/2023	3.00	500,000	-	500,000	1,115,200	1,107,700
2025	11/1/2024	4.00	595,000	-	595,000	1,107,700	1,095,800
2026	11/1/2025	4.00	470,000	-	470,000	1,095,800	1,086,400
2027	11/1/2026	4.00	1,000,000	-	1,000,000	1,086,400	-
2027	5/1/2027	4.00	1,410,000	-	1,410,000	-	1,066,400
2028	11/1/2027	4.00	1,000,000	-	1,000,000	1,038,200	-
2028	5/1/2028	4.00	930,000	-	930,000	-	1,018,200
2029	11/1/2028	4.00	1,000,000	-	1,000,000	999,600	-
2029	5/1/2029	4.00	1,295,000	-	1,295,000	-	979,600
2030	11/1/2029	4.00	1,000,000	-	1,000,000	953,700	-
2030	5/1/2030	4.00	1,505,000	-	1,505,000	-	933,700
2031	11/1/2030	4.00	1,000,000	-	1,000,000	903,600	-
2031	5/1/2031	5.00	1,510,000	-	1,510,000	-	883,600
2032	11/1/2031	5.00	1,000,000	-	1,000,000	845,850	-
2032	5/1/2032	5.00	1,510,000	-	1,510,000	-	820,850
2033	11/1/2032	5.00	1,000,000	-	1,000,000	783,100	-
2033	5/1/2033	5.00	1,510,000	-	1,510,000	-	758,100
2034	11/1/2033	5.00	1,000,000	-	1,000,000	720,350	-
2034	5/1/2034	5.00	1,510,000	-	1,510,000	-	695,350
2035	11/1/2034	5.00	1,000,000	-	1,000,000	657,600	-
2035	5/1/2035	5.00	1,510,000	-	1,510,000	-	632,600
2036	11/1/2035	5.00	1,000,000	-	1,000,000	594,850	-
2036	5/1/2036	5.00	1,510,000	-	1,510,000	-	569,850
2037	11/1/2036	5.00	1,000,000	-	1,000,000	532,100	-
2037	5/1/2037	5.00	1,510,000	-	1,510,000	-	507,100
2038	11/1/2037	5.00	1,000,000	-	1,000,000	469,350	-
2038	5/1/2038	5.00	1,510,000	-	1,510,000	-	444,350
2039	11/1/2038	5.00	1,000,000	-	1,000,000	406,600	-
2039	5/1/2039	4.00	1,510,000	-	1,510,000	-	381,600
2040	11/1/2039	4.00	1,000,000	-	1,000,000	351,400	-
2040	5/1/2040	4.00	1,510,000	-	1,510,000	-	331,400
2041	11/1/2040	4.00	1,000,000	-	1,000,000	301,200	-
2041	5/1/2041	4.00	1,510,000	-	1,510,000	-	281,200
2042	5/1/2042	5.00	2,510,000	-	2,510,000	251,000	251,000
2043	5/1/2043	5.00	2,510,000	-	2,510,000	188,250	188,250
2044	5/1/2044	5.00	2,510,000	-	2,510,000	125,500	125,500
2045	5/1/2045	5.00	2,510,000	-	2,510,000	62,750	62,750
			\$ 49,225,000	\$ -	\$ 49,225,000	\$ 16,840,600	\$ 16,458,750

Date of Issue: 10/22/2020

**Purpose**

Erecting, furnishing and equipping additions to school buildings; purchasing, remodeling, equipping and re-equipping and furnishing and refurbishing school buildings; erecting, furnishing and equipping a new multi-purpose facility at the high school; acquiring, installing, equipping or re-equipping school buildings for instructional technology; purchasing school buses; and acquiring, preparing, developing, improving and equipping playgrounds and sites.

