

**OWATONNA PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 761**

EXECUTIVE AUDIT SUMMARY (EAS)

JUNE 30, 2025



CPAs | CONSULTANTS | WEALTH ADVISORS

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INDEPENDENT SCHOOL DISTRICT NO. 761
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**EXECUTIVE AUDIT SUMMARY (EAS)
FOR
OWATONNA PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT NO. 761
YEAR ENDED JUNE 30, 2025**

AUDIT FINDINGS AND RESULTS

We prepared this Executive Audit Summary and Management Report in conjunction with our audit of the District's financial records for the year ended June 30, 2025.

Audit Opinion – The financial statements are fairly stated. We issued what is known as a “clean” or “unmodified” audit opinion.

Yellow Book Compliance Findings – No compliance issues were reported in our review of laws, regulations, contracts, and grants that could have significant financial implications to the District.

Internal Controls – No “material weaknesses” in internal control were reported.

Single Audit – The District complied with all direct and material requirements of the major federal programs tested (Child Nutrition Cluster and Title 1).

Legal Compliance – There were no findings related to Minnesota Legal Compliance.

Enrollment – For fiscal 2024-2025 Owatonna Public Schools had an estimated total adjusted average daily membership of 4,846.98. For fiscal 2023-2024, Owatonna Public Schools had an estimated total adjusted average daily membership of 4,877.54.

Fund Balance – The District's General Fund unassigned fund balance for UFARS reporting purposes decreased by \$1,397,241 during fiscal year 2025, decreasing from \$11,134,033 to \$9,736,792. Total fund balance of the General Fund decreased by \$1,918,790, ending at \$15,088,267 as of June 30, 2025. The total ending unassigned fund balance represents 12.08% of General Fund expenditures. A District's fund balance is an important aspect in considering the District's financial wellbeing since a healthy fund balance represents things such as cash flow, as a cushion against unanticipated expenditures, enrollment changes, funding deficiencies, and aid prorations at the state level and similar problems. The District has continued to do a good job of financial planning and reacting to enrollment changes.

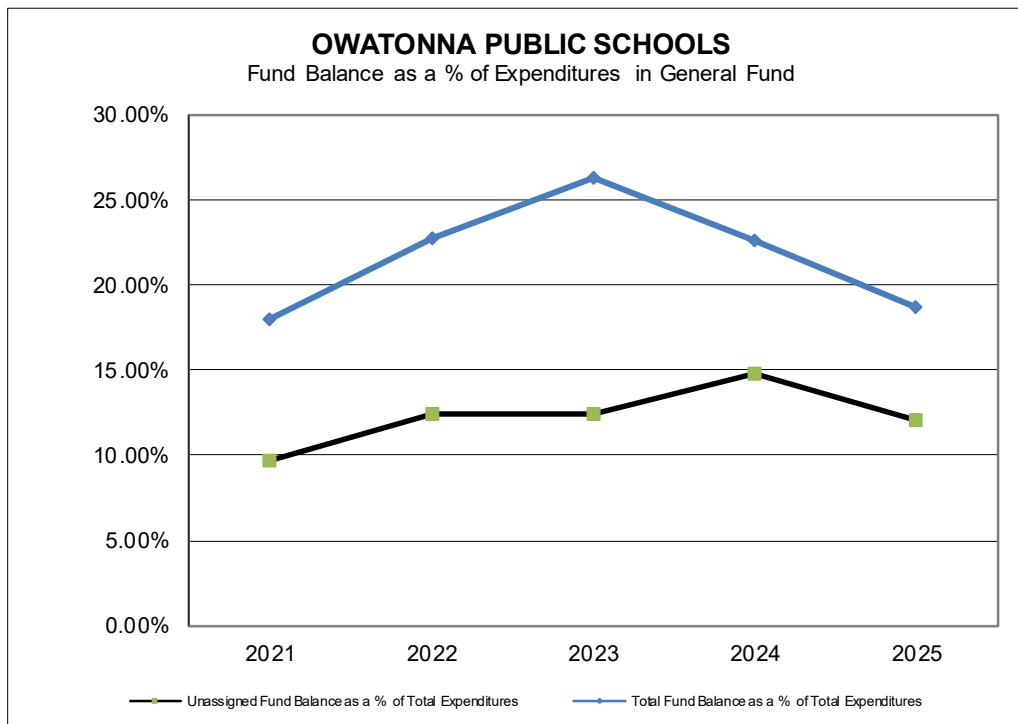
Budget to Actual – Total revenues on a net basis in the General Fund were \$140,973 lower than the budgeted amount and total expenditures were \$11,353 higher than the budgeted amount. The net effect, including other financing sources, was a decrease in total fund balance that was \$121,714 higher than had been reflected in the District's final amended budget.

