**Fiscal Narrative**

In March, the Board approved the 2nd interim report which provides an update on the district’s financial condition. This year specifically is an ever-changing landscape of new revenues and unexpected expenses as we navigate through the shut-down and reopening of schools. After 2nd interim, work was completed to project actuals. The attached reports show comparisons between 2nd interim, year-to-date actuals, and projected actuals. This is a summary of those changes. A major strategic decision that was made was deferring many of the ESSER funds to maintain a healthy income source for the next three years.

**Revenue**

Description of Changes from 1st Interim Increase (Decrease)

**School II ($461,690)**

Significant change in revenue includes adjustment to ADA funding, deferring portions of ESSER I and II to future years, inclusion of 50% of the IPI and ELO grant and reduction, and a reduction to local lunch revenues based on actuals to date.

**Middle School ($55,587)**

Significant change in revenue includes adjustment to ADA funding, deferring portions of ESSER I and II to future years, inclusion of 50% of the IPI and ELO grant and reduction, and slight reduction to local revenues based on actuals to date.

**High School $205,806**

Significant change in revenue includes addition of growth funding allowance, deferring portions of ESSER I and II to future years, and inclusion of 50% of the IPI and ELO grant.

**Expenditures**

Description of Changes from 1st Interim Increase (Decrease)

**School II $508,391**

Significant adjustments were made to salaries to capture actual trends. Reductions in Books and Supplies were implemented based on projected expenditures. Reallocation of the 5000’s resulted in a slight decrease of overall expenditure for Services and Operating Expenditures.

**Middle School $38,592**

This change is a net result of a reduction of $62K in certificated salaries, and increase of $100K in profession/consulting services specifically $53K in CMO fee and $47K in Professional/Consulting services.

**High School $215,269**

Increases were realized in certificated salaries and operating expenses significantly $90K in CMO expense, $30K janitorial services, and $20K in Professional/Consulting. Significant decreases include $33K in noncapitalized equipment, $13K in operations, and $9K in dues and memberships.