

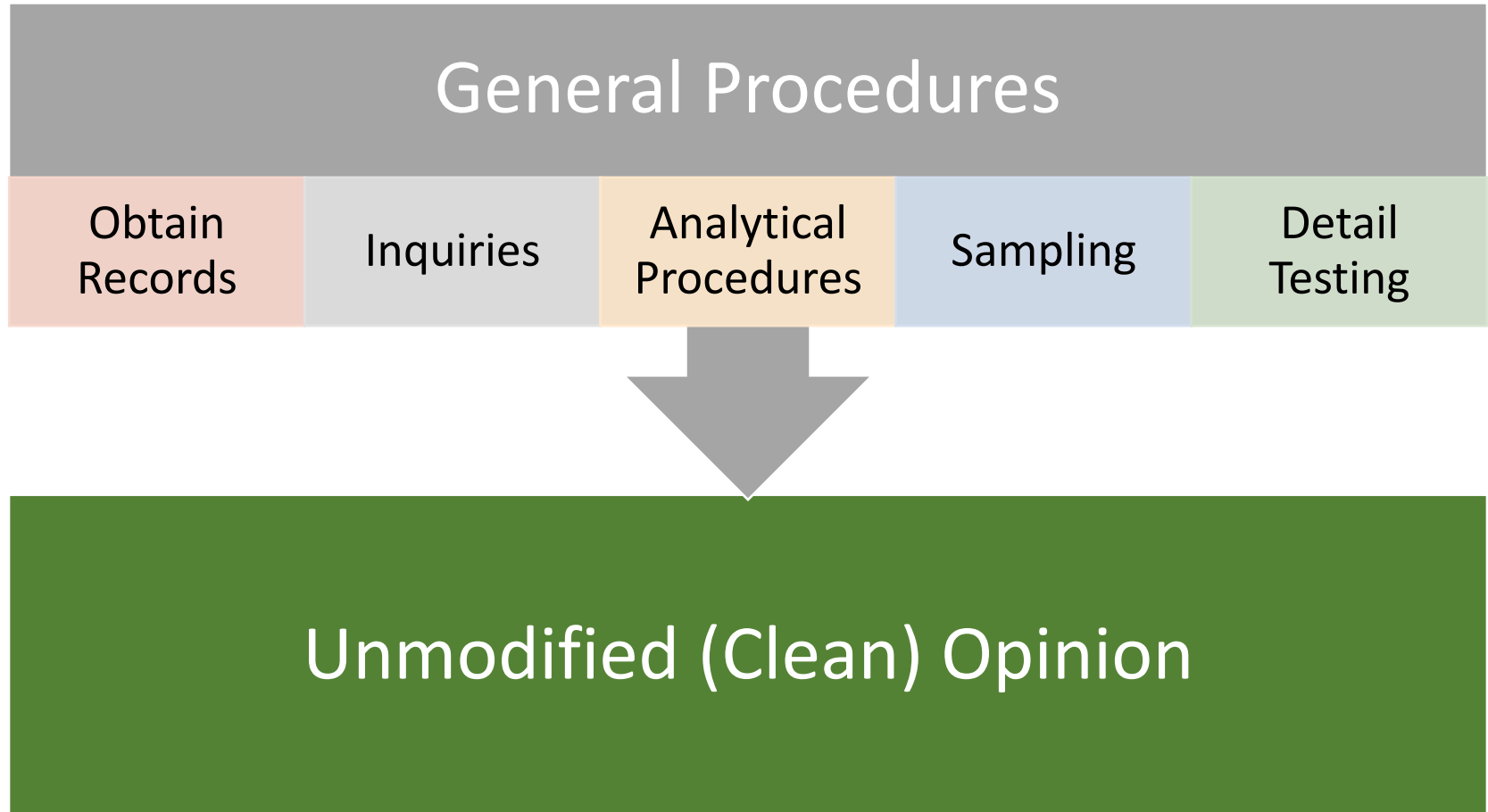


Rockford Area Schools Independent School District No. 883

Presentation of the Audited Financial Statements

June 30, 2025

Audit Process and Opinion



Required Communications



Audit process went smoothly



Positive Working Relationship with Management



Nothing unusual noted in terms of recorded transactions or accounting policies/treatments



Significant estimates for

- Amounts Due From MDE
- Net Pension Liability/Balances
- Net OPEB Liability



Adopted new accounting standard GASB 101,
Compensated Absences

Internal Controls Over Financial Reporting



AUDIT ADJUSTMENTS

- No significant adjustments recorded during the audit process



OTHER INTERNAL CONTROL MATTERS

- No internal control deficiencies of significance were identified during the audit.

Minnesota Legal Compliance

- Areas Reviewed
 - Contracting and Bidding
 - Depositories of Public Funds
 - Conflicts of Interest
 - Public Indebtedness
 - Claims and Disbursements
 - UFARS Compliance
 - Miscellaneous Provisions
- Findings:
 - Sealed bidding process required for contracts over \$175K (quotes used instead for a contract)
 - Performance and Payment Bonds required for contracts over \$175K (not obtained for a contract)



Single Audit (Federal Program Compliance)

