



KDV

Independent School District
No. 726
Becker, Minnesota

Audited Financial Statements
June 30, 2014



Components of the Audit

KDV

- Opinion on the District's Basic Financial Statements – Unmodified Opinion
- Report on the results of an audit performed in accordance with *Government Auditing Standards* – Internal Control Finding
- Report on the results of an audit performed in accordance with *OMB Circular A-133* – Unmodified Opinion
- Report on the results of testing on *Minnesota Legal Compliance* – one finding
- Required Communication



Pupil Unit Funding – General Education Aid

<u>Year</u>	<u>Formula Allowance</u>	
	<u>Amount</u>	<u>Percent Increase</u>
2004	\$ 4,601	0.0%
2005	4,601	0.0%
2006	4,782	4.0%
2007	4,974	4.0%
2008	5,074	2.0%
2009	5,124	1.0%
2010	5,124	0.0%
2011	5,124	0.0%
2012	5,174	1.0%
2013	5,224	1.0%
2014	5,302	1.5%
2015*	5,831	1.9%

* Of the \$ 529 increase over 2014, \$ 105 is for inflation at 1.9%; the remaining \$ 424 is a shifting of revenue to adjust for pupil weight changes, pension adjustments changes and other restructuring.



Resident Average Daily Membership and Pupil Units

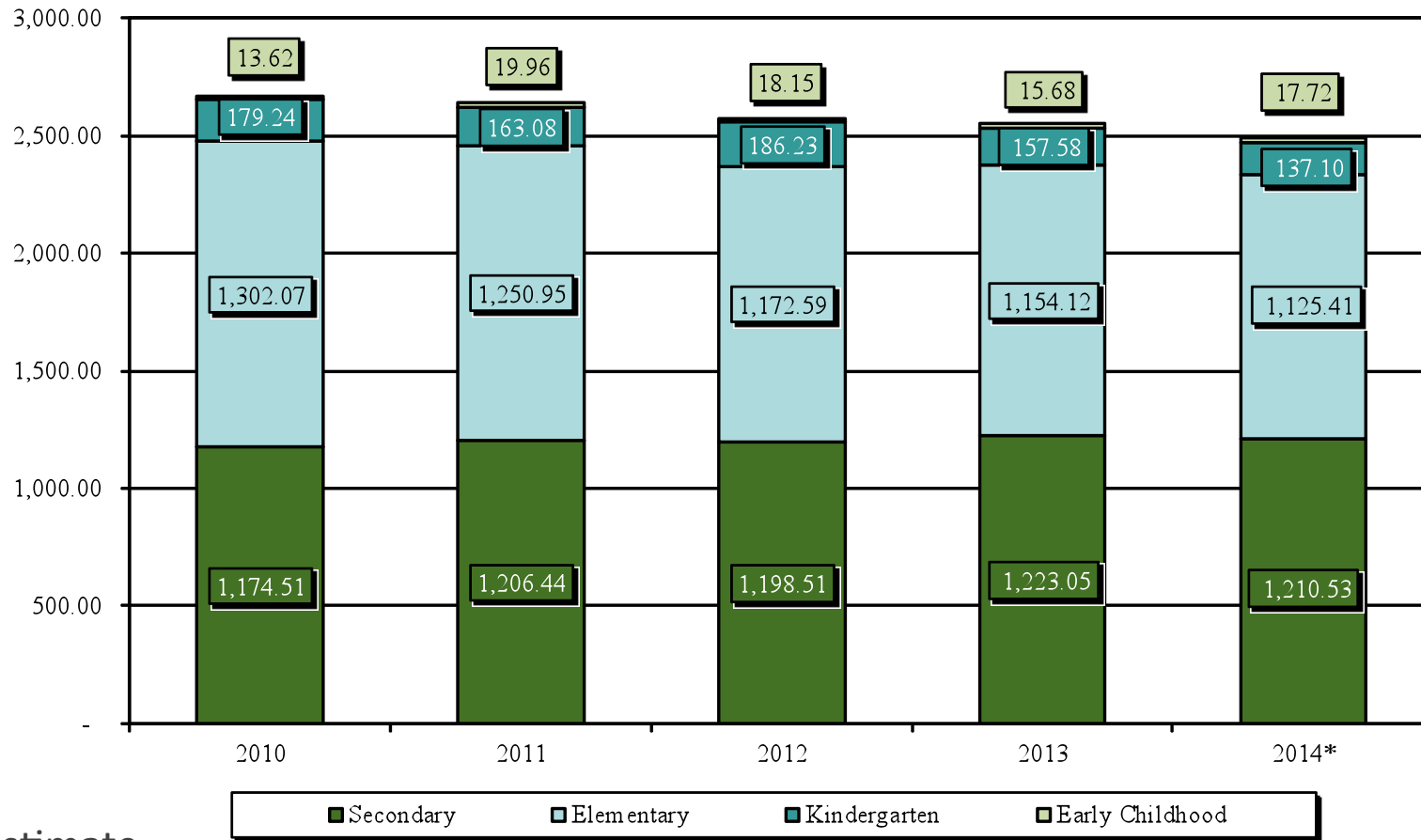
ADM	2010	2011	2012	2013	2014*
Early Childhood	13.62	19.96	18.15	15.68	17.72
Kindergarten	179.24	163.08	186.23	157.58	137.10
Elementary	1,302.07	1,250.95	1,172.59	1,154.12	1,125.41
Secondary	1,174.51	1,206.44	1,198.51	1,223.05	1,210.53
Total Resident ADM	2,669.44	2,640.43	2,575.48	2,550.43	2,490.76

