

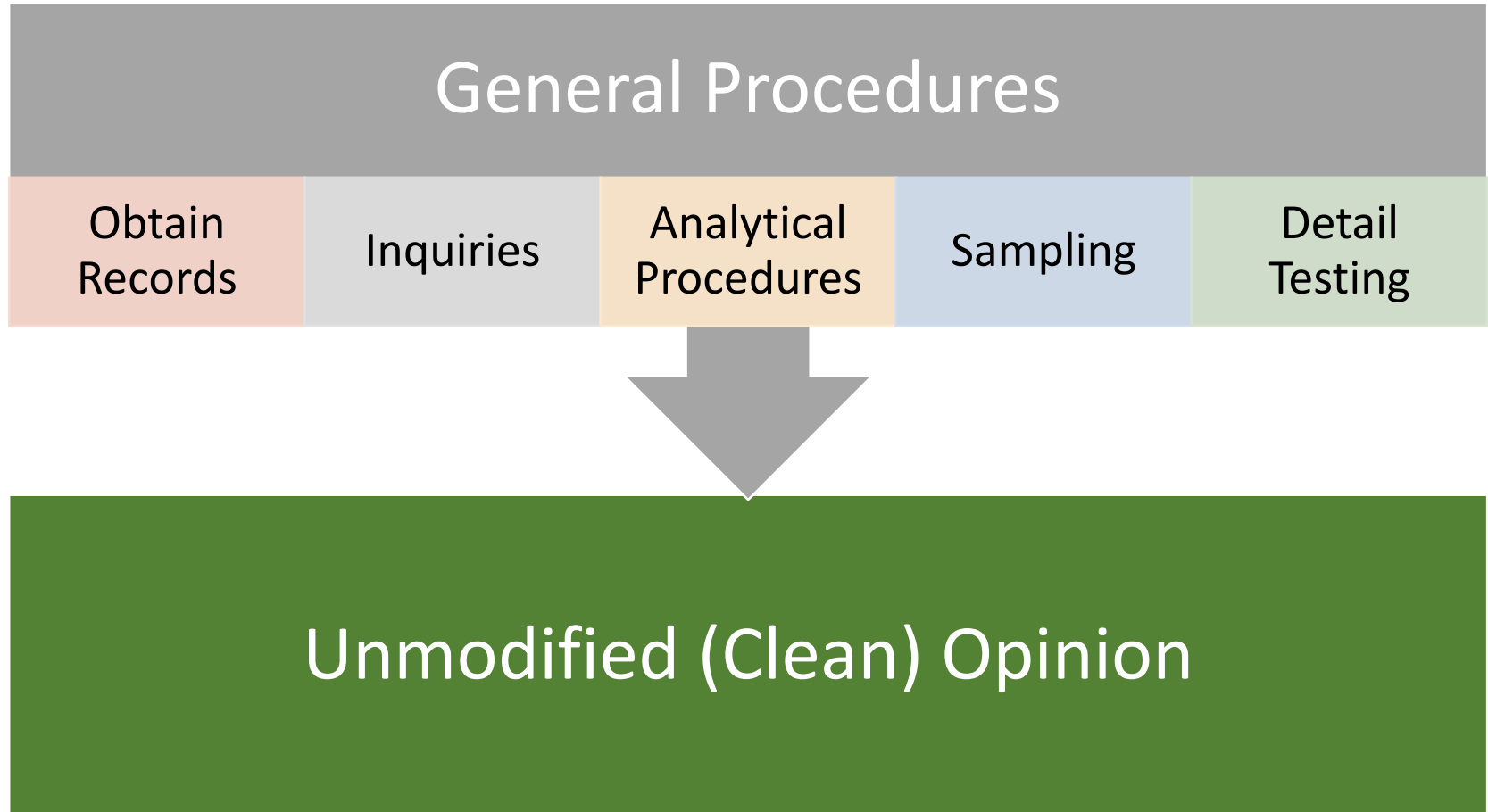


Rockford Area Schools
Independent School District No. 883

Presentation of the Audited Financial Statements

June 30, 2024

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

Internal Controls Over Financial Reporting



AUDIT ADJUSTMENTS

- No significant adjustments recorded during the audit process



OTHER INTERNAL CONTROL MATTERS

- Addressed and corrected ALL of the internal control deficiencies identified during prior year audits

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:
 - Quotes for a project over \$25K
 - Contractors Withholding Affidavit



Single Audit (Federal Program Compliance)

