

School Board Workshop:

October 24, 2011

Subject:

2010-11 Financial Audit

Presenter:

Gary Kawlewski

SUGGESTED SCHOOL BOARD ACTION:

For Board Approval.

DESCRIPTION:

Attached are the audited financial statements and management letters for the year ending June 30, 2011. Matt Mayer from Kern, DeWenter, Viere will attend the board meeting to give a formal presentation. The financial statement attachment is 87 pages long and only financial highlights will be covered during the presentation. For the audit presentation, I recommend reviewing pages 5-19, 28-29, 55, and 62 of the financial statement attachment and all pages of the management letter.

Overall, the District's financial position continues to be balanced, and expenditures were controlled with lower than expected fuel and utility expenditures through lower costs and conservation measures. We were able to avoid cashflow borrowing for this year as well. The General Fund's final revenues and expenditures were close to budget. General Fund revenues came in 0.28% less than budgeted (\$144,357), and expenditures were 1.63% under budget (\$847,214). One of the Dashboard Indicator categories for the School Board on how the school district is performing is called Fiscal Responsibility/ Accountability. The Business Office has a target to budget revenues and expenditures within 2% of the final results. The combined budget variance for revenues and expenditures is 1.91% and within the dashboard target.

With total revenues and other financing sources ending at \$52,338,973 and total expenditures at \$51,496,168, the General Fund's overall fund balance increased \$842,805 to \$12,059,365 as of June 30, 2011. The unassigned/nonspendable fund balance ended the 2010-2011 school year at \$6,675,737 or 12.87% of the General Fund's expenditures. The fund balance percentage is within the range of our fund balance policy of 8-12% and will buy the District some time before future action is needed if the State continues the same level of funding to school districts.

The Food Service and Community Service funds continue to be self-supporting funds.

Attachments:

Attachment 1: Buffalo FS 2011 – Audited Financial Statements

Attachment 2: Buffalo ML 2011 – Management Letter

Attachment 3: Buffalo SA FS 2011 – Student Activity Financial Statements

Attachment 4: Buffalo SA ML 2011 – Student Activity Management Letter