* Estimate



Resident ADM

Students (Average Daily Membership)



* Estimate



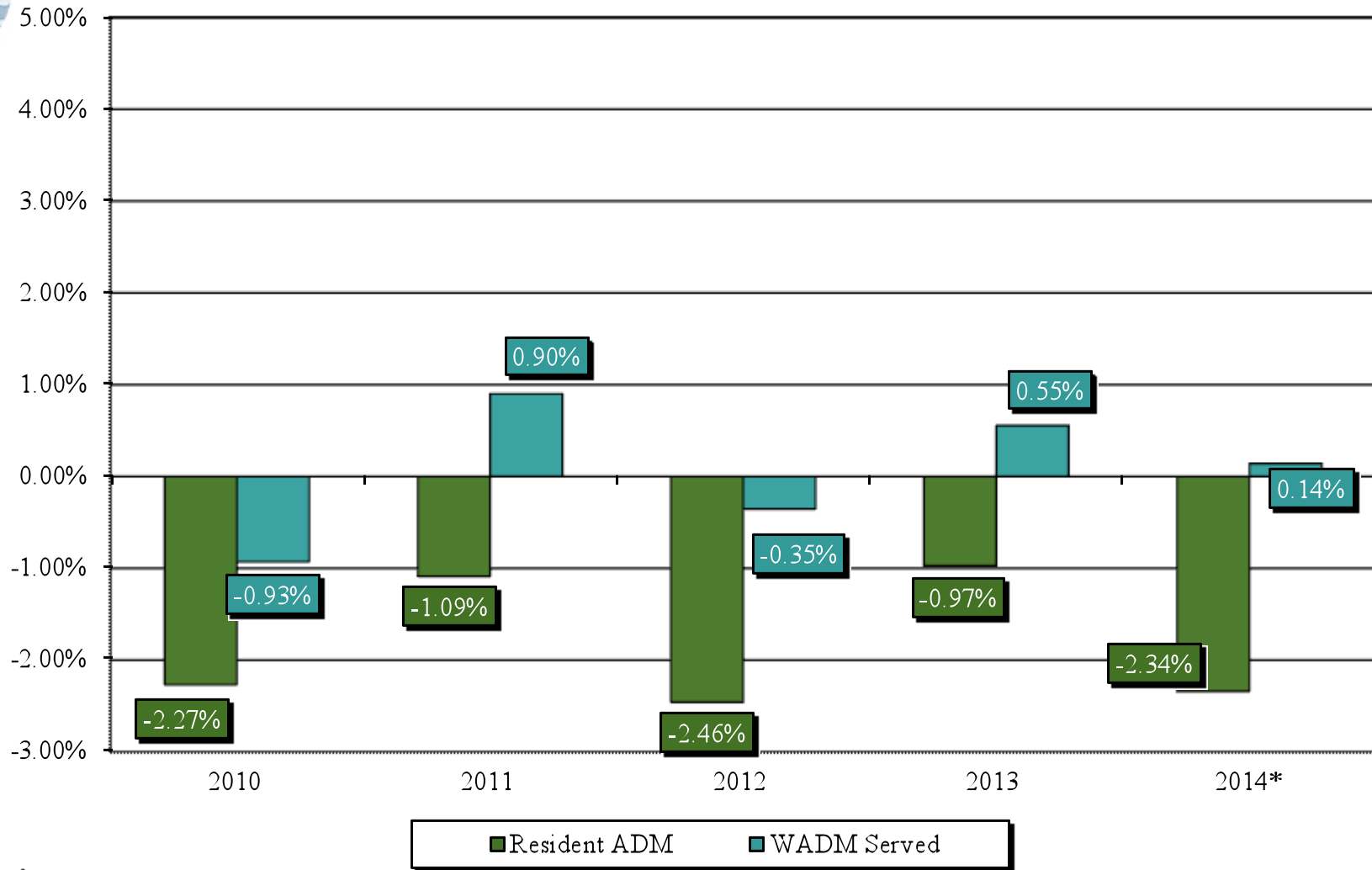
Resident Average Daily Membership and Pupil Units

Pupil Units Weighting						
	Early Childhood	Handicapped Kindergarten	Kindergarten	Elementary Grades 1-3	Elementary Grades 4-6	Secondary
2010 - 2014	1.250	1.000	0.612	1.115	1.060	1.300

Weighted/Adjusted ADM	2010	2011	2012	2013	2014*
Residents	3,071.06	3,056.42	2,974.28	2,963.33	2,907.03
Resident Loss	(133.27)	(121.47)	(121.94)	(149.13)	(138.90)
Nonresident Gain	179.46	210.42	281.93	337.46	388.03
Total Weighted/Adjusted ADM	3,117.25	3,145.37	3,134.27	3,151.66	3,156.16