FINANCIAL TRENDS

Financial Results

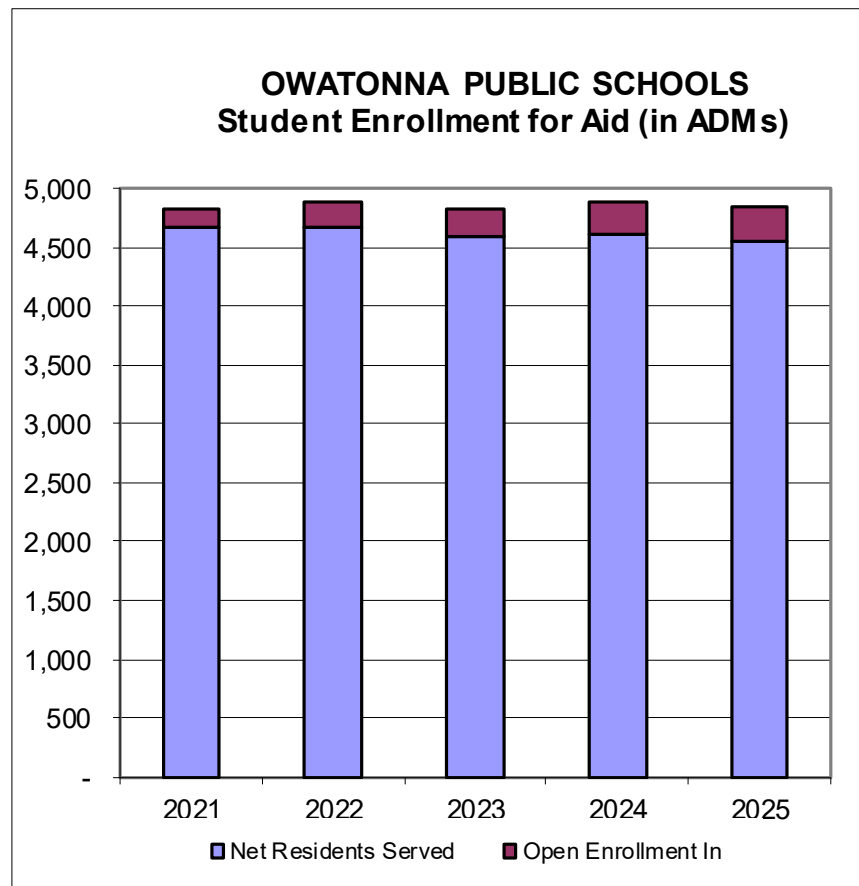
Unless otherwise noted, all graphs and charts reflect the combined activity of the District's General Fund.

	2021	2022	2023	2024	2025
Unassigned Fund Balance	\$ 6,167,288	\$ 8,105,323	\$ 8,242,079	\$ 11,134,033	\$ 9,736,792
Assigned/Committed Fund Balance	-	-	1,192,308	912,269	631,011
Restricted Fund Balance	4,808,093	6,220,126	7,204,911	4,009,936	3,967,736
Nonspendable Fund Balance	474,856	546,887	763,396	950,819	752,728
Total Fund Balance	<u>\$ 11,450,237</u>	<u>\$ 14,872,336</u>	<u>\$ 17,402,694</u>	<u>\$ 17,007,057</u>	<u>\$ 15,088,267</u>
Total Expenditures	<u>\$ 63,440,784</u>	<u>\$ 65,526,960</u>	<u>\$ 66,220,913</u>	<u>\$ 75,160,677</u>	<u>\$ 80,604,470</u>
Total Fund Balance as a % of Total Expenditures	<u>18.05%</u>	<u>22.70%</u>	<u>26.28%</u>	<u>22.63%</u>	<u>18.72%</u>
Unassigned Fund Balance as a % of Total Expenditures	<u>9.72%</u>	<u>12.37%</u>	<u>12.45%</u>	<u>14.81%</u>	<u>12.08%</u>



The District's General Fund had an excess of expenditures over revenues and other financing sources of \$1,918,790 for fiscal 2025, decreasing total fund balance to \$15,088,267 at June 30, 2025.

Students Served for Aid



	2021	2022	2023	2024	2025
Total Residents	5,019.20	5,009.54	4,950.29	4,949.25	4,901.53
Open Enrollment Out - Excl Charters	(251.62)	(275.62)	(280.97)	(284.79)	(286.58)
Open Enrollment Out - Charters	(102.63)	(75.32)	(76.92)	(62.02)	(63.75)
Net Residents Served	4,664.95	4,658.60	4,592.40	4,602.44	4,551.20
Open Enrollment In	150.32	220.91	233.29	275.10	295.78
Net ADM Served	4,815.27	4,879.51	4,825.69	4,877.54	4,846.98
Net Pupil Units Served	5,284.97	5,350.60	5,283.84	5,352.07	5,330.14

As reflected in the above chart and graph, the average daily membership of the District has remained steady over the past five years.

OTHER KEY TOPICS

GASB Reporting Model

Statement of Net Position

The Statement of Net Position essentially tells you what your District owns and owes at a given point in time, the last day of the fiscal year. Theoretically, net position represents the resources the District has leftover to use for providing services after its debts are settled. However, those resources are not always in expendable form, or there may be restrictions on how some of those resources can be used. Therefore, the statement divides the net position into three components: net investment in capital assets, restricted net position, and unrestricted net position. Beginning in fiscal year 2015, the District was required to implement GASB Statement No. 68, which significantly impacted the District's ending net position as a result of recording the District's estimated share of the respective unfunded liability for the statewide pension plans for TRA and PERA. The following table presents components of the District's net position at year-end, along with a simplified reconciliation of the difference between the governmental fund balances and total net position:

	As of June 30,	
	2025	2024
Total Fund Balance for Governmental Funds	\$ 30,547,110	\$ 30,642,849
Capital Assets, Less Accumulated Depreciation/Amortization	217,958,135	214,170,933
Long-Term Liabilities	(162,259,280)	(160,793,022)
Other Postemployment Benefits Payable	(6,219,348)	(6,136,280)
Net Pension Liability-Related Items	(38,662,718)	(40,037,795)
Other - Net	(2,381,903)	380,459
Total Net Position - Governmental Activities	<u>\$ 38,981,996</u>	<u>\$ 38,227,144</u>
Net Position:		
Invested in Capital Assets	\$ 60,365,177	\$ 60,691,319
Restricted	8,661,837	8,223,363
Unrestricted	(30,045,018)	(30,687,538)
Total Net Position - Governmental Activities	<u>\$ 38,981,996</u>	<u>\$ 38,227,144</u>

Most of the District's fund balances translate into restricted net position by virtue of external restrictions (statutory reserves) or by the nature of the fund they are in (e.g. unrestricted food service fund balance can only be spent for food service program costs). The unrestricted net position category consists mainly of the General Fund unreserved fund balances, offset against noncapital long-term obligations such as vacation or severance payable and beginning in fiscal year 2015, the District's estimated share of the unfunded portion of statewide pension plans. Consequently, many Minnesota school districts have accumulated deficits in this component of net position.