Major Programs Tested

- Child Nutrition Cluster

Opinion

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

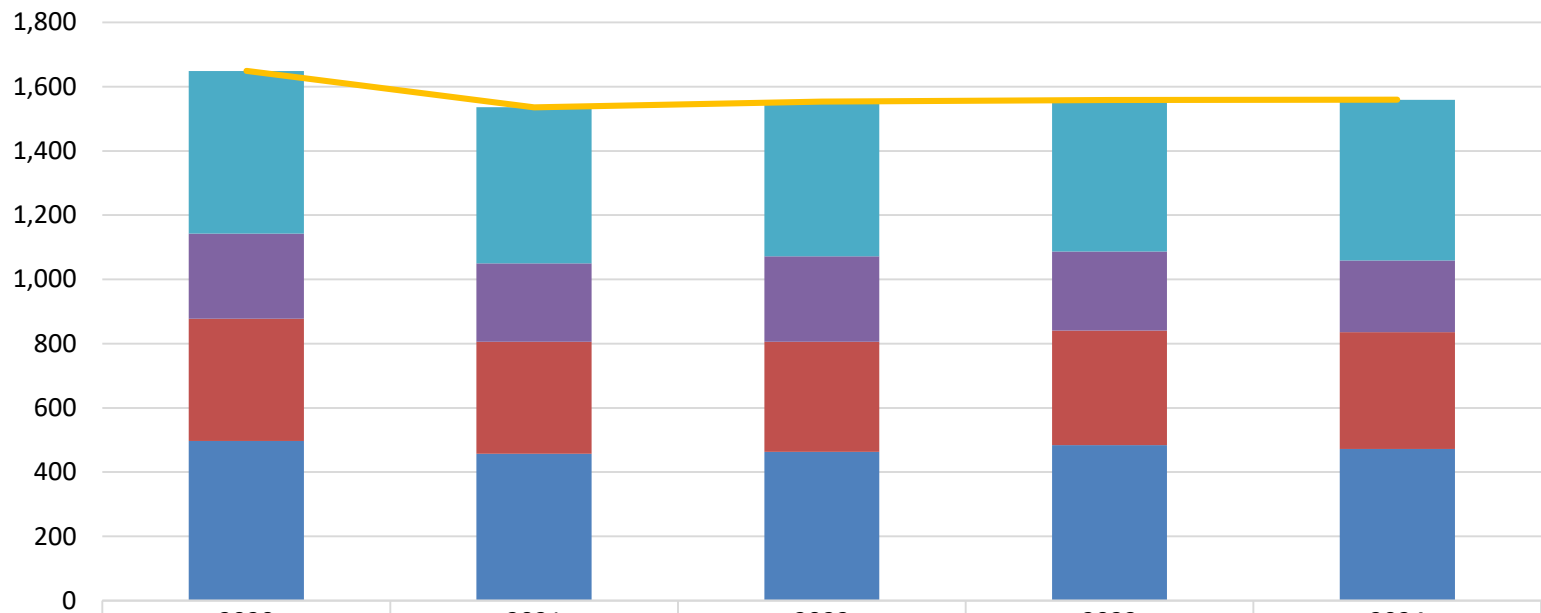
Compliance

- No Findings Identified

Internal Control Over Compliance

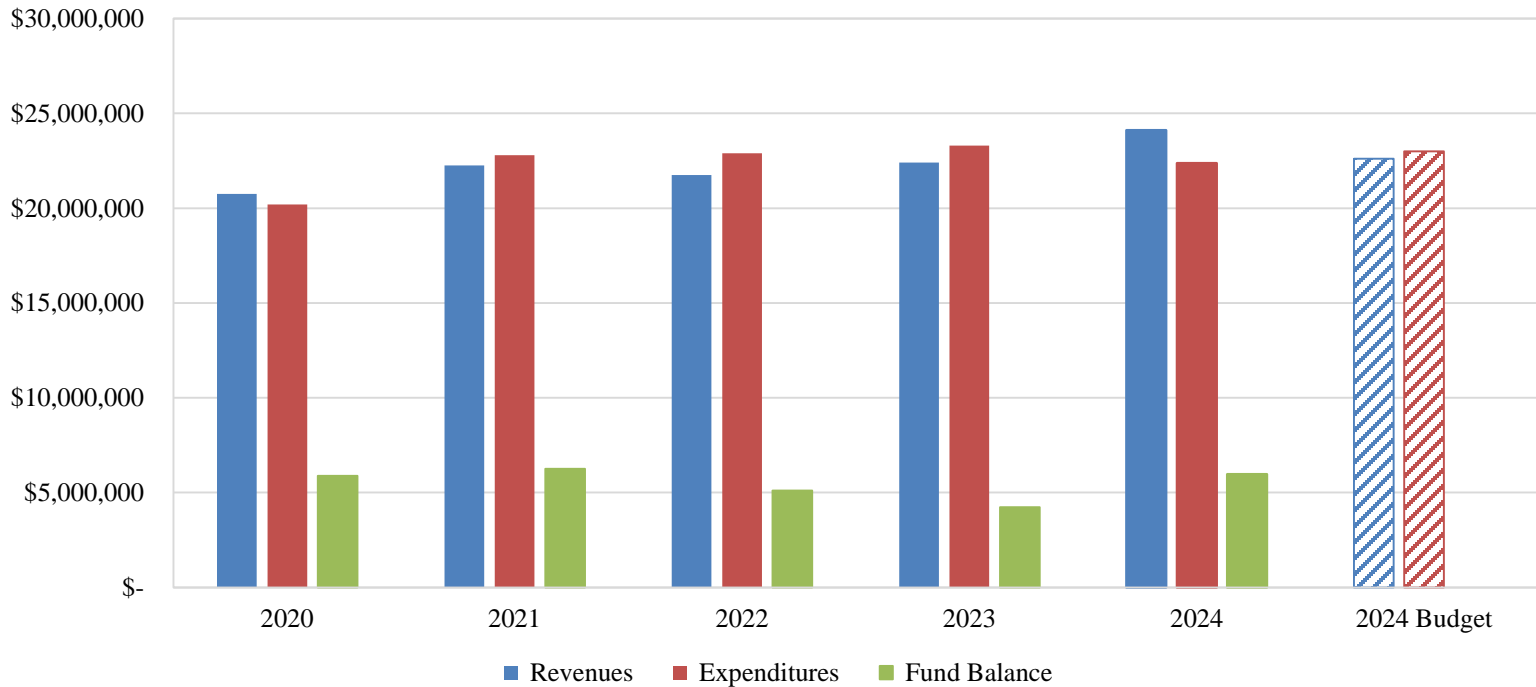
- No Findings Identified

Pupil Units (ADM) Trend Analysis



	2020	2021	2022	2023	2024
9 - 12	506	486	482	471	500
7 - 8	265	244	266	246	223
4 - 6	381	349	343	357	364
Pre K - 3	497	457	463	484	472
Total	1649	1536	1554	1558	1559