Major Programs Tested

- Child Nutrition Cluster

Opinion

- Unmodified (Clean) Opinion on the Schedule of Expenditures of Federal Awards

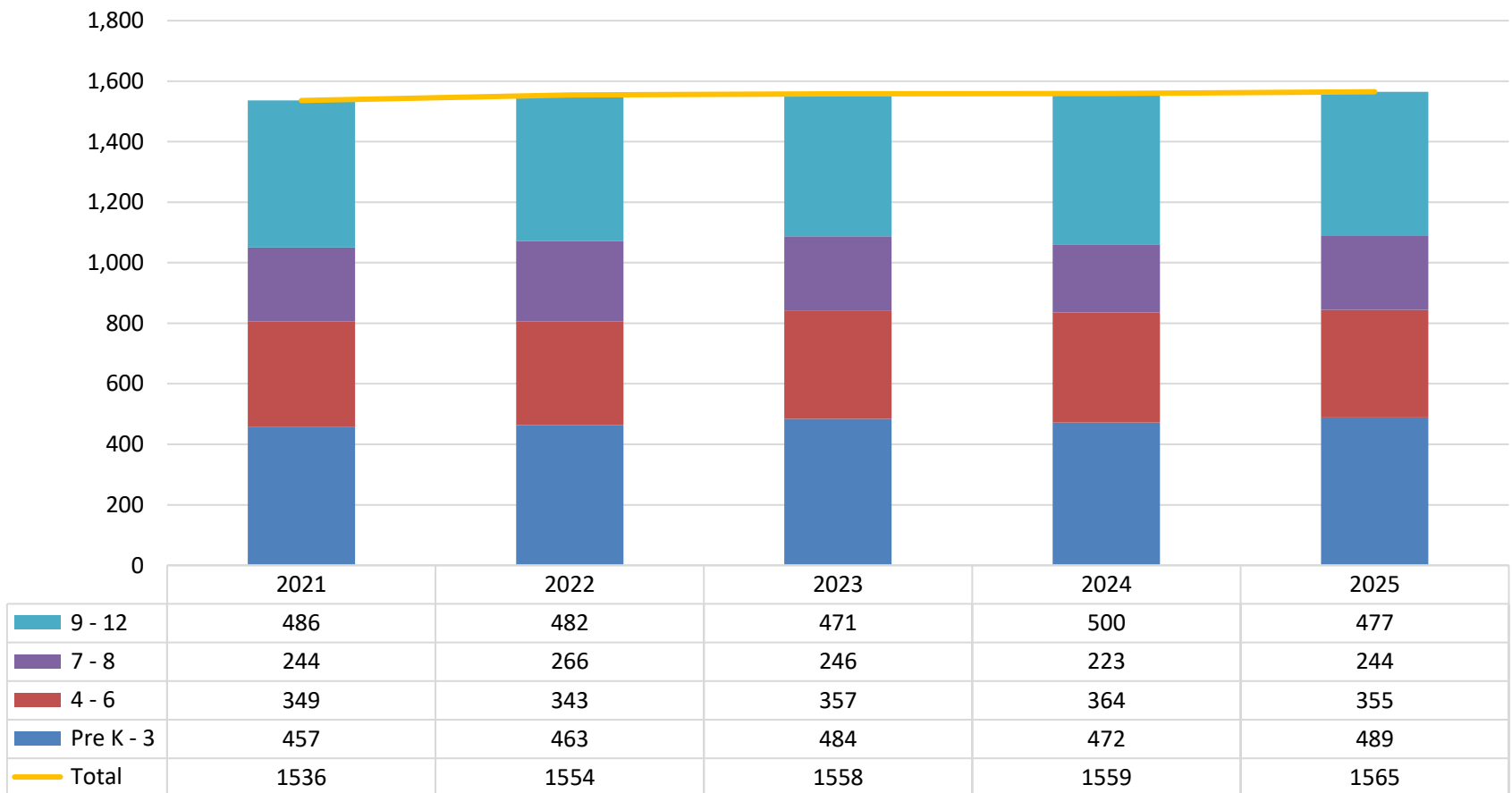
Compliance

- No Findings Identified

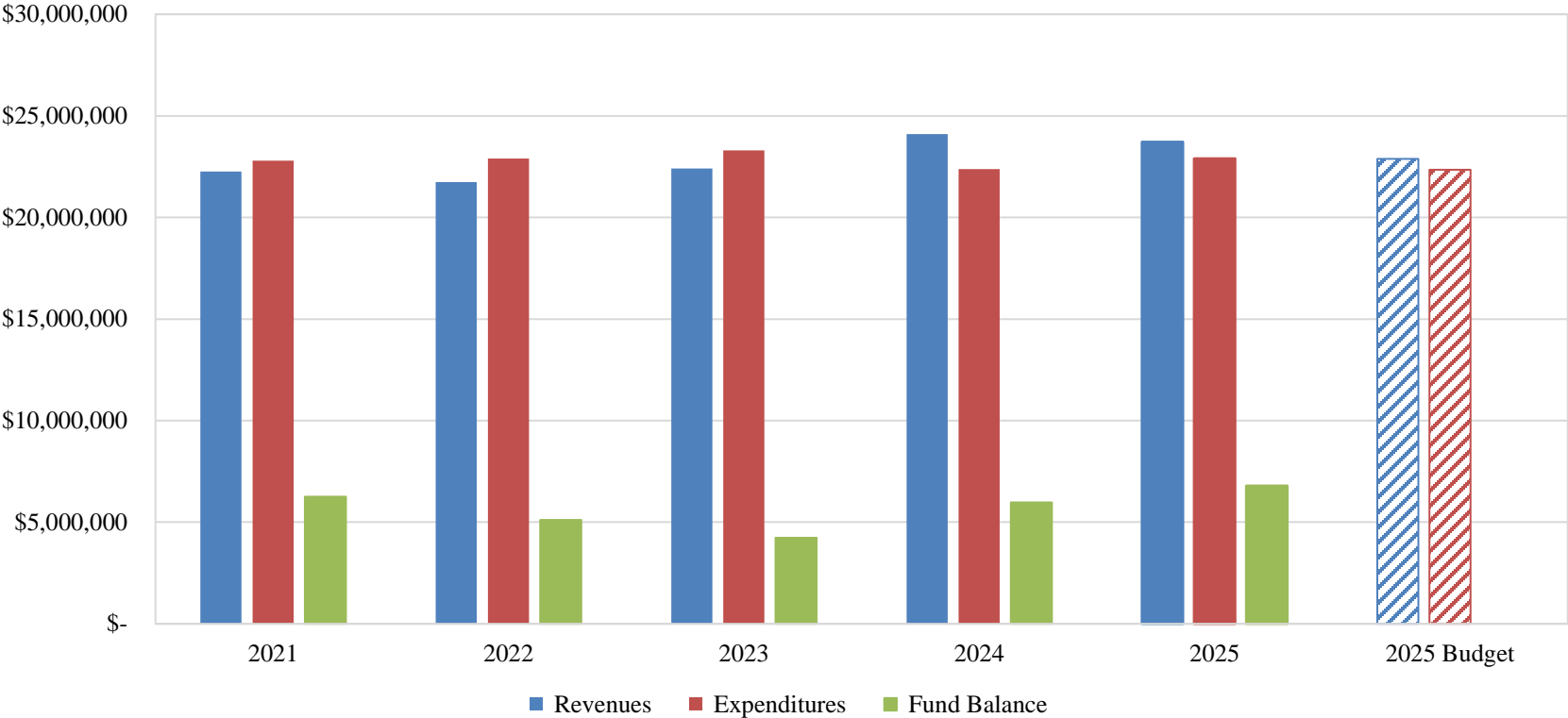
Internal Control Over Compliance

- No Findings Identified

Pupil Units (ADM) Trend Analysis



General Fund - Trend Analysis & Budgetary Comparison