Statement of Activities

The Statement of Activities tracks the District's yearly revenues and expenses, as well as any other transactions that increase or reduce total net position. These amounts represent the full cost of providing education. This statement provides a more comprehensive measure than just the amount of cash that changed hands, as reflected in the fund-based financial statements. This statement includes the cost of supplies used, depreciation of long-lived capital assets, and other accrual-based expenses. As mentioned previously, the line item for "Change in Net Pension Liability" was a new requirement beginning in fiscal year 2015. The following table presents a simplified reconciliation of the change in the District's governmental fund balances to the change in total net position for fiscal years 2025 and 2024:

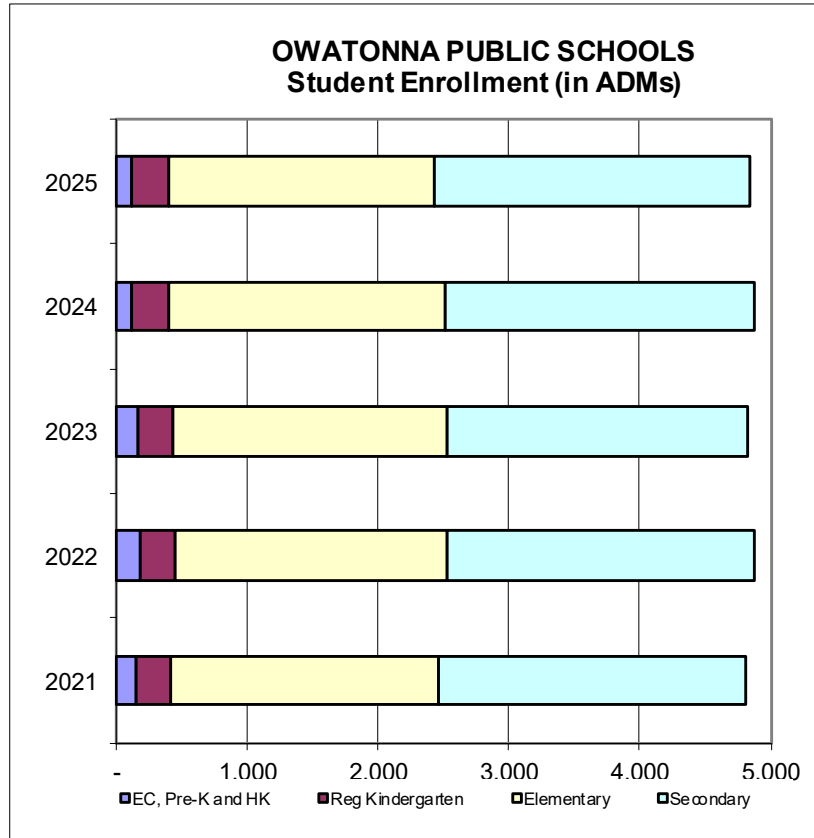
	Year Ended June 30,	
	2025	2024
Net Change in Fund Balance - Total Governmental Funds	\$ (95,739)	\$ (24,050,560)
Capital Asset Purchases and Contributions	10,907,238	29,213,462
Depreciation/Amortization	(6,966,230)	(5,124,639)
Gain (Loss) on Disposal of Capital Assets	(123,806)	(1,775,122)
Repayment of Bonds Payable	5,265,000	5,095,000
Net Pension Liability Items	1,385,944	3,606,977
Change in the OPEB Liability	(83,068)	(18,980)
Other - Net	(2,040,816)	722,559
Change in Net Position - Governmental Activities	<u>\$ 754,852</u>	<u>\$ 7,668,697</u>

APPENDIX A

FINANCIAL TRENDS OF YOUR DISTRICT

Within this report there are a number of areas where condensed financial statement data has been presented.

Student Enrollment



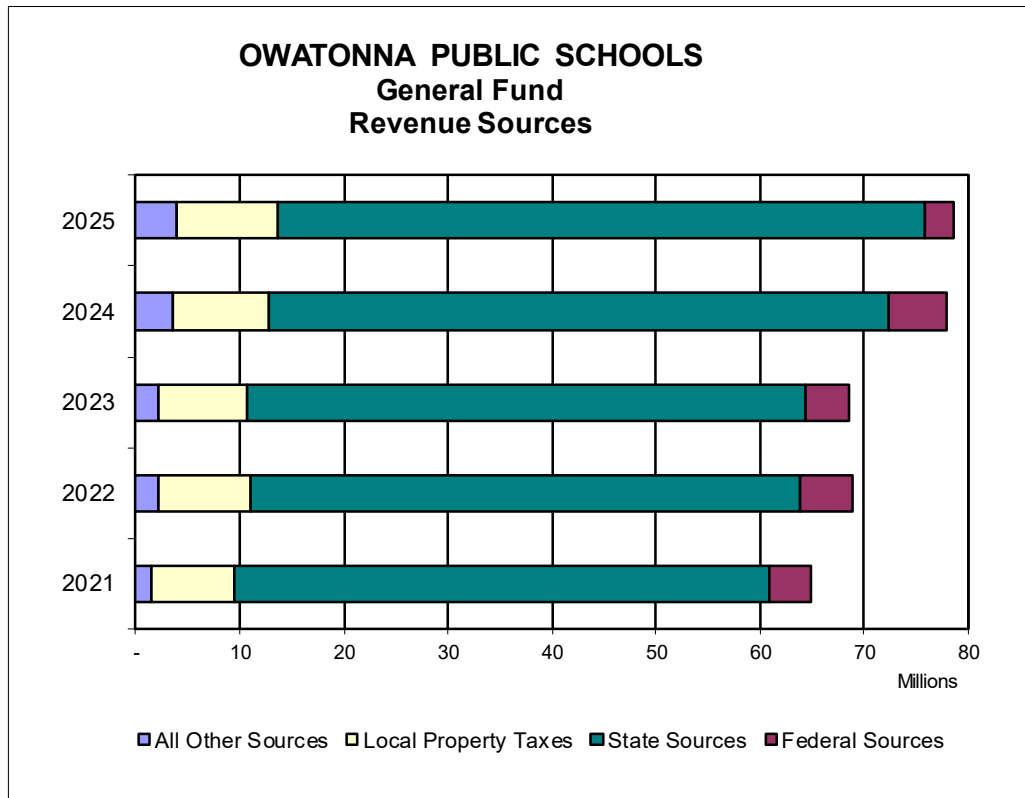
	2021	2022	2023	2024	2025
EC, Pre-K and HK	151.57	188.85	173.34	123.40	122.09
Reg Kindergarten	270.15	264.29	258.45	279.84	281.92
Elementary	2,044.96	2,070.99	2,103.17	2,101.62	2,027.10
Secondary	2,348.59	2,355.38	2,290.73	2,372.68	2,415.87
Net ADM Served	4,815.27	4,879.51	4,825.69	4,877.54	4,846.98