**Redemption Prior to Maturity**

The bonds or portions of bonds in multiples of \$5,000 due on or after November 1, 2030 are subject to redemption prior to maturity at the option of the District, in such order as the District may determine and by lot within any maturity, on any date occurring on or after May 1, 2030, at par and accrued interest to the date fixed for redemption.

## Required Supplementary Information

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# Jenison Public Schools

## General Fund Statement of Revenues, Expenditures and Changes in Fund Balance Budget to Actual

Year ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Local sources:				
Property taxes	\$ 3,154,000	\$ 3,294,000	\$ 3,295,774	\$ 1,774
Interdistrict	6,412,205	7,078,752	7,097,497	18,745
Other local	1,766,100	824,500	1,131,499	306,999
State sources	45,239,965	51,906,818	52,079,146	172,328
Federal sources	1,226,508	3,854,635	3,728,933	(125,702)
<b>Total Revenues</b>	<b>57,798,778</b>	<b>66,958,705</b>	<b>67,332,849</b>	<b>374,144</b>
<b>Expenditures</b>				
Instruction:				
Regular	31,178,271	32,398,157	31,748,856	649,301
Special education	6,521,288	7,021,657	6,868,969	152,688
Compensatory education	717,193	565,405	545,593	19,812
Vocational education	670,950	571,951	583,342	(11,391)
<b>Total Instruction</b>	<b>39,087,702</b>	<b>40,557,170</b>	<b>39,746,760</b>	<b>810,410</b>
Support services:				
Student services	4,863,655	4,962,694	4,915,384	47,310
Instructional staff	2,322,657	2,553,863	2,490,327	63,536
General administration	784,857	775,409	713,642	61,767
School administration	3,802,700	4,024,406	3,938,570	85,836
Business office	638,164	644,123	628,154	15,969
Operations and maintenance	4,111,854	4,692,671	4,373,000	319,671
Student transportation	1,701,628	1,565,579	1,561,107	4,472
Athletics	1,310,160	1,424,586	1,329,768	94,818
Other support services	1,396,502	1,264,531	1,215,547	48,984
<b>Total Support Services</b>	<b>20,932,177</b>	<b>21,907,862</b>	<b>21,165,499</b>	<b>742,363</b>
Community services	1,980,700	1,931,276	1,750,238	181,038
<b>Total Expenditures</b>	<b>62,000,579</b>	<b>64,396,308</b>	<b>62,662,497</b>	<b>1,733,811</b>
<b>Excess of Revenues Over Expenditures</b>	<b>(4,201,801)</b>	<b>2,562,397</b>	<b>4,670,352</b>	<b>2,107,955</b>
<b>Other Financing Source (Use)</b>				
Redemption of principal	(150,000)	(150,000)	(185,000)	(35,000)
Interest and fiscal charges	(83,000)	(83,075)	(48,075)	35,000
Transfers in	70,000	100,000	105,452	5,452
Transfers out	-	(381,756)	(275,000)	106,756
<b>Total Other Financing Source (Use)</b>	<b>(163,000)</b>	<b>(514,831)</b>	<b>(402,623)</b>	<b>112,208</b>
<b>Change in Fund Balance</b>	<b>(4,364,801)</b>	<b>2,047,566</b>	<b>4,267,729</b>	<b>2,220,163</b>
<b>Fund Balance, beginning of year</b>	<b>8,704,216</b>	<b>8,704,216</b>	<b>8,704,216</b>	<b>-</b>
<b>Fund Balance, end of year</b>	<b>\$ 4,339,415</b>	<b>\$10,751,782</b>	<b>\$ 12,971,945</b>	<b>\$ 2,220,163</b>

*See accompanying notes to financial statements.*

## Jenison Public Schools

### Schedule of the Reporting Unit's Proportionate Share of the Net Pension Liability Michigan Public School Employees Retirement Plan, Last Ten Fiscal Years (amounts were determined as of September 30 of each fiscal year)