* Estimate

Change in Resident ADM and Weighted/Adjusted ADM Served



* Estimate



General Fund Budget and Actual

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Over (Under)
REVENUES				
Local Property Taxes	\$ 4,085,740	\$ 4,085,740	\$ 2,933,570	\$ (1,152,170)
State Sources	18,993,102	19,624,250	21,250,329	1,626,079
Other	944,806	997,016	1,002,024	5,008
Total Revenues	24,023,648	24,707,006	25,185,923	478,917
EXPENDITURES				
Administration	1,289,430	1,292,430	1,267,386	(25,044)
District Support Services	588,478	588,478	535,052	(53,426)
Elementary and Secondary Regular Instruction	12,302,010	12,897,909	12,827,787	(70,122)
Vocational Education Instruction	45,000	45,000	125,402	80,402
Special Education Instruction	3,811,845	3,804,967	4,023,310	218,343
Instructional Support Services	1,704,370	1,613,715	1,750,462	136,747
Pupil Support Services	1,811,806	1,868,582	1,971,461	102,879
Sites and Buildings	2,512,138	2,483,138	2,896,433	413,295
Fiscal and Other Fixed Costs	143,800	130,000	130,386	386
Total Expenditures	24,208,877	24,724,219	25,527,679	803,460
Excess of Revenues				
Under Expenditures	(185,229)	(17,213)	(341,756)	(324,543)
OTHER FINANCING SOURCES				
Insurance Recovery	-	-	65,468	65,468
Proceeds from Capital Lease	170,000	170,000	169,515	(485)
Net Change in Fund Balances	\$ (15,229)	\$ 152,787	\$ (106,773)	\$ (259,560)



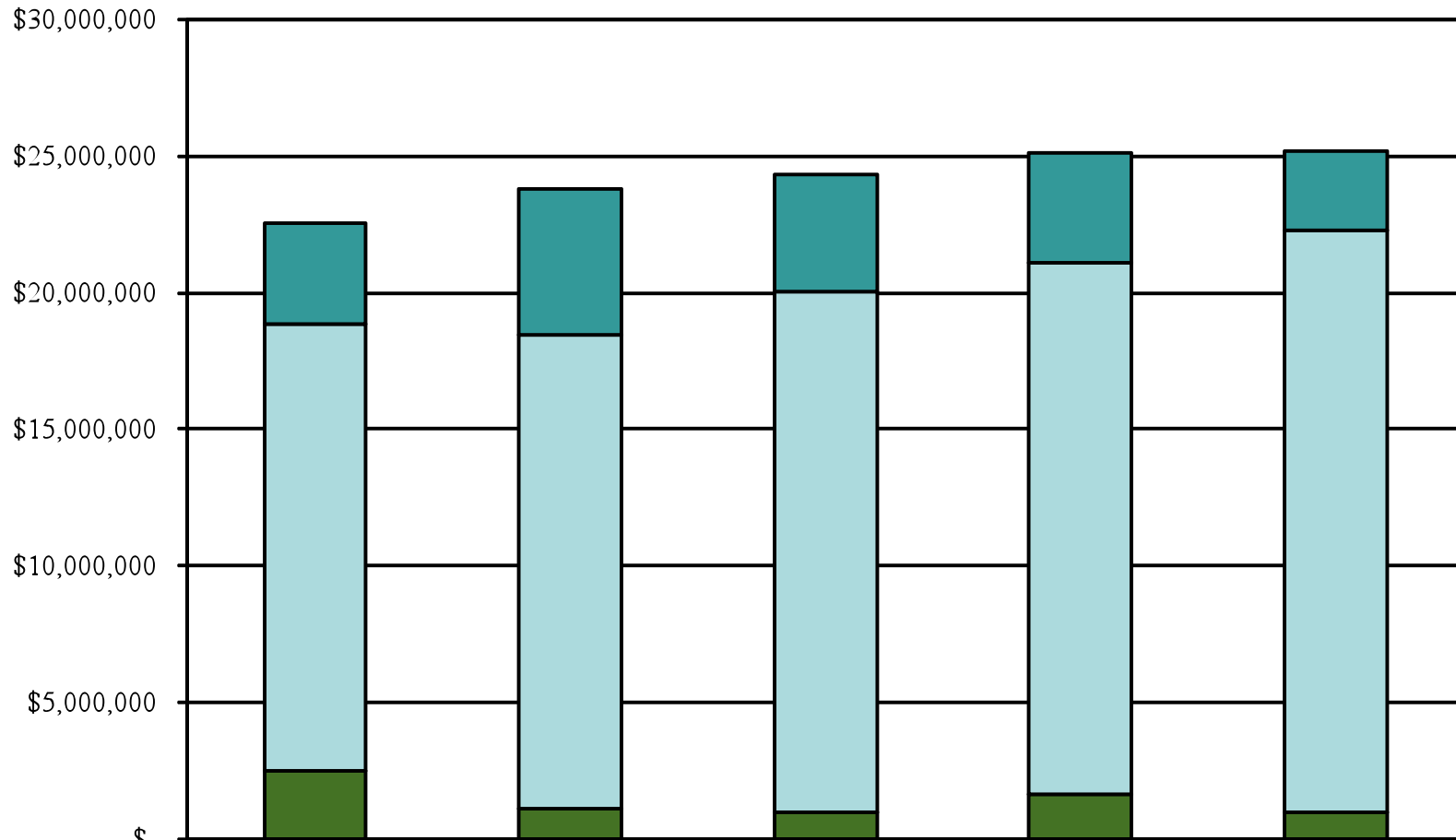
General Fund Operations

For the Year Ended June 30,	2010	2011	2012	2013	2014
Revenues	\$ 22,525,027	\$ 23,816,645	\$ 24,315,186	\$ 25,140,168	\$ 25,185,923
Expenditures	23,582,866	24,748,789	24,730,824	25,532,416	25,527,679
Excess of Revenues					
Under Expenditures	(1,057,839)	(932,144)	(415,638)	(392,248)	(341,756)
Other Financing Sources	295,959	413,735	515,655	306,351	234,983
Fund Balance, July 1	2,730,463	1,968,583	937,938	1,037,955	952,058
Prior Period Adjustment	-	(512,236)	-	-	-
Fund Balance, June 30	\$ 1,968,583	\$ 937,938	\$ 1,037,955	\$ 952,058	\$ 845,285