As noted in the above chart, the District's ADM for fiscal 2024-2025 was 53.82 ADM (or 0.63%) lower than the prior year.

APPENDIX A (CONTINUED)

General Fund Revenue

The following table and graph summarizes the District's General Fund revenue sources for the last five years.



The table below illustrates the fluctuation that occurs between the taxes and state aid categories based on legislative activity. The Legislature determines what portion of the general education funding formula will be paid by local taxpayers. For fiscal year 2022, 2023, and 2024, the impact of federal funding related to COVID-19 was significant due to increasing expenditures.

	2021	2022	2023	2024	2025
Local Property Taxes	\$ 7,967,821	\$ 8,880,240	\$ 8,372,435	\$ 9,236,979	\$ 9,667,987
State Sources	51,499,349	52,956,192	53,778,768	59,582,569	\$ 62,242,655
Federal Sources	3,936,288	4,997,071	4,165,382	5,608,528	\$ 2,779,289
All Other Sources	1,473,568	2,103,666	2,245,866	3,485,257	\$ 3,962,147
Total Revenues	<u>\$ 64,877,026</u>	<u>\$ 68,937,169</u>	<u>\$ 68,562,451</u>	<u>\$ 77,913,333</u>	<u>\$ 78,652,078</u>

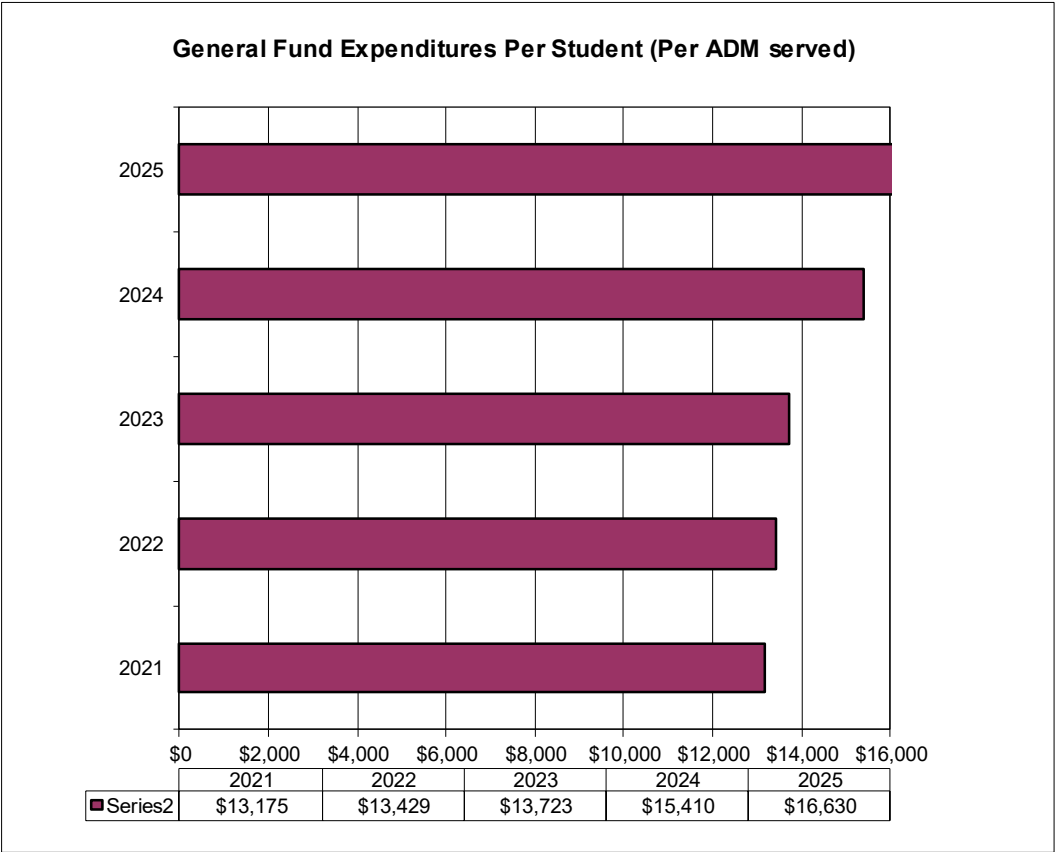
	2021	2022	2023	2024	2025
Local Property Taxes	12%	13%	12%	12%	12%
State Sources	79%	77%	78%	76%	79%
Federal Sources	6%	7%	6%	7%	4%
All Other Sources	3%	3%	4%	5%	5%
Total Revenues	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

APPENDIX A (CONTINUED)