General Fund - Trend Analysis & Budgetary Comparison

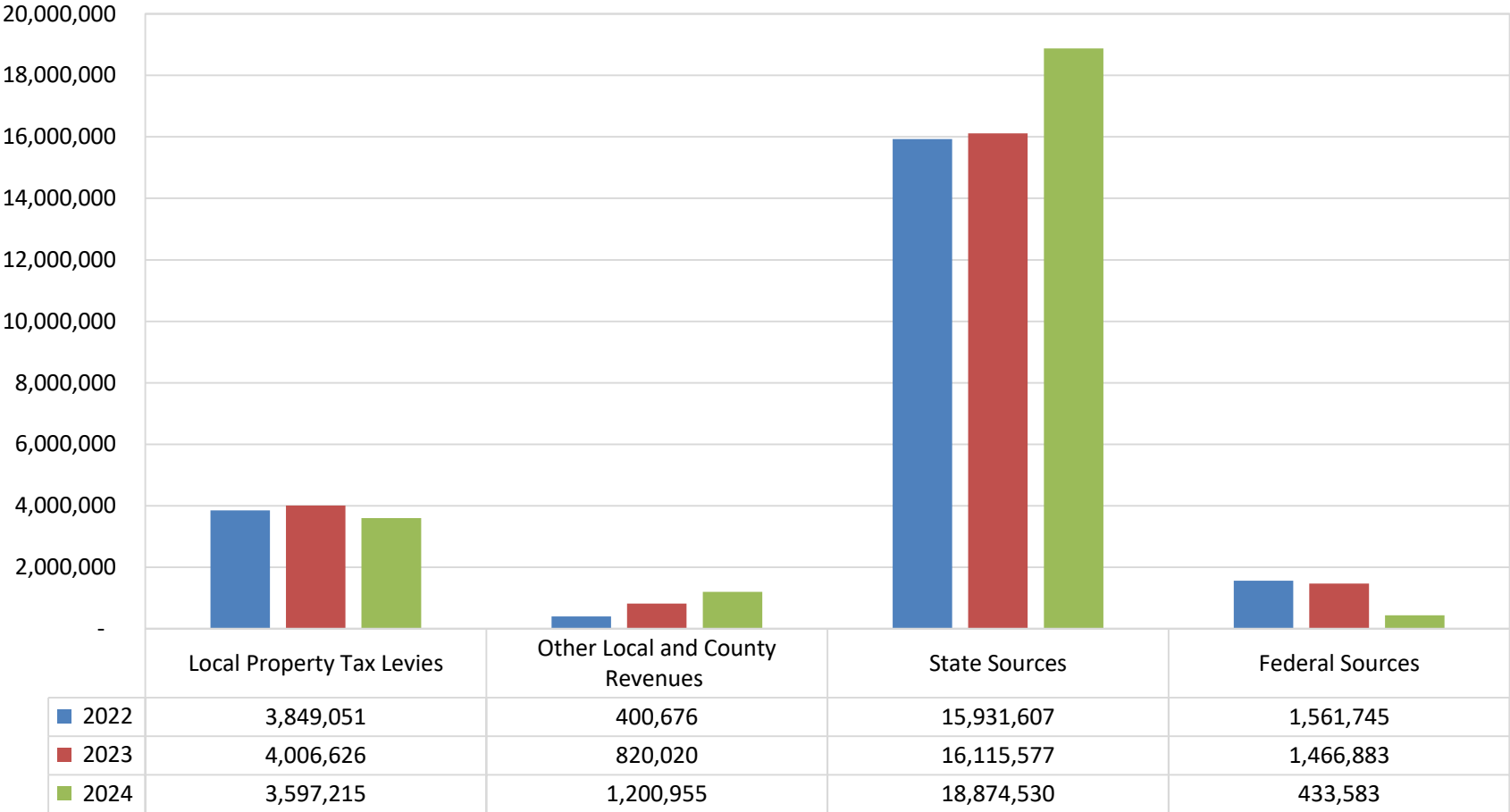


- ❑ Revenues exceeded budget by \$1,498,379
- ❑ Expenditures were less than budgeted by \$620,578

	2023	2024	2024 Budget
Revenues	\$ 22,409,106	\$ 24,106,283	\$ 22,607,904
Expenditures	23,293,736	22,373,471	22,994,049
Other Sources (Uses)	9,922	8,562	-
Change in Fund Balance	(874,708)	1,741,374	(386,145)
Fund Balance	\$ 4,232,821	\$ 5,974,195	N/A