Components					
Nonspendable	\$ 615,632	\$ 53,346	\$ 151,879	\$ 173,023	\$ 221,302
Restricted/Reserved for:					
Operating Capital	137,445	141,882	26,608	-	-
Health and Safety*	9,287	27,910	118,140	(38,303)	(145,458)
Deferred Maintenance	7,141	20,810	6,796	6,006	7,147
Assigned for:					
Building Level Activity	125,685	120,396	139,616	188,814	189,990
Unassigned	1,073,393	573,594	594,916	622,518	572,304
Total	\$ 1,968,583	\$ 937,938	\$ 1,037,955	\$ 952,058	\$ 845,285



General Fund Sources of Revenue

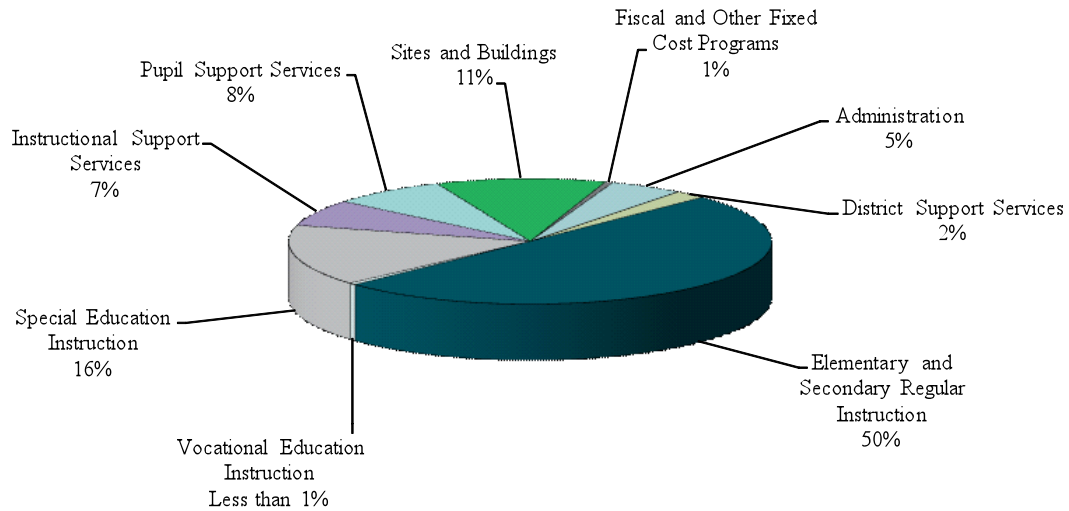


	2010	2011	2012	2013	2014
Local Property Taxes	\$3,649,638	\$5,369,487	\$4,274,173	\$4,015,400	\$2,933,570
State Sources	16,393,025	17,347,880	19,037,431	19,484,207	21,250,329
Other	2,482,364	1,099,278	1,003,582	1,640,561	1,002,024