<i>September 30,</i>	2020	2019	2018	2017	2016
Reporting unit's proportion of net pension liability	0.34280%	0.34085%	0.32752%	0.31654%	0.31393%
Reporting unit's proportionate share of net pension liability	\$ 117,756,436	\$ 112,877,431	\$ 98,459,062	\$ 82,030,183	\$ 78,324,057
Reporting unit's covered-employee payroll	\$ 30,444,020	\$ 29,586,557	\$ 28,585,558	\$ 25,658,662	\$ 26,118,766
Reporting unit's proportionate share of net pension liability as a percentage of its covered-employee payroll	386.80%	381.52%	344.44%	319.70%	299.88%
Plan fiduciary net position as a percentage of total pension liability	59.72%	60.31%	62.36%	64.21%	63.27%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, the District presents information for those years for which information is available.

## Jenison Public Schools

### Schedule of the Reporting Unit's Pension Contributions Michigan Public School Employees Retirement Plan, Last Ten Fiscal Years (amounts were determined as of June 30 of each fiscal year)

<i>June 30,</i>	2021	2020	2019	2018	2017
Statutorily required contributions	\$ 8,892,889	\$ 8,050,202	\$ 7,731,181	\$ 6,989,687	\$ 6,006,443
Contributions in relation to statutorily required contributions	8,892,889	8,050,202	7,731,181	6,989,687	6,006,443
<b>Contribution Deficiency (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Reporting unit's covered-employee payroll	\$ 30,355,454	\$ 30,498,476	\$ 29,924,346	\$ 27,346,131	\$25,303,880
Contributions as a percentage of covered-employee payroll	29.30%	26.40%	25.84%	25.56%	23.74%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, the District presents information for those years for which information is available.

## Jenison Public Schools

### Schedule of the Reporting Unit's Proportionate Share of the Net OPEB Liability Michigan Public School Employees Retirement Plan, Last Ten Fiscal Years (amounts were determined as of September 30 of each fiscal year)

<i>September 30,</i>	2020	2019	2018	2017
Reporting unit's proportion of net OPEB liability	0.34511%	0.34128%	0.33744%	0.31659%
Reporting unit's proportionate share of net OPEB liability	\$ 18,488,235	\$ 24,495,993	\$ 26,822,778	\$ 28,035,530
Reporting unit's covered-employee payroll	\$ 30,444,020	\$ 29,586,557	\$ 28,585,558	\$ 25,658,662
Reporting unit's proportionate share of net pension liability as a percentage of its covered-employee payroll	60.73%	82.79%	93.83%	109.26%
Plan fiduciary net position as a percentage of total OPEB liability	59.44%	48.46%	42.95%	36.39%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, the District presents information for those years for which information is available.

## Jenison Public Schools

### Schedule of the Reporting Unit's OPEB Contributions Michigan Public School Employees Retirement Plan, Last Ten Fiscal Years (amounts were determined as of June 30 of each fiscal year)

<i>June 30,</i>	2021	2020	2019	2018
Statutorily required contributions	\$ 4,209,654	\$ 3,892,209	\$ 3,723,579	\$ 3,502,837
Contributions in relation to statutorily required contribution:	4,209,654	3,892,209	3,723,579	3,502,837
<b>Contribution Deficiency (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Reporting unit's covered-employee payroll	\$ 30,355,454	\$ 30,498,476	\$ 29,924,346	\$ 27,346,131
Contributions as a percentage of covered-employee payroll	13.87%	12.76%	12.44%	12.81%

Note: This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, the District presents information for those years for which information is available.

# Jenison Public Schools

## Notes to Required Supplementary Information

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### 1. Budget

#### *Budgets and Budgetary Accounting*

The budgetary data reflected in the financial statements is established by the District using the procedures outlined below:

Prior to May, the various principals, directors and supervisors review operating budgets by program or building for the fiscal year commencing the following July 1 and submit them to the Director of Finance and Operations.