General Fund Expenditures

EXPENDITURES PER STUDENT

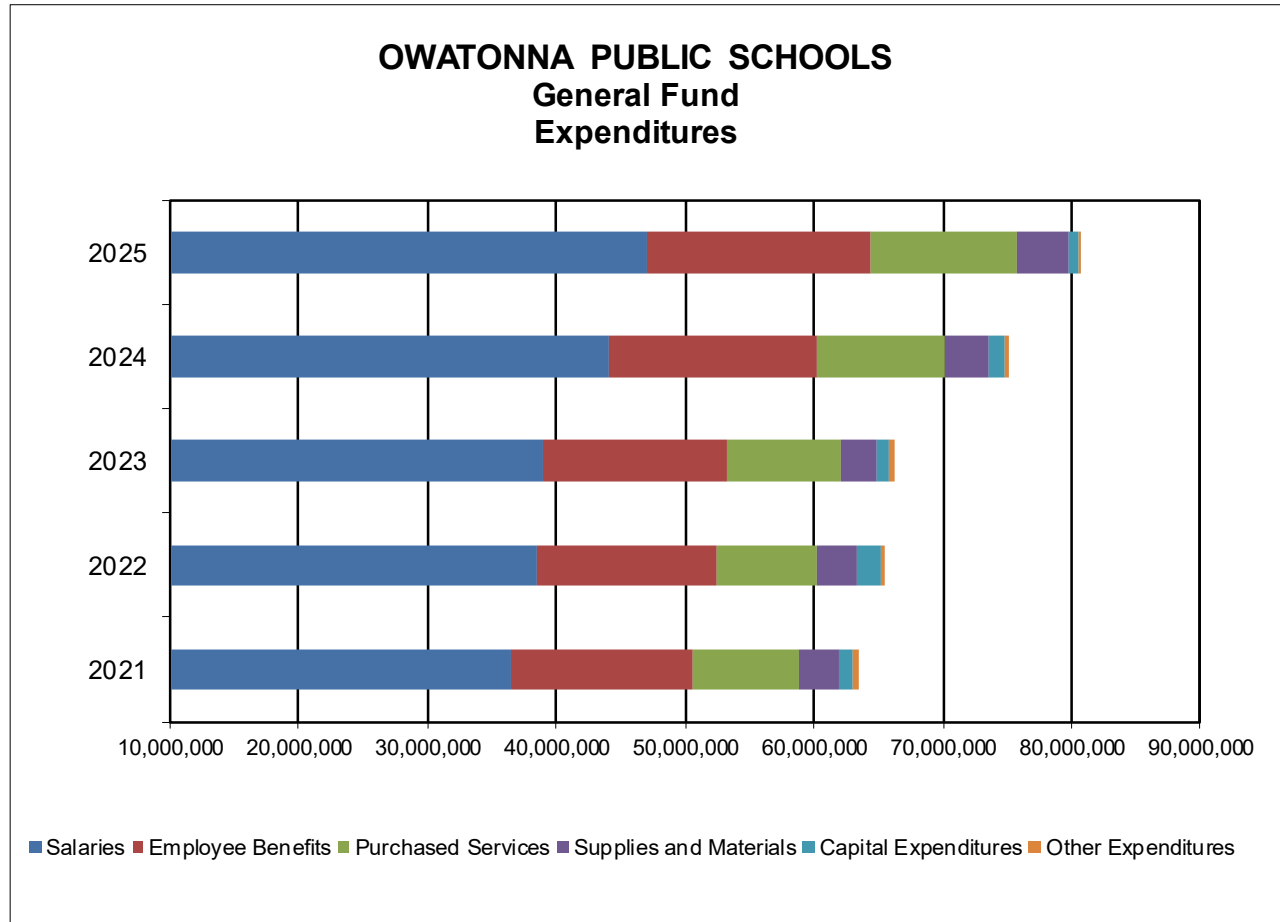
Expenditures per student (average daily membership) are summarized in the following graph.



In fiscal 2025, General Fund expenditures per student increased by 7.92% while total ADMs served decreased 0.63%.

APPENDIX A (CONTINUED)

Expenditures Per Student



The following chart summarizes District General Fund budget to actual expenditures by object type with two years of comparative actual expenditures.