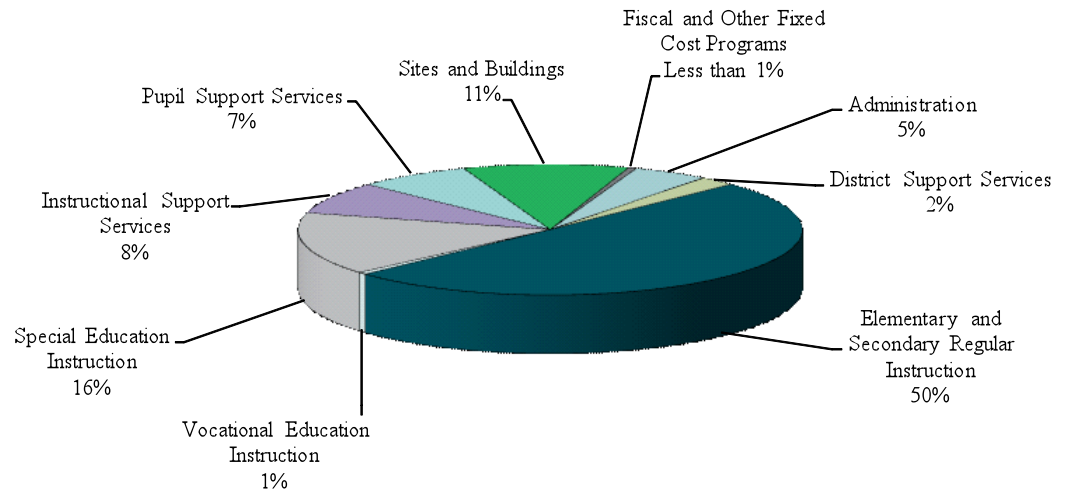
General Fund Expenditures



2014

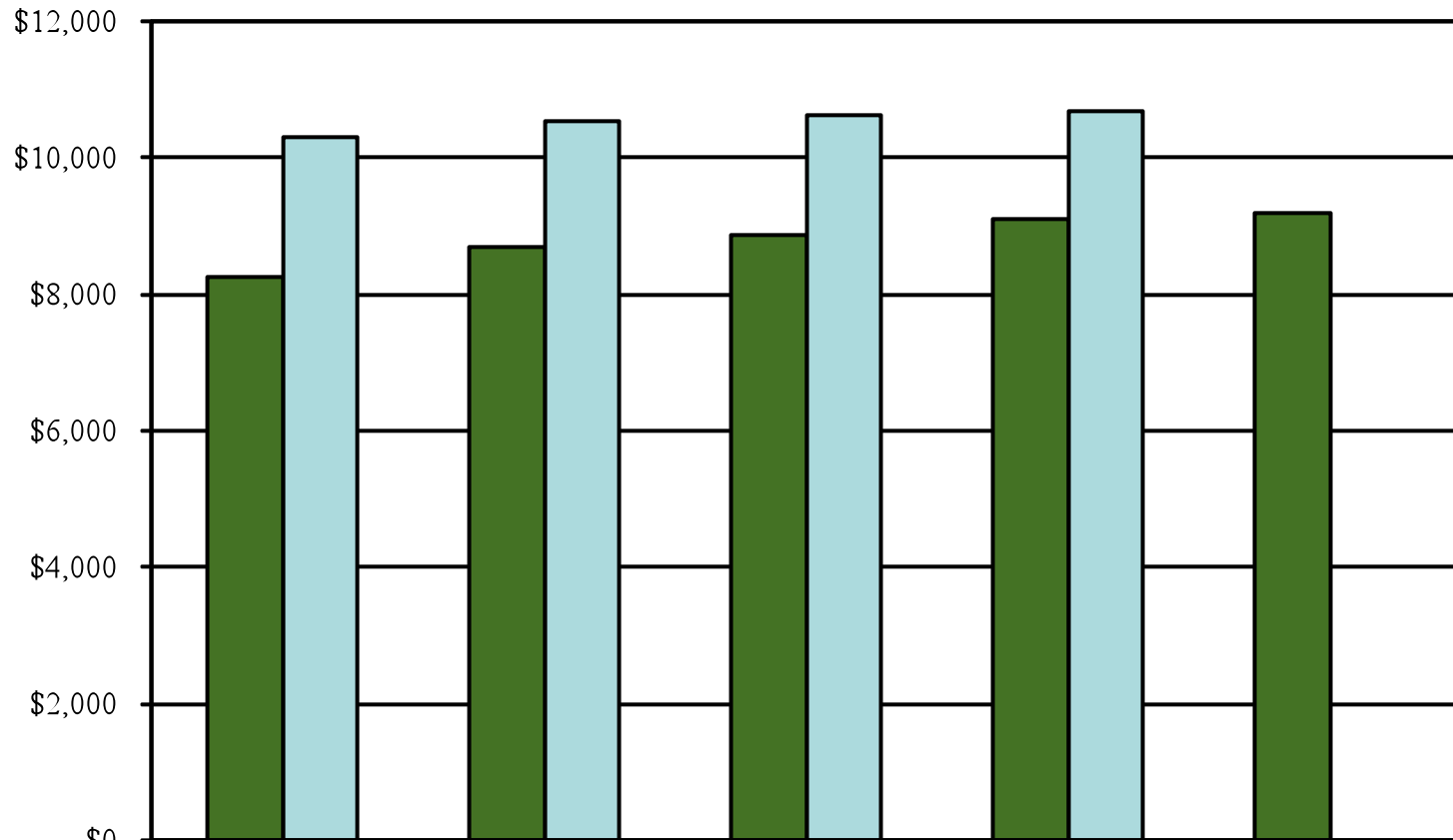


2013