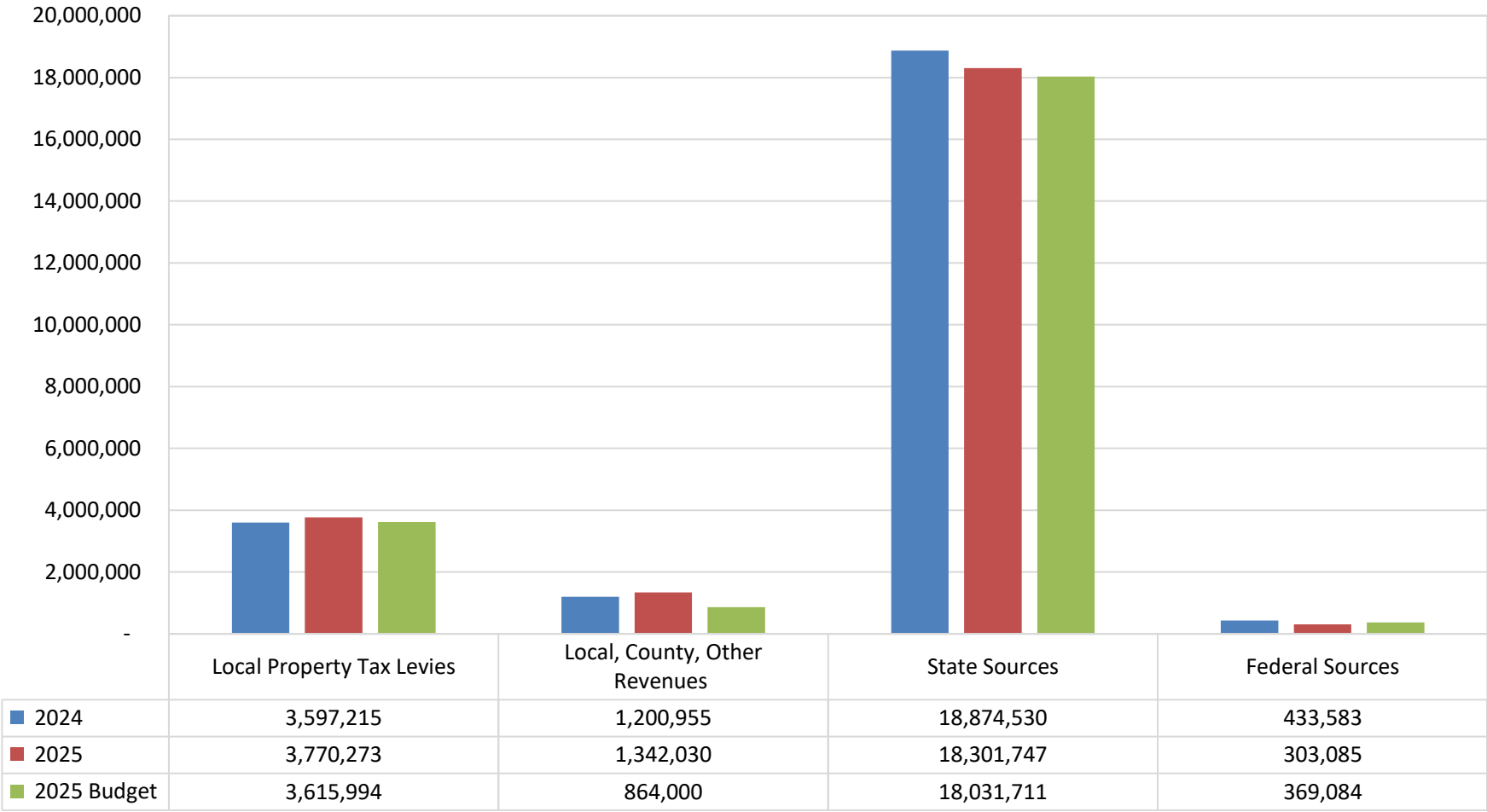


- Revenues exceeded the budget by \$836,346
- Expenditures exceeded budgeted amounts by \$552,933

	2024	2025	2025 Budget
Revenues	\$ 24,106,283	\$ 23,717,135	\$ 22,880,789
Expenditures	22,373,471	22,898,672	22,345,739
Other Sources (Uses)	8,562	-	-
Change in Fund Balance	1,741,374	818,463	535,050
Fund Balance	\$ 5,974,195	\$ 6,792,658	N/A