This information is used to develop a budget and resolution for the General Fund, Special Revenue Fund and Debt Retirement Funds. This includes proposed expenditures and the means of financing them and is compiled on the same basis of accounting used to reflect actual revenues and expenditures recognized on a generally accepted accounting principles basis.

In June, the budget resolution is subjected to a public hearing before the full Board of Education and is adopted after this hearing and before July 1, the first day of the budgeted fiscal year.

Various administrators are authorized to transfer budgeted amounts within their departmental budget; however, any revisions that alter the total expenditures of a fund, the legal level of budgetary control, must be approved by the Board of Education. The final budget reflects all revisions approved by the Board of Education during the year.

The budget is integrated with the accounting system of the District and is used as a management control device during the year.

### 2. Pension Benefits

#### *Benefit Changes*

There were no changes of benefit terms for each of the reported plan years ended September 30.

#### *Changes in Assumptions*

There were no significant changes of assumptions for each of the reported plan years ended September 30, except for the following:

2019 - The discount rate used in the September 30, 2018 Pension Plan actuarial valuation decreased by 0.70% (1.00% Pension Plus 2 Plan). Salary increases were reduced from 3.5% - 12.3%, including wage inflation at 2.75% to 2.75% - 11.55%, including wage inflation at 2.75%. Mortality Tables were updated to the following; 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: RP-2014 Male and Female Employee Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2017 from 2006. Disabled Retirees: RP-2014 Male and Female Disabled Annuitant Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2017 from 2006.

2018 - The discount rate used in the September 30, 2017 Pension Plan actuarial valuation decreased by 0.45%.

# Jenison Public Schools

## Notes to Required Supplementary Information

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2017 - The discount rate used in the September 30, 2016 Pension Plan actuarial valuation decreased by 0.50%.

### **3. Other Post-Employment Benefits**

#### ***Benefit Changes***

There were no changes of benefit terms for each of the reported plan years ended September 30.

#### ***Changes in Assumptions***

There were no significant changes of assumptions for each of the reported plan years ended September 30, except for the following:

2019 - The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.55%.

2018 - The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.35%.

## **Additional Single Audit Schedule and Reports**

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## **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Board of Education  
Jenison Public Schools  
Jenison, 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, each major fund, and the aggregate remaining fund information of Jenison Public Schools (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 13, 2021.

### ***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Jenison Public Schools' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of 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 District'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 or significant deficiencies may exist that have not been identified.



### ***Compliance and Other Matters***

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

### ***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

BDO USA, LLP

October 13, 2021

## **Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance**

Board of Education  
Jenison Public Schools  
Jenison, Michigan

### **Report on Compliance**

#### ***Opinion on Compliance for Each Major Federal Program***

We have audited Jenison Public Schools' (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Jenison Public Schools' major federal programs for the year ended June 30, 2021. Jenison Public Schools' 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, Jenison Public Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

#### ***Basis for Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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 Jenison Public Schools and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of Jenison Public Schools' compliance with the types of 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 Jenison Public Schools' federal programs.



### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Jenison Public Schools' 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 GAAS, *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, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the types of 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 Jenison Public Schools' compliance with the requirements of the federal program as a whole.

In performing an audit in accordance with GAAS, *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 Jenison Public Schools' compliance with the types of compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Jenison Public Schools' 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 Jenison Public Schools' 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 have not been 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.