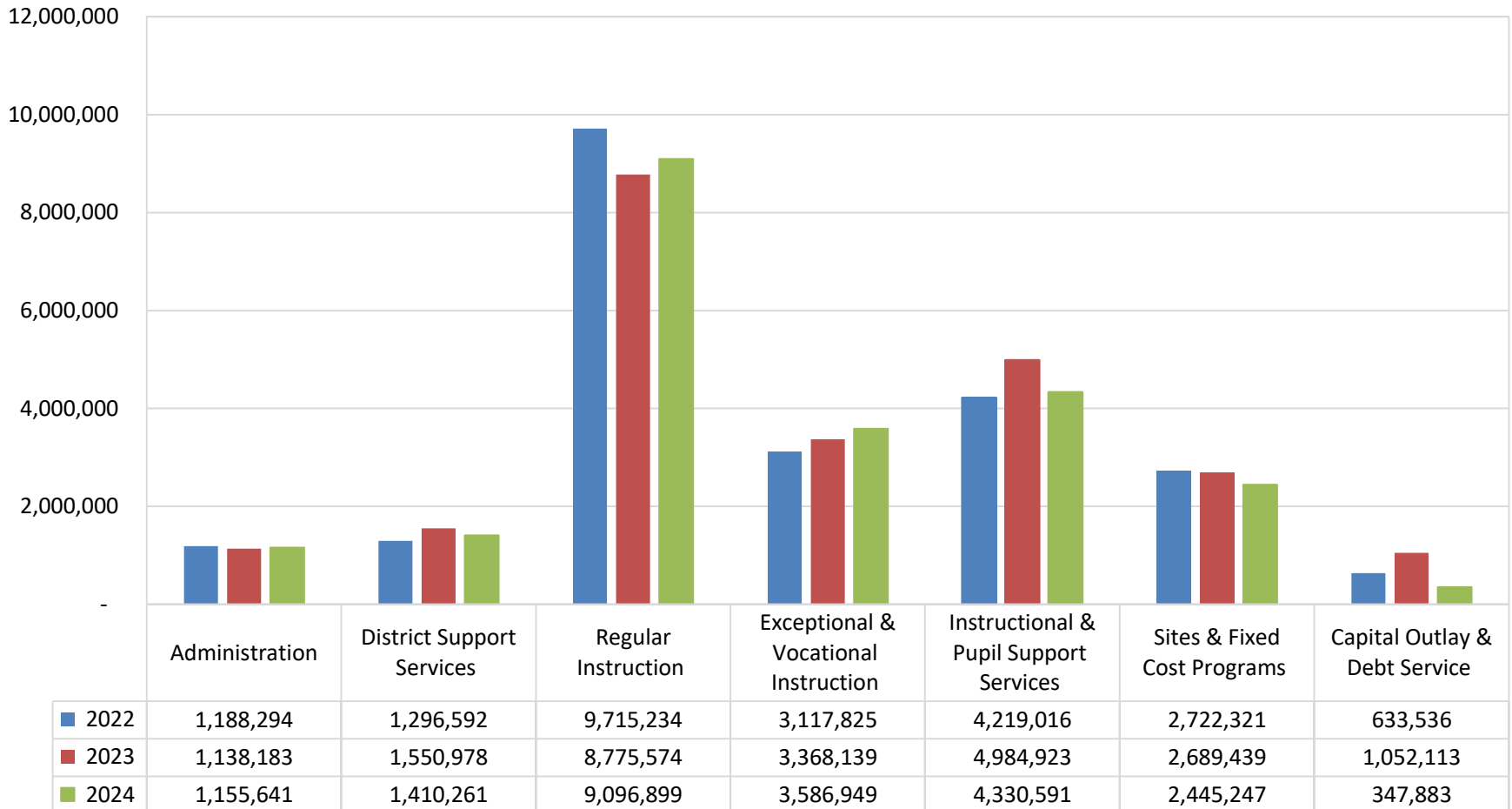
General Fund

Detailed Revenue Analysis

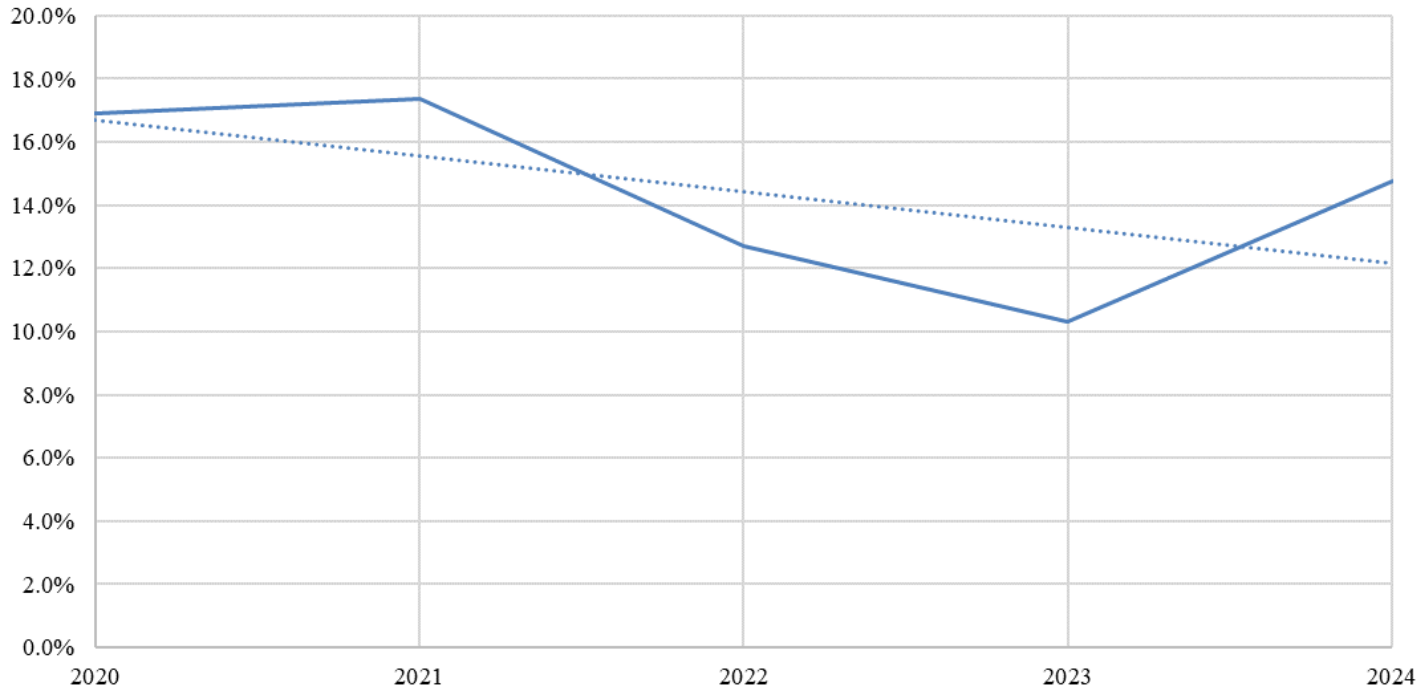


General Fund

Detailed Expenditure Analysis