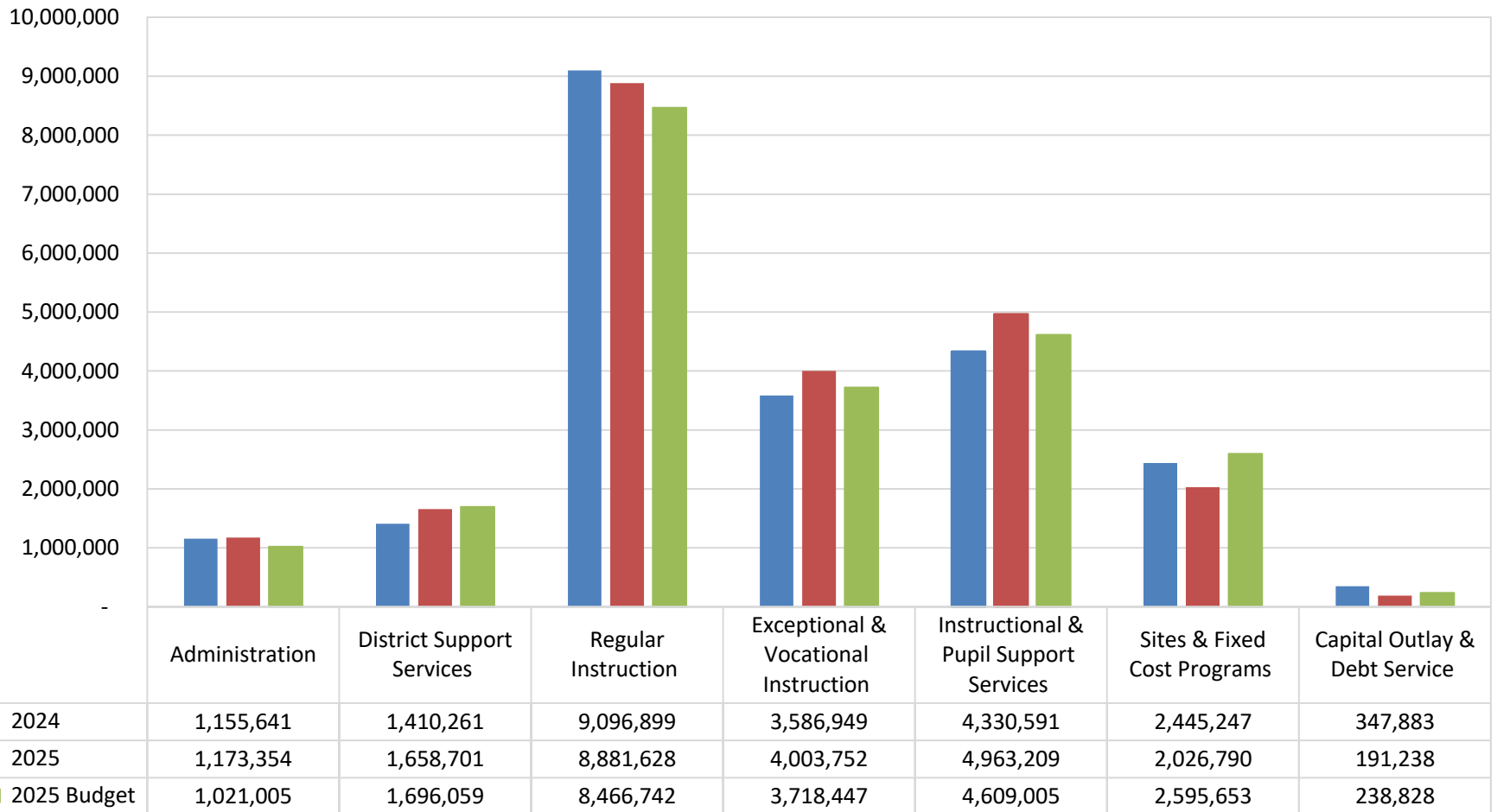
General Fund

Detailed Revenue Analysis

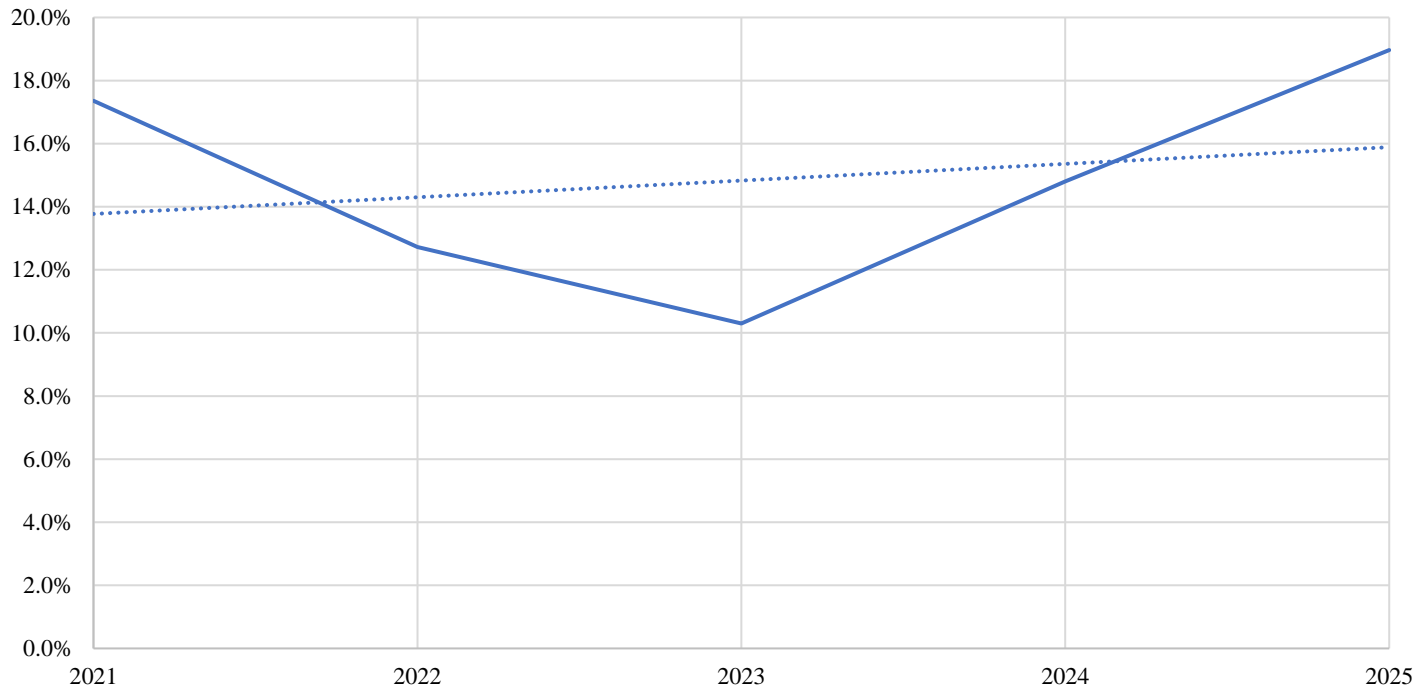


General Fund

Detailed Expenditure Analysis



Unassigned Fund Balance as a Percentage of the Annual Budget



Year	Percentage
2021	17.4%
2022	12.7%
2023	10.3%
2024	14.8%
2025	19.0%

- Fund balance policy sets a minimum unassigned fund balance of at least 12% to 15% of the annual budgeted operating expenditures

General Fund

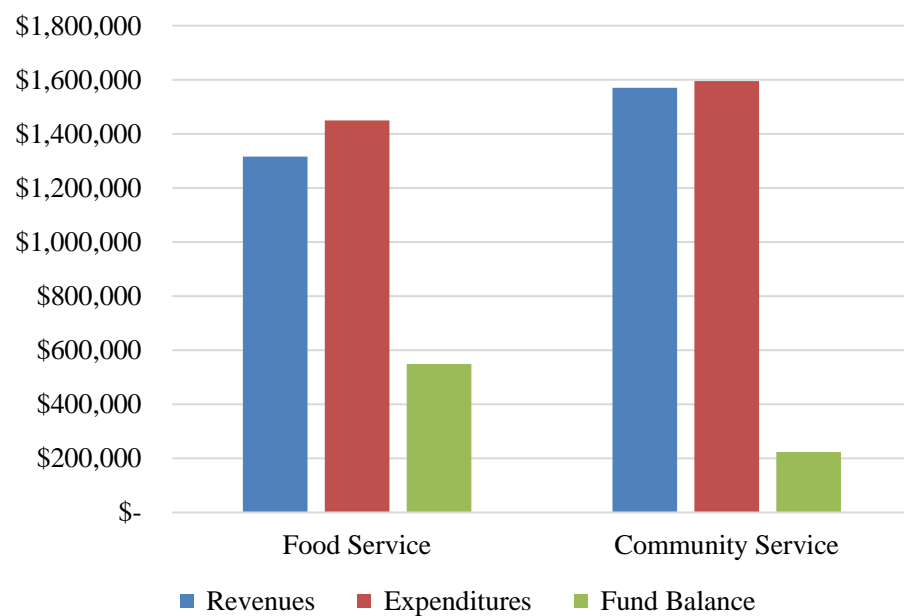
Fund Balance Classifications



	2021	2022	2023	2024	2025
■ Restricted	\$1,732,113	\$1,479,757	\$1,266,704	\$1,621,466	\$1,833,104
■ Assigned	\$626,945	\$700,659	\$608,241	\$951,701	\$714,799
■ Unassigned	\$3,897,372	\$2,927,113	\$2,357,876	\$3,396,095	\$4,238,209