Revenues Per ADM Served

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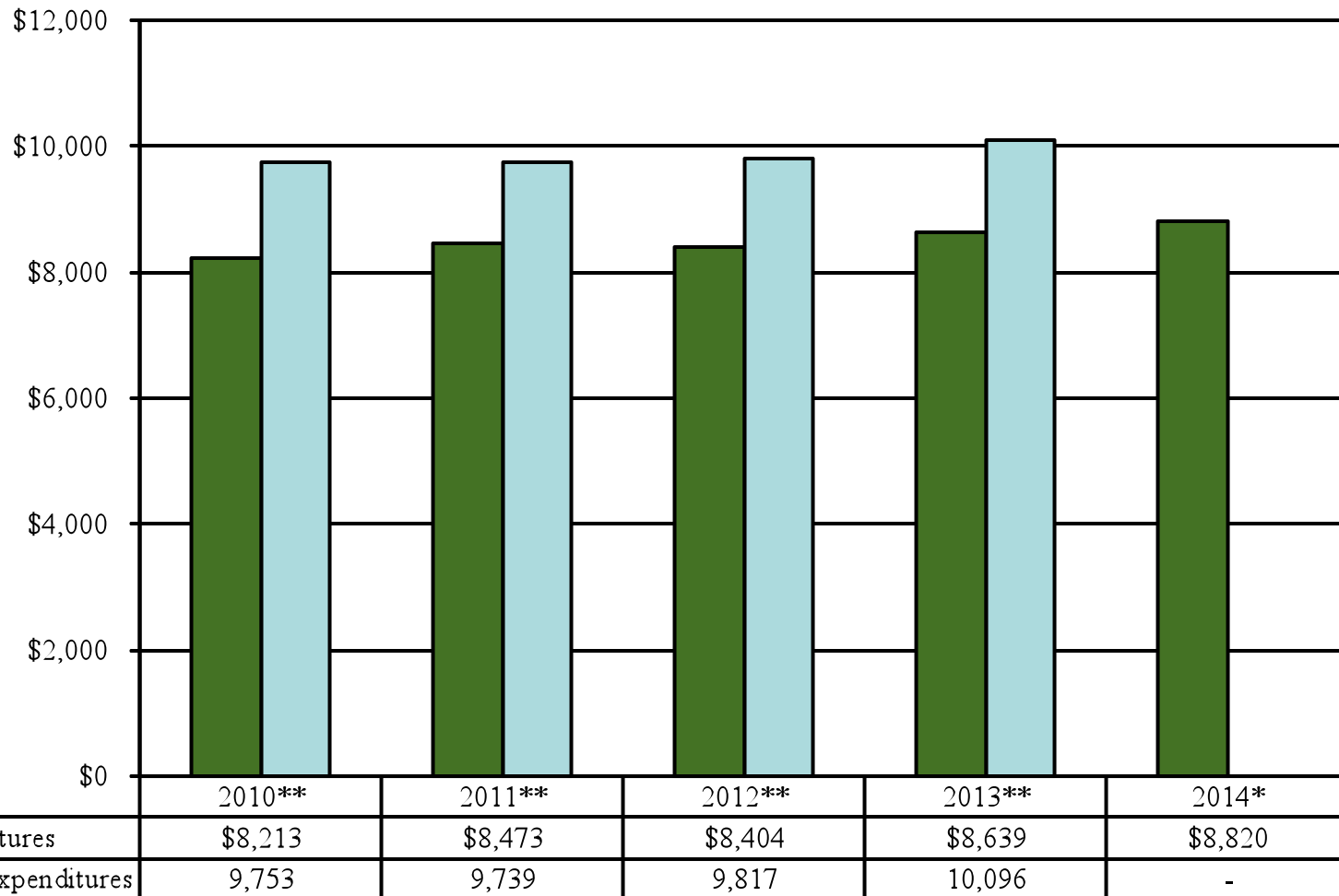