Unassigned Fund Balance as a Percentage of the Annual Budget

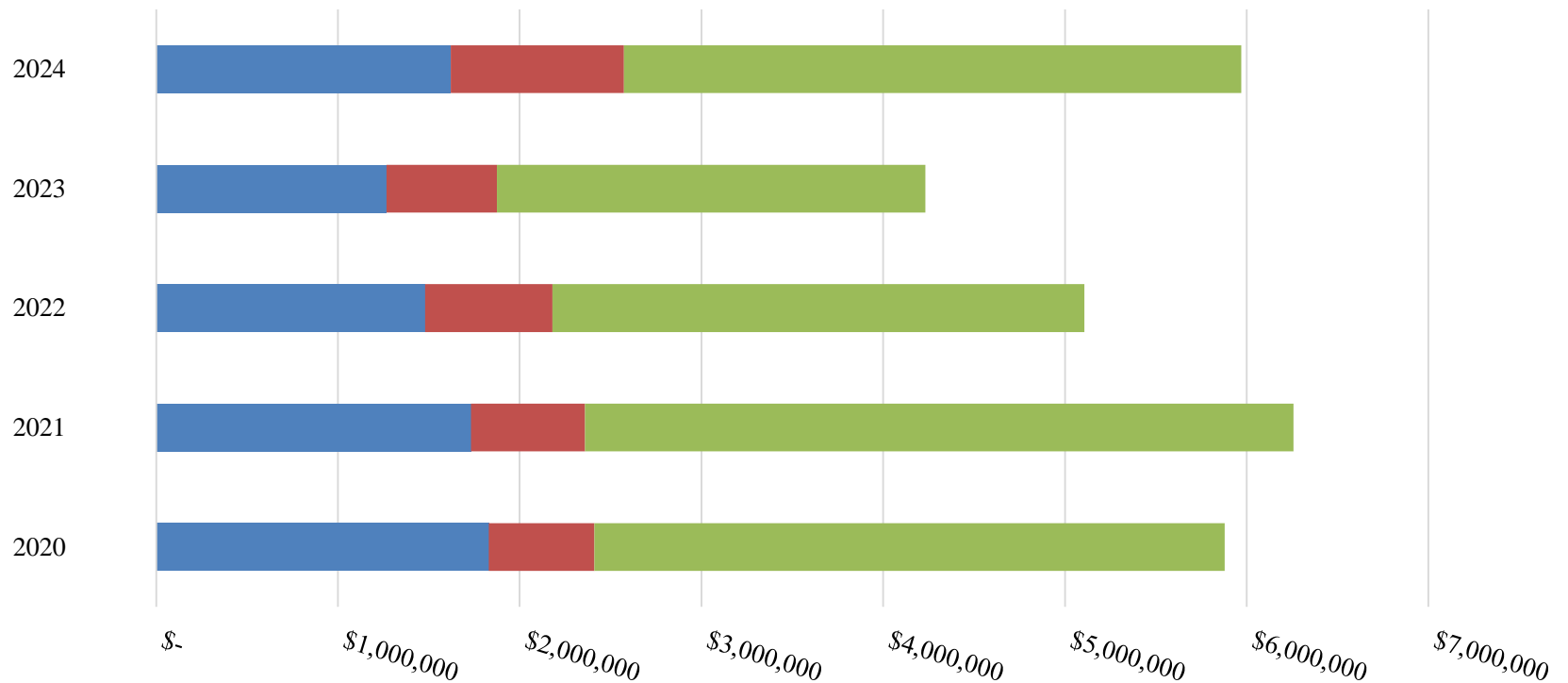


<u>Year</u>	<u>Percentage</u>
2020	16.9%
2021	17.4%
2022	12.7%
2023	10.3%
2024	14.8%