Financial Highlights

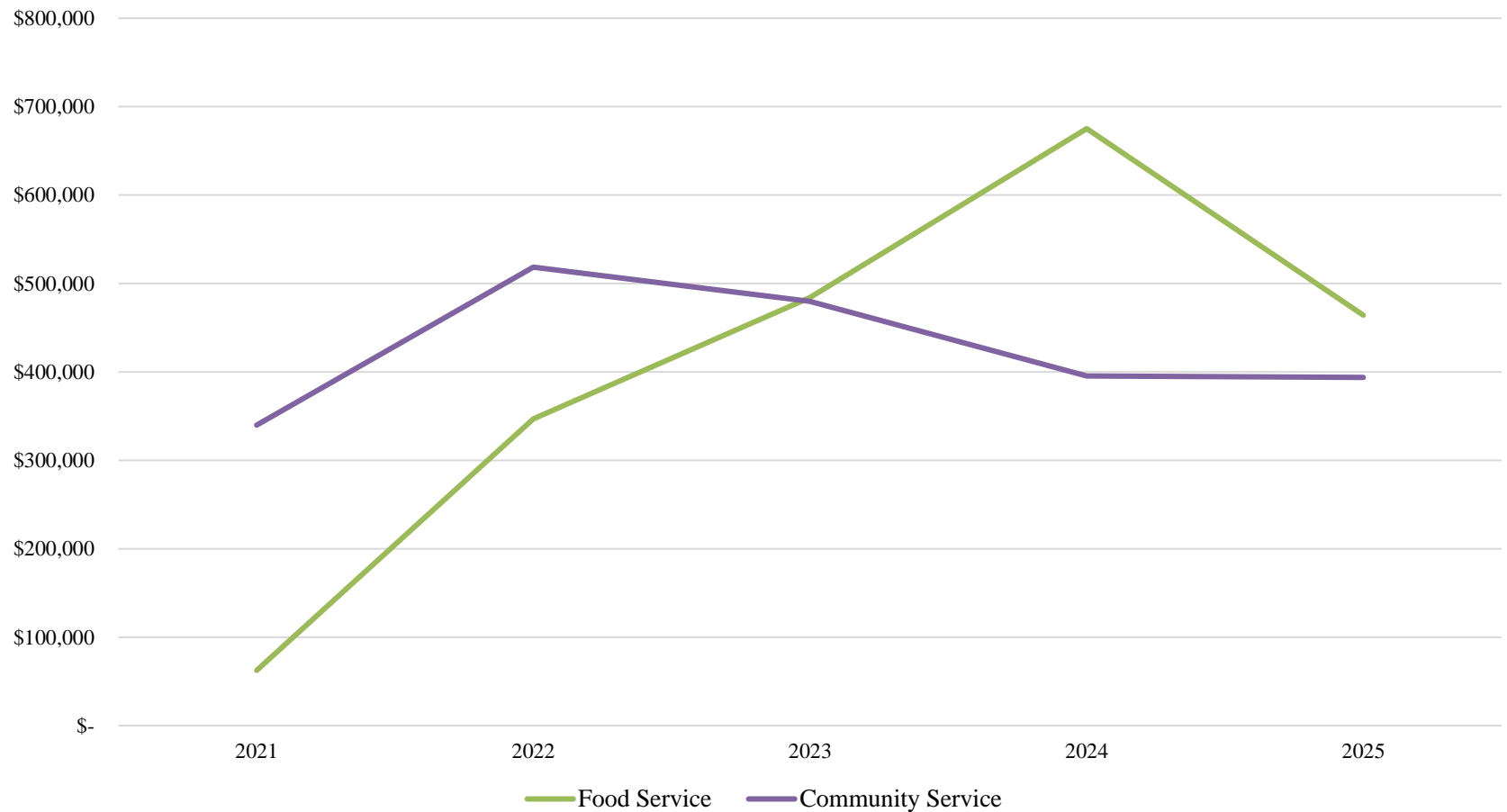
Remaining Governmental Funds



	Food Service	Community Service
Revenues	\$ 1,316,237	\$ 1,570,513
Expenditures	<u>1,449,263</u>	<u>1,595,524</u>
Change in Fund Balance	(133,026)	(25,011)
Fund Balance	\$ 548,811	\$ 223,736