	2010**	2011**	2012**	2013**	2014*
■ District Revenues	8,244	8,690	8,886	9,116	9,192
■ State Average Revenues	10,301	10,537	\$10,617	\$10,698	-

* Estimate

** State averages obtained from the Minnesota Department of Education's (MDE) publication *School District Profiles*. Amounts for 2014 are not yet available.

Operating Expenditures Per ADM Served



* Estimate

** State averages obtained from the Minnesota Department of Education's (MDE) publication *School District Profiles*. Amounts for 2014 are not yet available.



Expenditures and Revenues per ADM served

	District 2013 **	State Average 2013 **	District 2014 *	State Average 2014
District and School Administration	8.4%	8.3%	7.0%	NA
Regular Instruction***	50.5%	46.5%	50.0%	NA
Vocational Instruction	0.6%	1.3%	0.5%	NA
Special Education Instruction	15.5%	17.8%	15.5%	NA
Instructional Support Services	3.9%	4.4%	5.4%	NA
Pupil Support Services****	6.2%	8.6%	6.5%	NA
Sites, Buildings and Equipment	9.3%	7.8%	10.4%	NA
Capital Outlay	5.6%	5.3%	4.7%	NA
	100.0%	100.0%	100.0%	

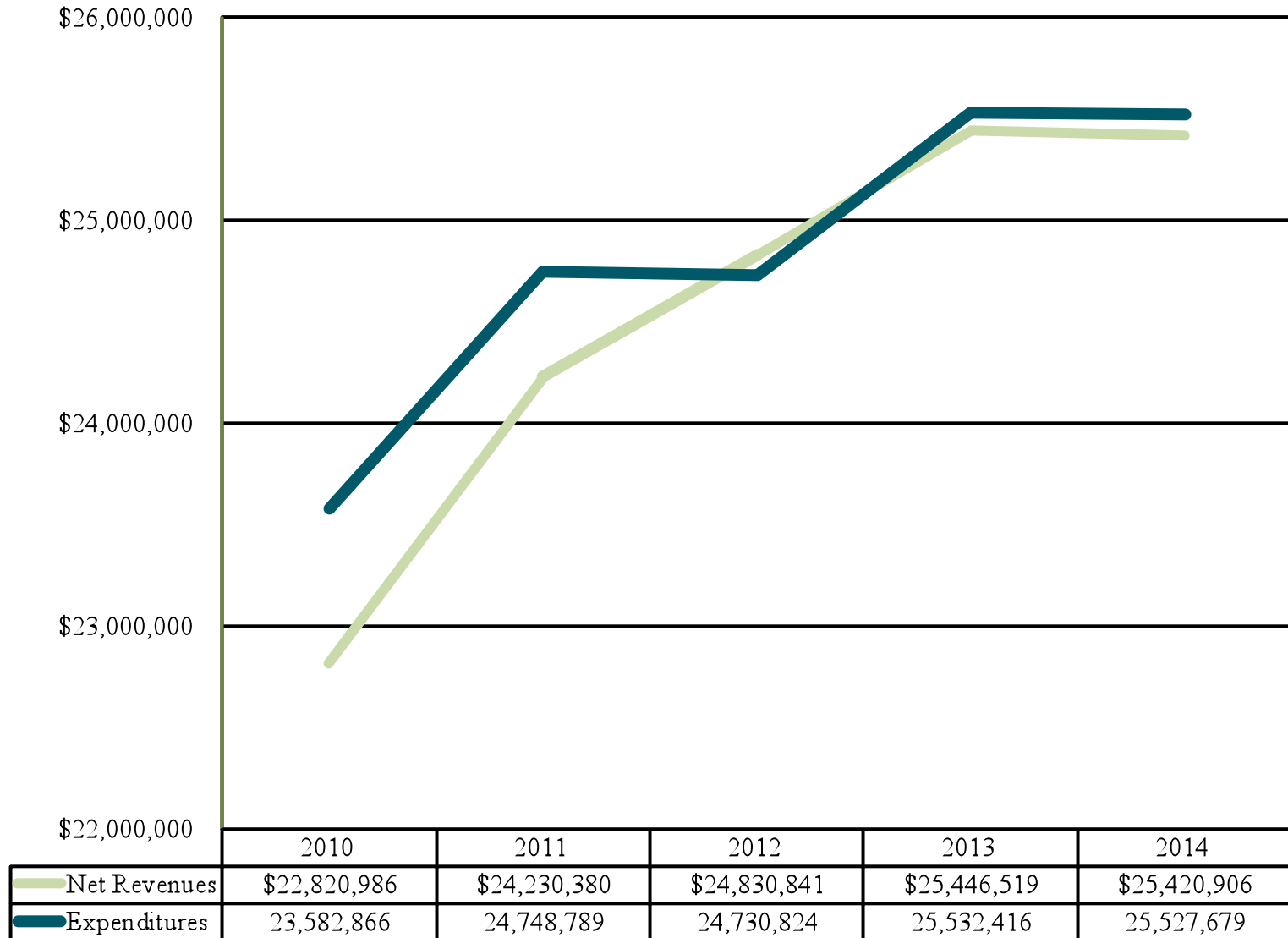
* Estimate

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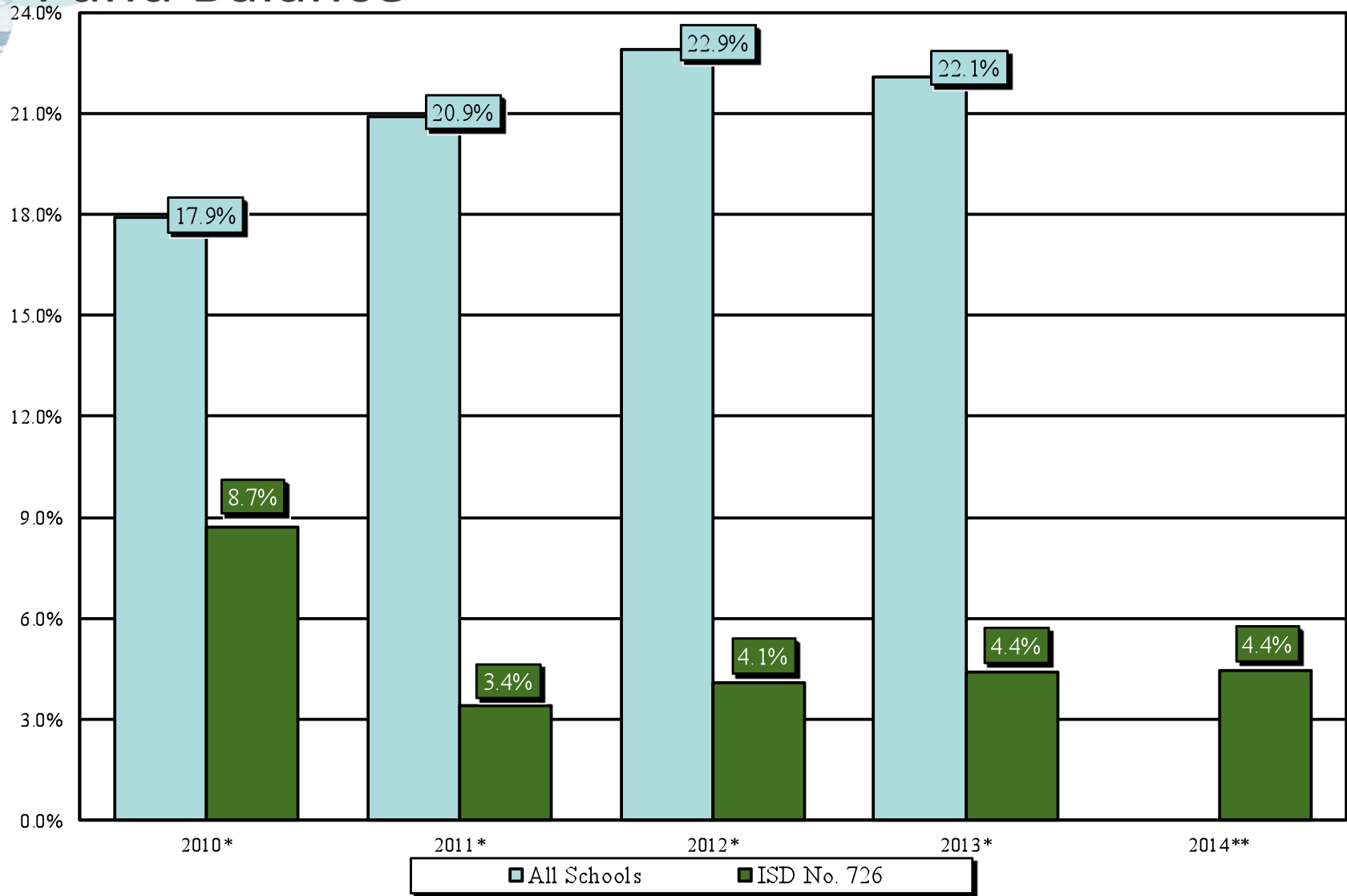
General Fund Net Revenues and Expenditures