- Fund balance policy sets a target unassigned fund balance equal to at least 8% of the annual budgeted operating expenditures

General Fund

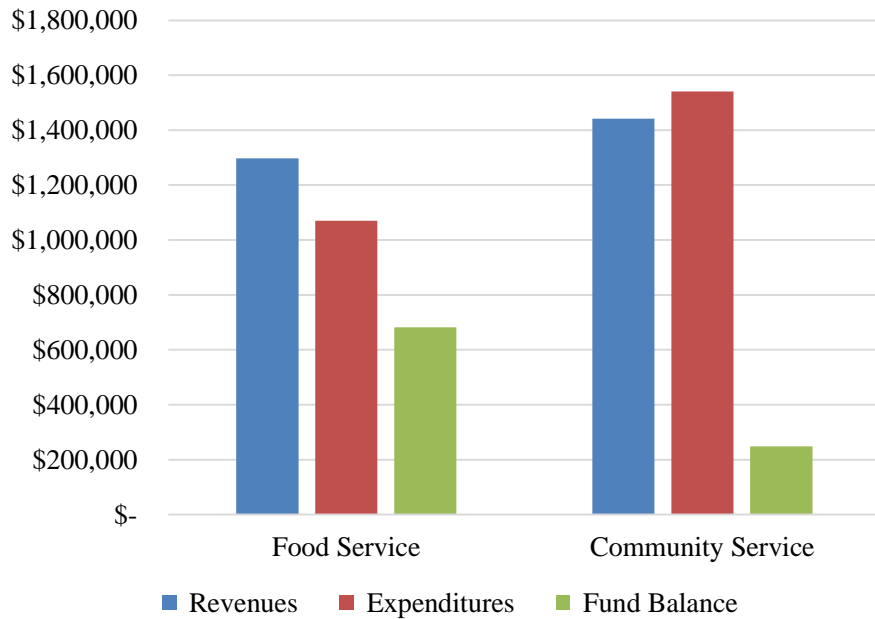
Fund Balance Classifications



	2020	2021	2022	2023	2024
■ Restricted	\$1,829,694	\$1,732,113	\$1,479,757	\$1,266,704	\$1,621,466
■ Assigned	\$580,724	\$626,945	\$700,659	\$608,241	\$951,701
■ Unassigned	\$3,467,800	\$3,897,372	\$2,927,113	\$2,357,876	\$3,396,095