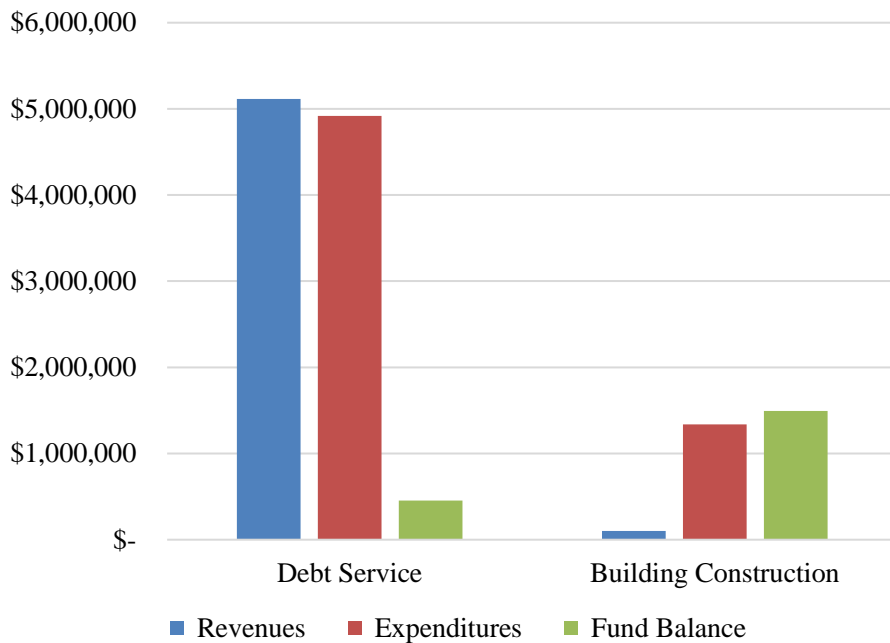
Remaining Governmental Funds

Cash Trend Analysis



Financial Highlights

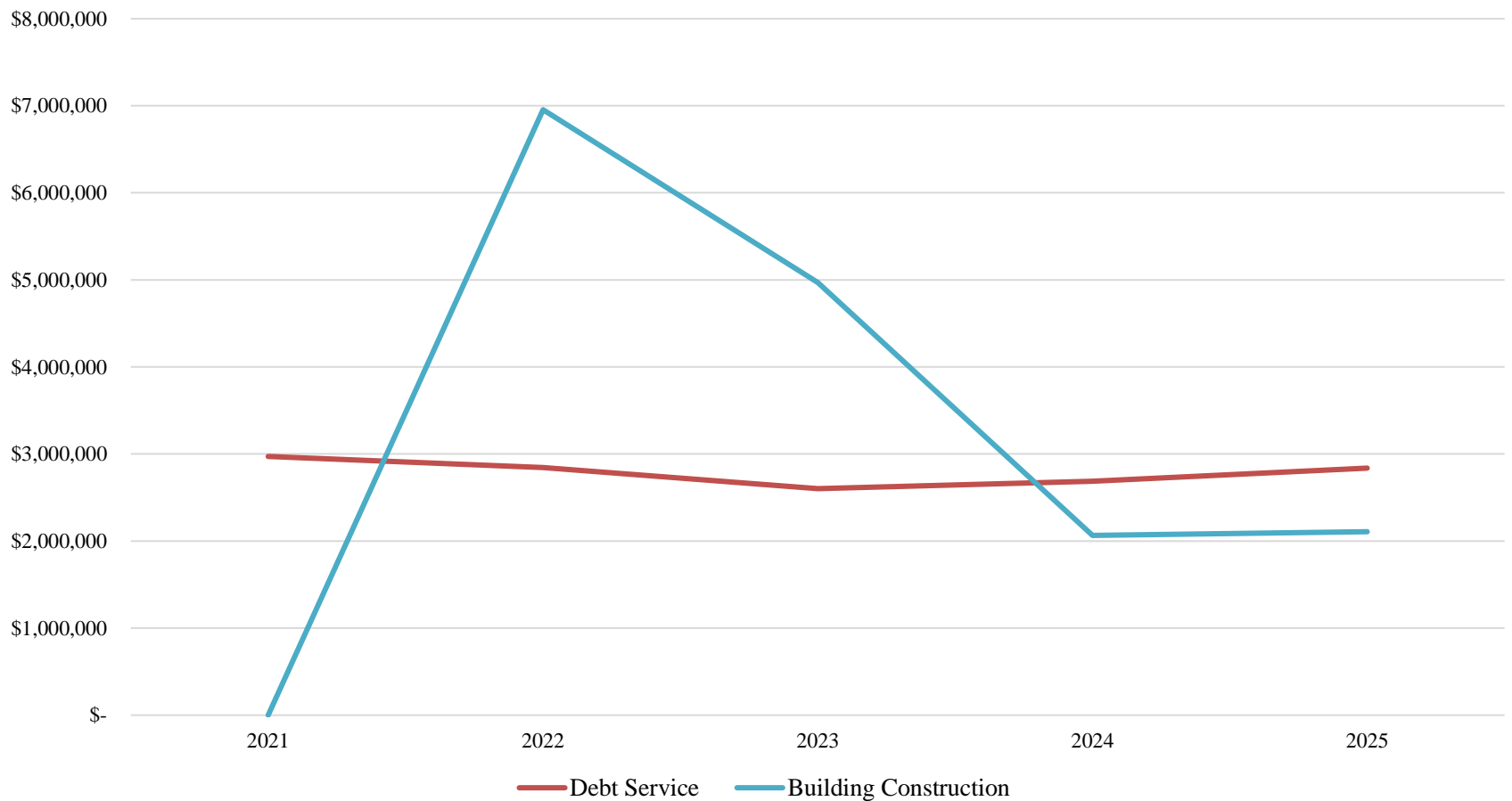
Remaining Governmental Funds



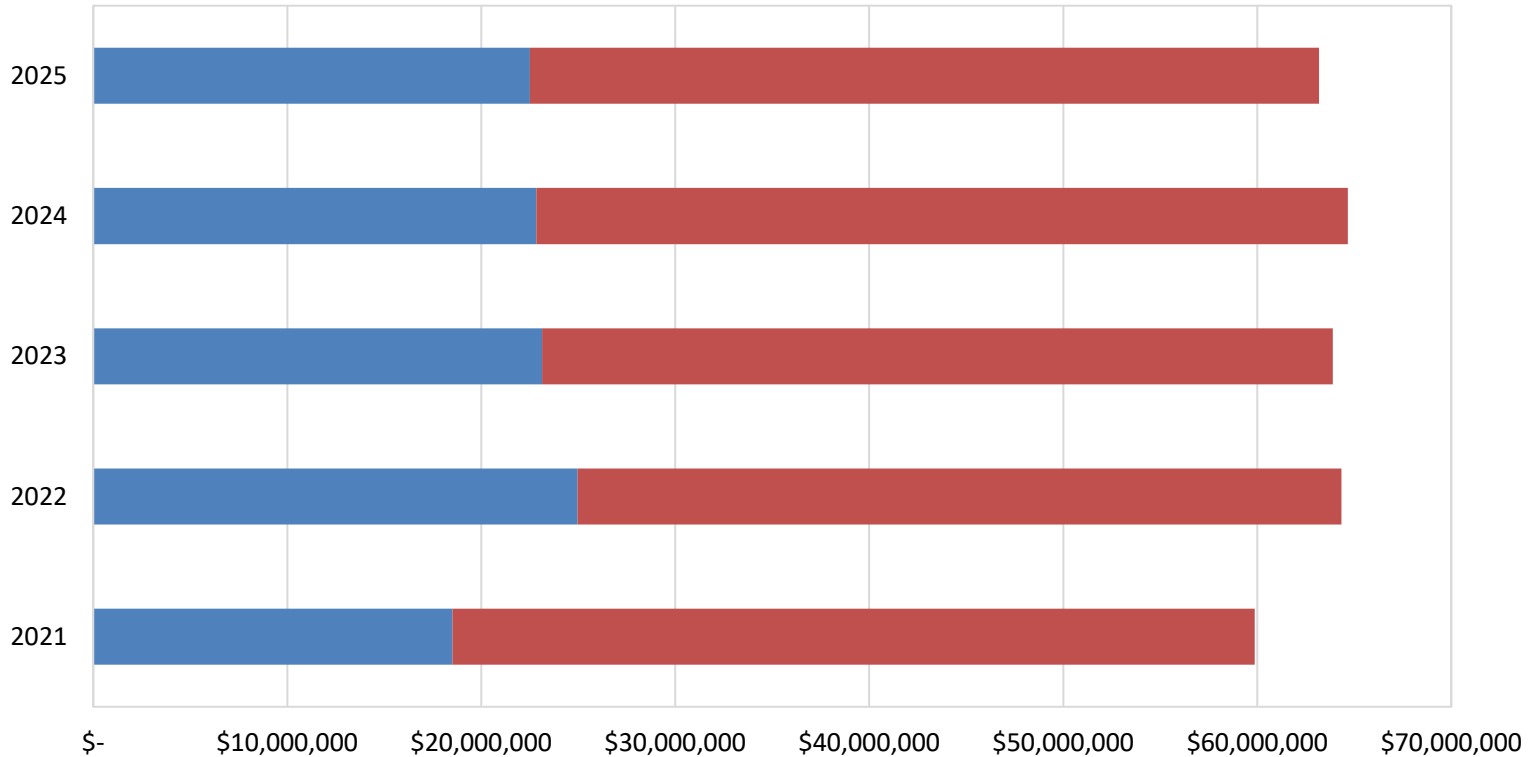
	Debt Service	Building Construction
Revenues	\$ 5,115,868	\$ 103,004
Expenditures	4,916,540	1,339,509
Change in Fund Balance	199,328	(1,236,505)
Fund Balance	\$ 452,595	\$ 1,494,602