BDO USA, LLP

October 13, 2021

## **Schedule of Expenditures of Federal Awards**

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## Jenison Public Schools

### Schedule of Expenditures of Federal Awards

Year ended June 30, 2021

Federal Grantor Pass-Through Grantor Program/Project Number	Grant/Project Number	Assistance Listing Number	Approved Awards Amount	Prior Year Expenditures (Memorandum Only)	Accrued (Deferred) Revenue at July 1, 2020	Adjustments	Current Year Receipts	Current Year Expenditures	Accrued (Deferred) Revenue at June 30, 2021	Current Year Passed-Through to Subrecipients
<b>Child Nutrition Cluster - U.S. Department of Agriculture</b>										
Passed through Michigan Department of Education:										
Noncash Assistance (Commodities):										
National School Lunch Program Bonus Commodities 2020-21	N/A	10.555	692	-	-	-	692	692	-	-
National School Lunch Program Entitlement Commodities 2020-21	N/A	10.555	269,263	-	(21,697)	-	264,112	279,056	(6,753)	-
Cash Assistance:										
COVID-19 Unanticipated School Closures 2019-20	200902	10.555	819,004	819,004	204,918	1,427 *	206,345	-	-	-
<b>National School Lunch Program (Including Commodities) Subtotal</b>			1,088,959	819,004	183,221	1,427	471,149	279,748	(6,753)	-
Cash Assistance:										
Summer Food Service Program for Children 2020-21	200900	10.559	630,334	-	-	(1,427) *	628,907	630,334	-	-
Summer Food Service Program for Children 2020-21	210904	10.559	3,929,520	-	-	-	3,598,775	3,929,520	330,745	-
<b>Summer Food Service Program for Children Subtotal</b>			4,559,854	-	-	(1,427)	4,227,682	4,559,854	330,745	-
<b>Total Child Nutrition Cluster - U.S. Department of Agriculture</b>			5,648,813	819,004	183,221	-	4,698,831	4,839,602	323,992	-
<b>Coronavirus Relief Fund - U.S. Department of the Treasury</b>										
Passed through Michigan Department of Education:										
COVID-19 - Coronavirus Relief Fund:										
COVID-19 - Coronavirus Relief Fund	N/A	21.019	1,869,991	-	-	-	1,869,991	1,869,991	-	-
COVID-19 - District COVID-19 Costs	N/A	21.019	65,823	-	-	-	65,823	65,823	-	-
COVID-19 - Round 6	N/A	21.019	247,000	-	-	-	247,000	247,000	-	-
<b>Total U.S. Department of the Treasury</b>			2,182,814	-	-	-	2,182,814	2,182,814	-	-
<b>U.S. Department of Education</b>										
Passed through Michigan Department of Education:										
Title I Grants to Local Educational Agencies										
Title I Part A 1920	201530	84.010	241,493	234,673	40,239	-	40,239	-	-	-
Title I Part A 2021	211530	84.010	131,857	-	-	-	106,544	128,920	22,376	-
<b>Total Title I, Part A</b>			373,350	234,673	40,239	-	146,783	128,920	22,376	-
Special Education Cluster										
Passed through Ottawa Area Intermediate School District:										
Special Education Grants to States										
IDEA Flow Through 1920	200450	84.027	842,096	842,096	217,702	-	217,702	-	-	-
IDEA Flow Through 2021	210450	84.027	969,339	-	-	-	577,308	969,339	392,031	-
<b>IDEA - Flow Through Subtotal</b>			1,811,435	842,096	217,702	-	795,010	969,339	392,031	-
Special Education Preschool Grants										
IDEA Preschool 1920	200460	84.173	28,682	28,682	11,501	-	11,501	-	-	-
IDEA Preschool 2021	210460	84.173	29,563	-	-	-	17,930	29,563	11,633	-
<b>IDEA - Preschool Incentive Subtotal</b>			58,245	28,682	11,501	-	29,431	29,563	11,633	-
<b>Total Special Education Cluster</b>			1,869,680	870,778	229,203	-	824,441	998,902	403,664	-