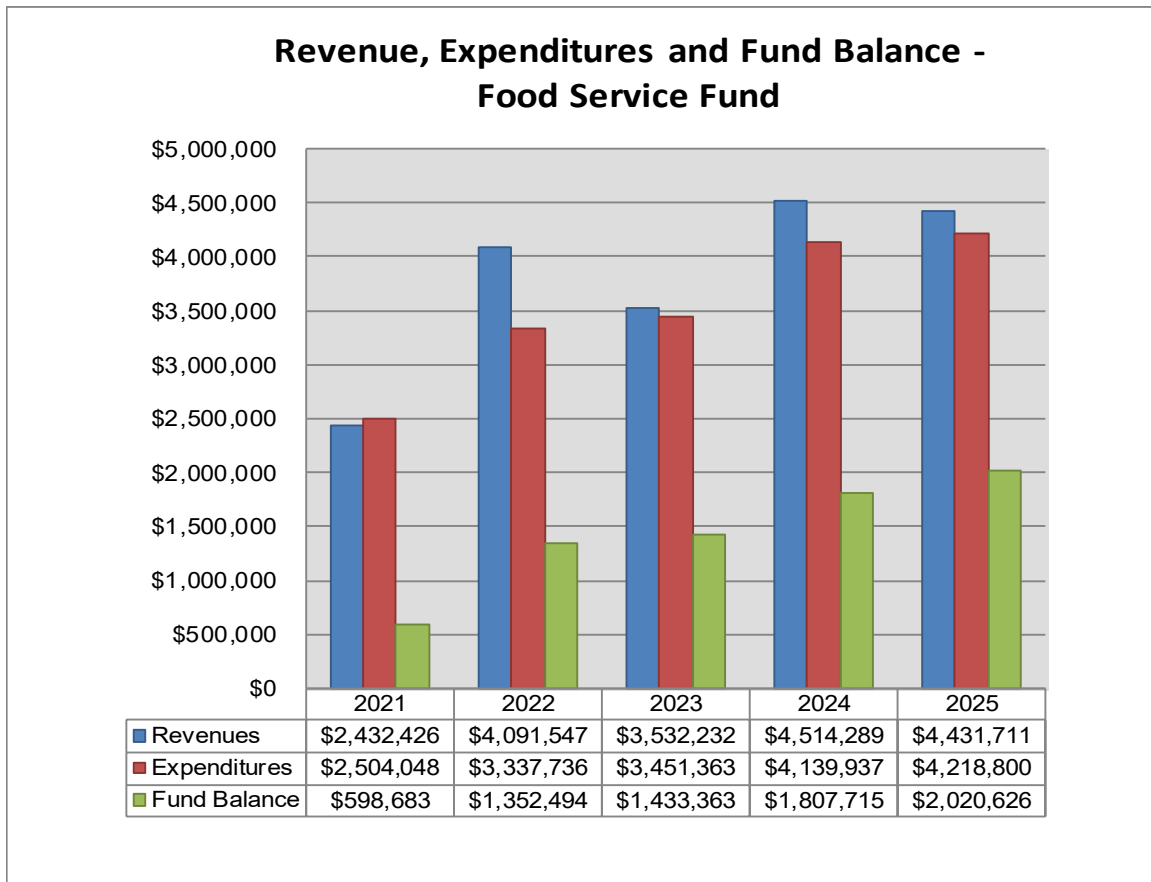
	2025				2024	2023
	Final Amended Budget	Actual	Over (Under) Budget	Percent	Actual	Actual
Salaries	\$ 47,834,933	\$ 47,064,784	\$ (770,149)	(1.6)%	\$ 44,026,461	\$ 38,939,208
Employee Benefits	17,419,260	17,287,899	(131,361)	(0.8)	16,238,122	14,322,961
Purchased Services	10,183,775	11,456,916	1,273,141	12.5	9,856,102	8,737,874
Supplies and Materials	4,112,621	3,892,255	(220,366)	(5.4)	3,470,596	2,874,447
Capital Expenditures	936,584	825,034	(111,550)	(11.9)	1,259,392	955,704
Other Expenditures	102,944	74,582	(28,362)	(27.6)	310,004	390,719
Total Expenditures	<u>\$ 80,590,117</u>	<u>\$ 80,601,470</u>	<u>\$ 11,353</u>	<u>0.01 %</u>	<u>\$ 75,160,677</u>	<u>\$ 66,220,913</u>

On a net basis, total expenditures 0.01% higher than reflected in the final amended budget. General Fund expenditures for fiscal 2025 were \$80,601,471 which represents an increase of \$5,440,793 or 8.30% from fiscal 2024.

APPENDIX A (CONTINUED)

Food Service Fund

The following chart reflects the financial results of the food service program over the past five years:

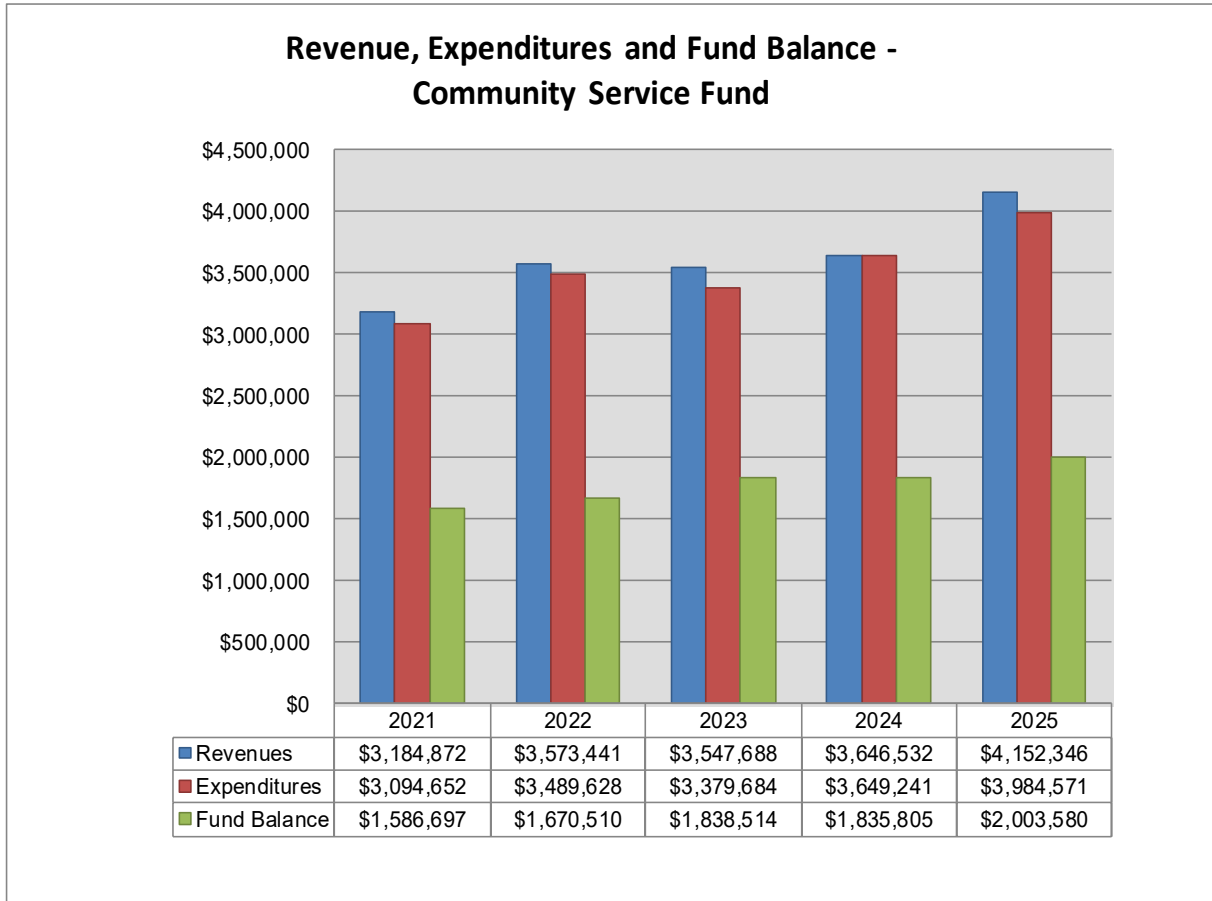


Total revenues exceeded total expenditures by \$212,911 in the District's Food Service Fund for 2025, increasing fund balance to \$2,020,626 at June 30, 2025. The ending fund balance represents 47.9% of expenditures and provides for cashflow and can serve as a source for capital improvements to the food service program as needs warrant. During 2025, the District incurred no capital outlay invested back into the food service program. Total revenue was higher than the final budgeted amount by \$258,398 (or 6.19%) while total expenditures were \$231,859 (or 5.21%) lower than the budgeted amount. The net impact of these variances was a net increase in the fund balance of the Food Service Fund which was \$490,257 higher than had been reflected in the budget.

APPENDIX A (CONTINUED)

Community Service Fund

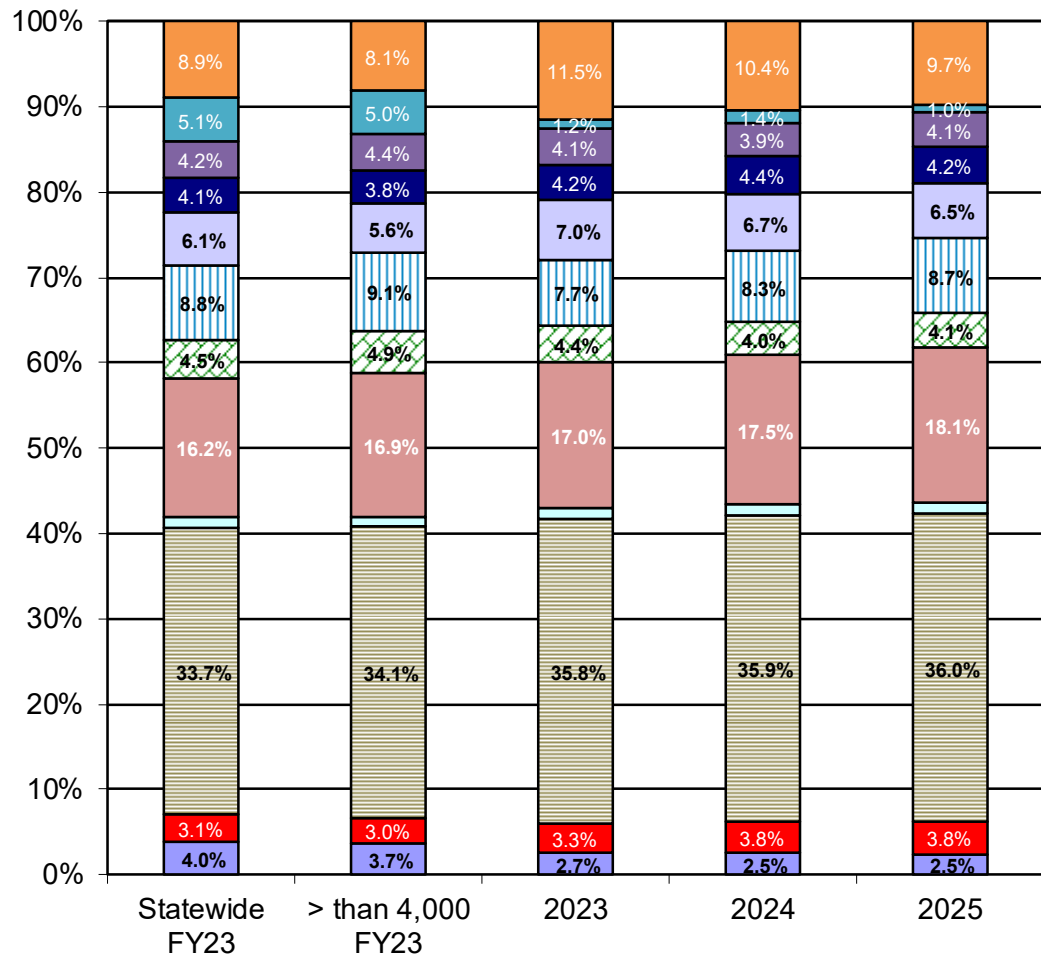
The following table presents five years of comparative operating results for the District's Community Service Fund:



The District's Community Service Fund had an excess of revenue over expenditures of \$167,775 for fiscal 2025, bringing the combined fund balance to \$2,003,580, or 50.28% of total expenditures at June 30, 2025. Total revenue was more than the final budgeted amount by \$185,923 (or 4.7%) while total expenditures were \$101,875 (or 2.5%) less the budgeted amount.