Remaining Governmental Funds

Cash Trend Analysis

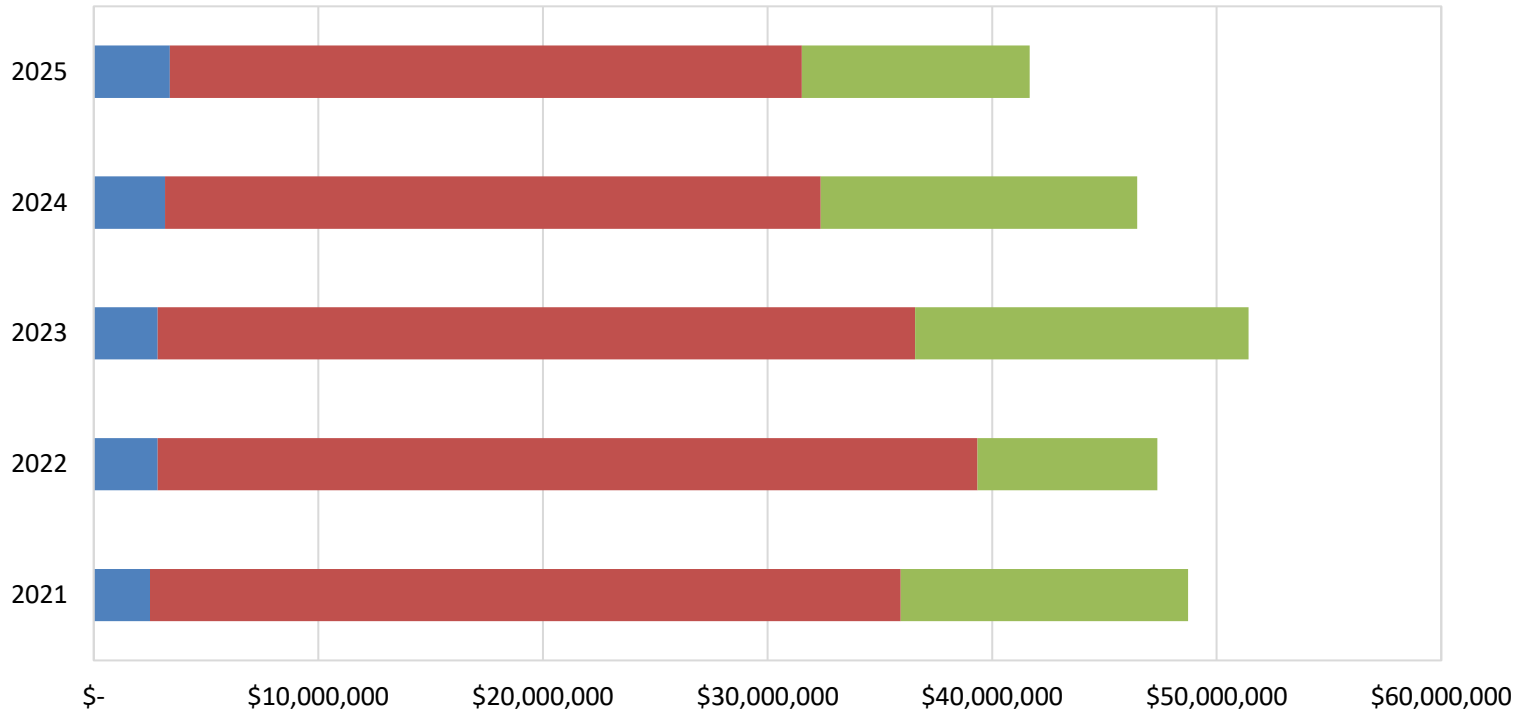


District-Wide Assets



	2021	2022	2023	2024	2025
■ Current Assets	\$18,523,862	\$24,972,299	\$23,128,833	\$22,841,151	\$22,508,625
■ Capital/Noncurrent	\$41,348,332	\$39,362,998	\$40,756,944	\$41,825,597	\$40,676,238