**Jenison Public Schools**

**Schedule of Expenditures of Federal Awards**

Year ended June 30, 2021

	Grant/Project Number	Assistance Listing Number	Approved Awards Amount	Prior Year Expenditures (memorandum only)	Accrued (Deferred) Revenue at July 1, 2020	Adjustments	Current Year Receipts	Current Year Expenditures	Accrued (Deferred) Revenue at June 30, 2021	Current Year Passed-Through to Subrecipients
<b>U.S. Department of Education (Continued)</b>										
Passed through Ottawa Area Intermediate School District:										
Education for Homeless Children and Youth										
Mckinney Vento 2021										
	212320	84.196	760	-	-		760	760	-	-
Passed through Michigan Department of Education:										
English Language Acquisition Grants										
Title III Part A 2021										
	210570	84.365	10,424	-	-		4,845	4,854	9	-
Passed through Michigan Department of Education:										
Supporting Effective Instruction State Grants										
Title II Part A 1920										
	200520	84.367	82,099	82,099	6,758		6,758	-	-	-
Title II Part A 2021										
	210520	84.367	65,344	-	-		56,996	64,671	7,675	-
<b>Total Title II Part A</b>		84.367	147,443	82,099	6,758	-	63,754	64,671	7,675	-
Passed through Michigan Department of Education:										
Student Support and Academic Enrichment Program										
Title IV Part A 2021										
	210750	84.424	20,372	-	-	-	17,481	20,372	2,891	-
Passed through Michigan Department of Education:										
Elementary and Secondary School Emergency Relief (ESSER) Fund										
Education Stabilization Fund 1920										
	203710	84.425D	194,795	-	-		194,795	194,795	-	-
Education Equity 1920										
	203720	84.425D	31,167	-	-	-	31,167	31,167	-	-
<b>Total Elementary and Secondary School Emergency Relief Fund</b>		84.425	225,962	-	-	-	225,962	225,962	-	-
<b>Total U.S. Department of Education</b>			2,647,991	1,187,550	276,200	-	1,284,026	1,444,441	436,615	-
<b>U.S. Department of Health and Human Services</b>										
Passed through Michigan Department of Education:										
Child Care and Development Block Grant										
Child Care Relief Fund 2021										
	N/A	93.575	93,200	-	-	-	93,200	93,200	-	-
Passed through Ottawa Area Intermediate School District:										
Medicaid Cluster:										
Medical Assistance Program										
Medicaid Outreach 2021										
	N/A	93.778	9,031	-	-	-	9,031	9,031	-	-
<b>Total U.S. Department of Health and Human Services</b>			102,231	-	-	-	102,231	102,231	-	-
<b>Total Federal Awards</b>			\$10,581,849	\$ 2,006,554	\$ 459,421	\$ -	\$ 8,267,902	\$ 8,569,088	\$ 760,607	\$ -



# Jenison Public Schools

## Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2021

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### 1. Basis for Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Jenison Public Schools under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Jenison Public Schools, it is not intended to and does not present the financial position or changes in net position of Jenison Public Schools.

### 2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting.

Revenues are recognized when the qualifying expenditures have been incurred and all other grant requirements have been met, based on the cost principles contained in the Uniform Guidance.

Amounts reported in the Grant Section Auditor's Report reconcile with this schedule.

Inventory values are based on the USDA value for donated food commodities and include spoilage.

Pass-through entity identifying numbers are presented where available.

### 3. Indirect Costs

Jenison Public Schools has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

# Jenison Public Schools

## Schedule of Findings and Questioned Costs Year Ended June 30, 2021

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### Section 1. Summary of Auditor's Results

#### Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

Yes       No  
 Yes       None reported

Noncompliance material to financial statements noted?

Yes       No

#### Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified?
- Significant deficiency(ies) identified?

Yes       No  
 Yes       None reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

Yes       No

Identification of major federal programs:

Federal CFDA Number	Name of Federal Program or Cluster
10.555 and 10.559	Child Nutrition Cluster
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

Yes       No

### Section 2. Financial Statement Findings

There were no findings related to the financial statements that are required to be reported, in accordance with generally accepted government auditing standards.

### Section 3. Federal Award Findings and Questioned Costs

There were no findings and questioned costs for federal awards (as defined in 2 CFR 200.516(a)) that are required to be reported.

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