APPENDIX B

OWATONNA PUBLIC SCHOOLS % of Expenditures Per ADM Served



- Debt service
- Capital expenditure (excluding Building Construction Fund)
- Community service
- Food service
- Operations and maintenance & other
- Pupil support services (incl transportation)
- Instructional support services
- Special education instruction
- Vocational instruction
- Regular instruction (incl Student Activities/Athletics)
- District support services
- District and school administration

APPENDIX B (CONTINUED)

	Expenditures Per Student (ADM) Served				
	Statewide		ISD No. 761		
	All Districts	Enrollment > than 4,000	Owatonna Public Schools		
	2024	2024	2023	2024	2025
District and School Admin and Support Services	\$ 1,372	\$ 1,363	\$ 1,006	\$ 1,184	\$ 1,269
Regular Instruction (including Co- & Extra-Curricular)	6,558	6,889	5,995	6,765	7,244
Vocational Instruction (Career & Technical)	243	227	213	229	266
Special Education Instruction	3,158	3,410	2,856	3,291	3,648
Instructional Support Services	874	998	733	748	834
Pupil Support Services (including Transportation)	1,706	1,848	1,291	1,555	1,752
Operations and Maintenance and Other	1,192	1,140	1,167	1,261	1,316
General Fund Subtotal	15,103	15,875	13,262	15,034	16,330
Food Service	801	777	703	835	837
Community Service	818	886	684	743	816
Capital Expenditure (excluding Building Constr Fund)	996	1,015	198	266	196
Debt Service	1,737	1,645	1,920	1,966	1,952
Total Pre-K - 12 Operating Expenditures	\$ 19,455	\$ 20,198	\$ 16,767	\$ 18,845	\$ 20,132
Percent Change from Prior Year				12.39%	6.83%

Source of Statewide Data: School District Profiles published by the Minnesota Department of Education

District and school admin and support services – all costs related to providing administration to the District (school board, superintendent, principals, assistant superintendents, directors of instructional areas, etc.) and all central office administration (business services, human resources, legal, data processing, other district-wide support activities)

Regular instruction – includes all activities dealing directly with the teaching of pupils including co-curricular and extra-curricular activities and the interaction between teachers and pupils in the classroom (excluding exceptional, vocational and community education instruction) and includes activities of aides or assistants of any type (educational assistants, clerks, graders, etc.) who assist in the educational process, except paraprofessionals

Vocational instruction – consists of costs related to courses and activities which develop knowledge, skills, attitudes and behavioral characteristics for students seeking career exploration and employability

Special education instruction – consists of activities providing learning experiences for pupils of any age, who because of certain atypical characteristics or conditions, have been identified as requiring, or who would benefit by, educational programs differentiated from those provided pupils in regular or vocational instruction

Instructional support services – activities for assisting instructional staff with content and process of providing learning experiences for pupils in K-12 (curriculum, staff dev, educ media, libraries and media centers, etc.)

Pupil support services – all services to pupils not classified as instructional (counseling & guidance, health services, psychological services, social work, pupil transportation and safety, etc.)

Operations and maintenance – activities related to the operation, maintenance, repair and remodeling of all physical plant, facilities and grounds of the District

Food service – all costs of the Food Service Fund

Community service – all costs of the Community Service Fund

Capital expenditures – all capital expenditures charged to operating funds (which excludes the Building Construction Fund)

Debt service – all Debt Service Fund costs (principal, interest and fiscal agent costs)

APPENDIX C

ACCOUNTING UPDATE

GASB Statement No. 103 – Financial Reporting Model Improvements

The primary objective of this Statements is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. Areas impacted include the MD&A, Proprietary fund Statement of Revenues, Expenses, and Changes in Fund Net Position, and Budgetary Comparison Information. This Statement is effective for fiscal periods beginning after June 15, 2025s.

GASB Statement No. 104 – Disclosure of Certain Capital Assets

The primary objective of this Statements is to improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments. This Statement will require certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. This Statement is effective for fiscal periods beginning after June 15, 2025s.



APPENDIX D

FORMAL REQUIRED COMMUNICATIONS

Board of Education
Owatonna Public Schools
Independent School District No. 761
Owatonna, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Owatonna Public Schools Independent School District No. 761 (the District) as of and for the year ended June 30, 2025, and have issued our report thereon dated December 1, 2025. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit in our audit engagement agreement dated May 28, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements.

As described in Note 1, the school changed accounting policies related to Compensated Absences by adopting Statement of Governmental Accounting Standards Board (GASB Statement) No. 101, *Compensated Absences*, in the year ended June 30, 2025. There was no material impact on the District's net position and change in net position as a result of the adoption of this accounting standard.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. . The most sensitive estimate affecting the financial statements was:

- Incurred But Not Reported (IBNR) Claims

Management's estimate of IBNR claims is based on a specialist at the insurance company that completes the calculation, it is straightforward using lag reports.

We reviewed and tested management's procedures and underlying supporting documentation in the area discussed above and evaluated the key factors and assumptions used to develop the estimate noted above in determining that they are reasonable in relation to the financial statements taken as a whole. We concluded that the accounting estimates and management judgements appear to consider all significant factors and resulted in appropriate accounting recognition.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. As a result of implementing GASB Statement No. 101, *Compensated Absences*, we determined that prior year liabilities were understated by \$1,911,233, leading to an overstatement of net position by the same amount in the governmental activities opinion unit in the prior year as well as an overstatement of current year compensated absences expenses by the same amount. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Uncorrected misstatements or the matters underlying uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if management has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

Corrected misstatements

Management did not identify and we did not notify them of any financial statement misstatements detected as a result of audit procedures.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated December 1, 2025.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management’s responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated December 1, 2025.

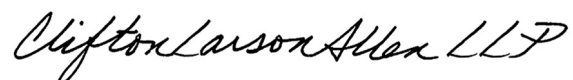
With respect to the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance, the Food Service Fund Budgetary Comparison Information, the Community Service Fund Budgetary Comparison Information, the SEFA and the Uniform Financial Accounting and Reporting Standards Compliance Table (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated December 1, 2025.

Other information included in annual reports

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of the introductory and statistical sections. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

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This communication is intended solely for the information and use of the Board of Education and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Rochester, Minnesota
December 1, 2025