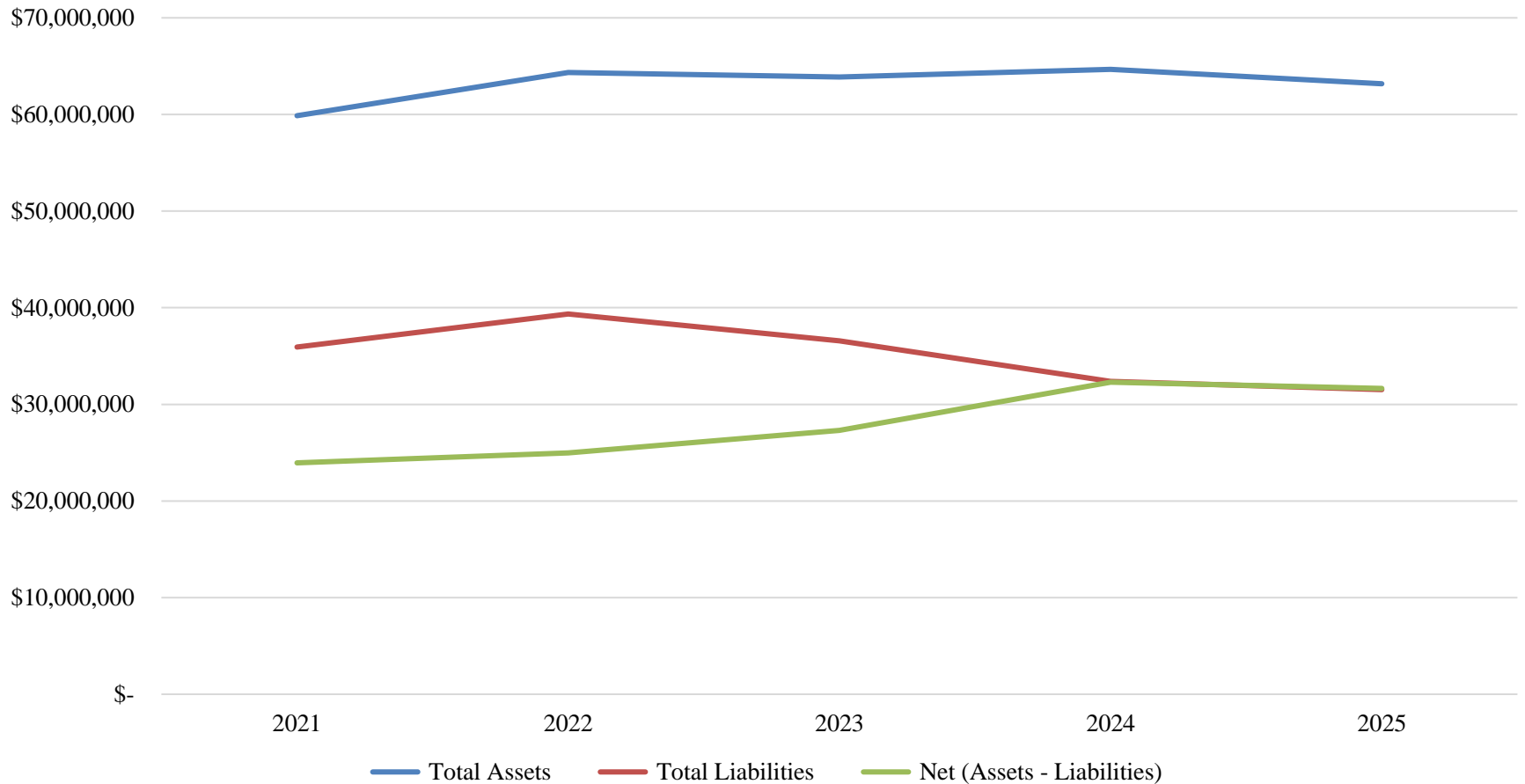
District-Wide Liabilities

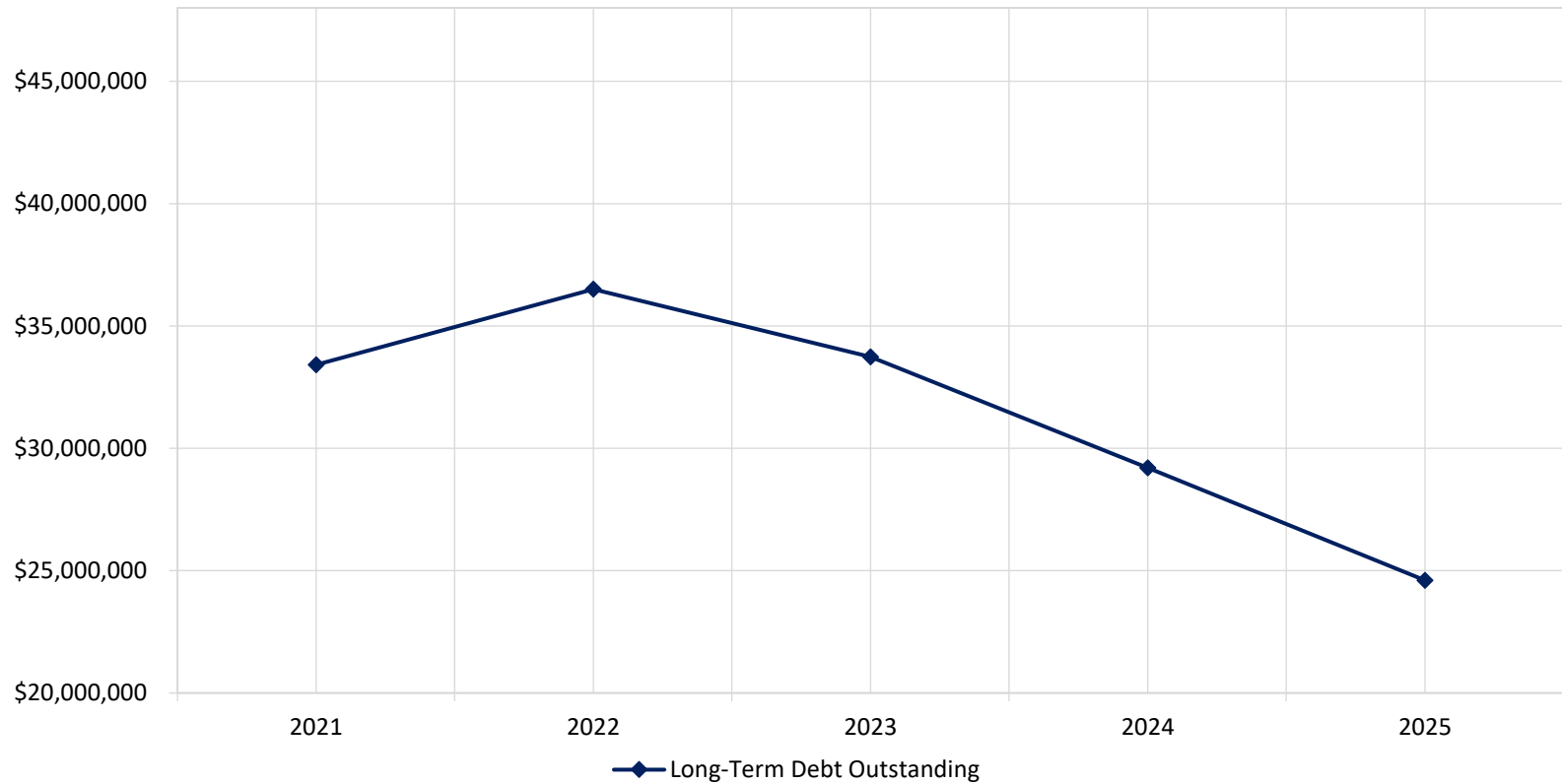


	2021	2022	2023	2024	2025
Current Liabilities	\$2,510,134	\$2,848,695	\$2,845,842	\$3,170,565	\$3,386,624
Debt/Noncurrent	\$33,415,808	\$36,501,118	\$33,733,258	\$29,203,960	\$28,138,210
Net Pension Liability	\$12,793,712	\$8,004,403	\$14,840,982	\$14,090,523	\$10,145,944

District-Wide Assets & Liabilities

(Excluding Pension Balances)





Long Term Debt Outstanding

- General Obligation Bonds
- Financing Arrangements
- Lease Liabilities

Questions?

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