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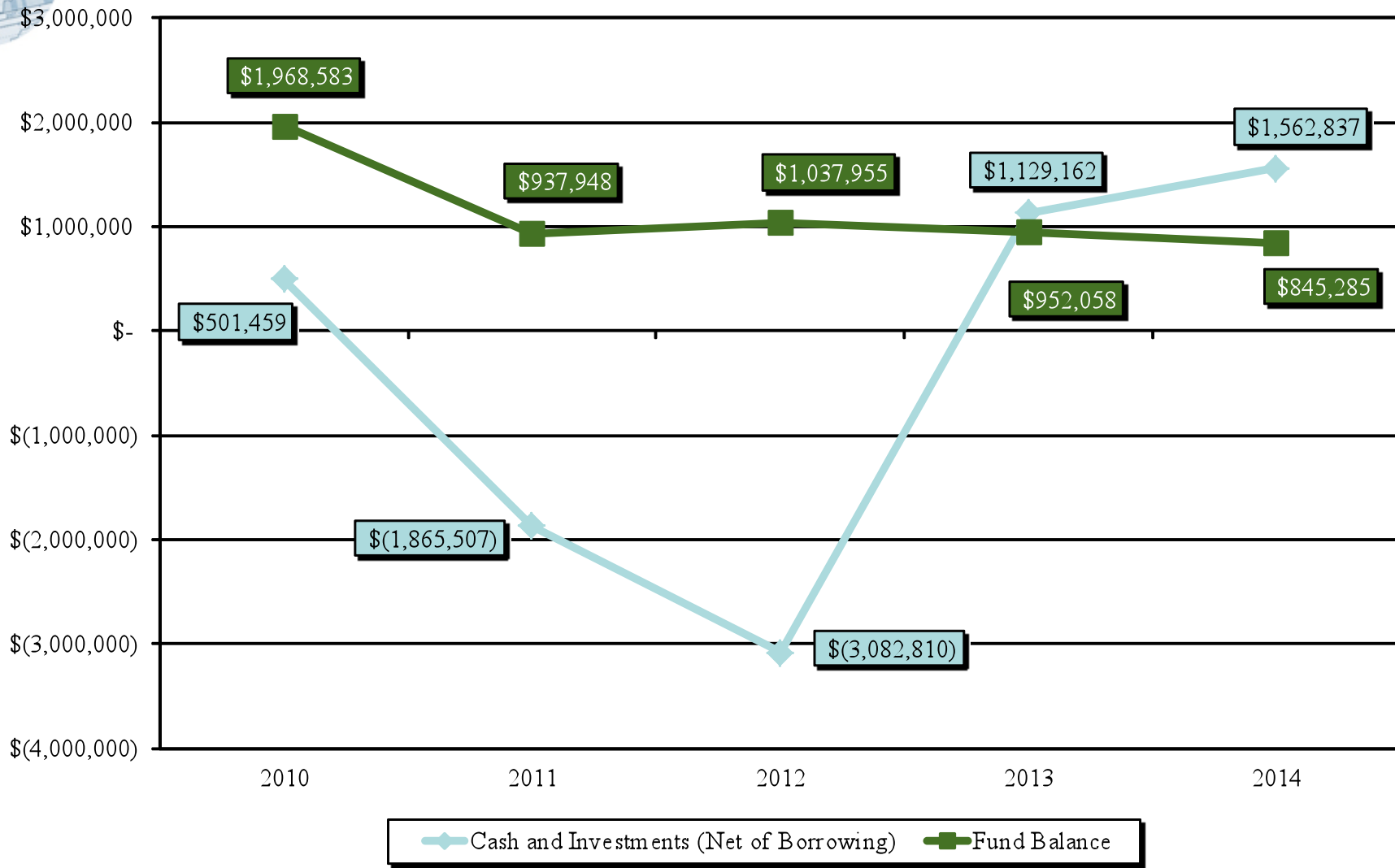
General Fund Expenditures of Fund Balance

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General Fund Financial Position





Food Service Fund

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For the Year Ended June 30,	2010	2011	2012	2013	2014
Revenues	\$ 1,079,841	\$ 1,107,995	\$ 1,146,550	\$ 1,219,513	\$ 1,142,179
Expenditures	1,069,893	1,063,971	1,161,995	1,218,295	1,257,680
Excess of Revenues Over (Under) Expenditures	9,948	44,024	(15,445)	1,218	(115,501)
Fund Balance, July 1	242,160	252,108	296,132	280,687	281,905
Fund Balance, June 30	\$ 252,108	\$ 296,132	\$ 280,687	\$ 281,905	\$ 166,404



Community Service Fund

For the Year Ended June 30,	2010	2011	2012	2013	2014
Revenues	\$ 630,974	\$ 704,538	\$ 876,179	\$ 1,010,430	\$ 1,067,682
Expenditures	632,289	690,188	849,905	918,340	1,014,472
Excess of Revenues Over (Under) Expenditures	(1,315)	14,350	26,274	92,090	53,210
Fund Balance, July 1	(102,100)	(103,415)	(89,065)	(62,791)	29,299
Fund Balance, June 30	\$ (103,415)	\$ (89,065)	\$ (62,791)	\$ 29,299	\$ 82,509
Components					
Nonspendable	\$ 400	\$ 623	\$ 6,236	\$ 400	\$ -
Restricted/Reserved for:					
Community Education*	(151,726)	(145,108)	(129,147)	(36,885)	3,362
Early Childhood and Family Education	36,149	32,108	37,467	47,679	64,839
School Readiness	11,762	23,312	22,653	18,105	14,520
Unassigned	-	-	-	-	(212)
Total	\$ (103,415)	\$ (89,065)	\$ (62,791)	\$ 29,299	\$ 82,509



Questions

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320-650-0219

Thank you!