Financial Highlights

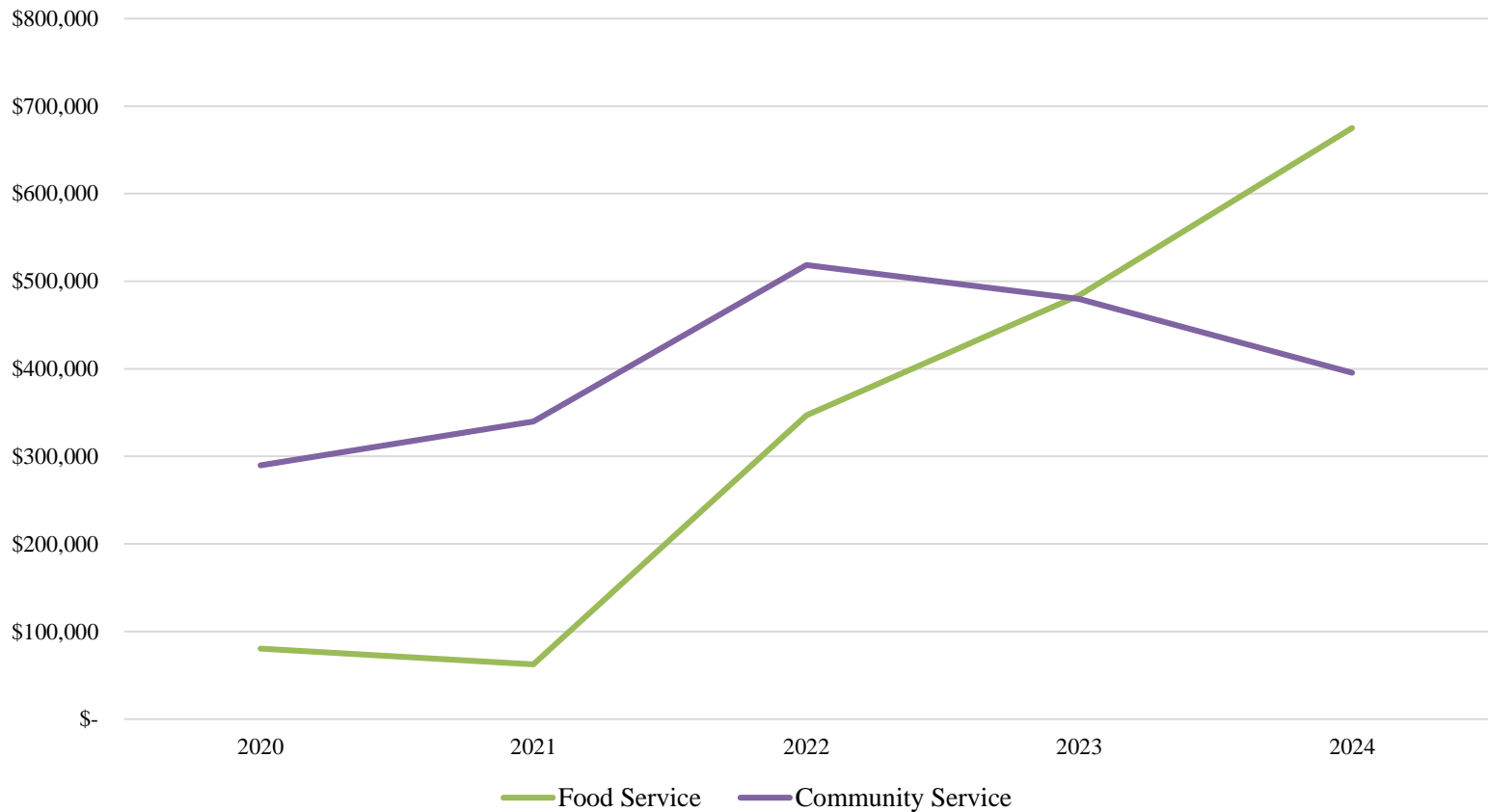
Remaining Governmental Funds



	Food Service	Community Service
Revenues	\$ 1,297,160	\$ 1,441,695
Expenditures	1,069,911	1,541,438
Other Sources	7,420	-
Change in Fund Balance	234,669	(99,743)
Fund Balance	\$ 681,837	\$ 248,747

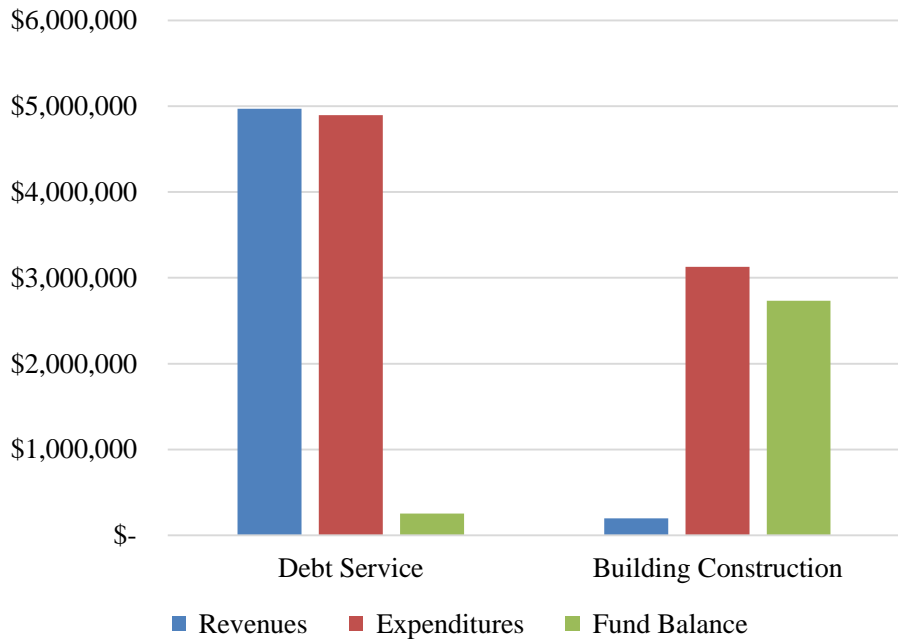
Remaining Governmental Funds

Cash Trend Analysis



Financial Highlights

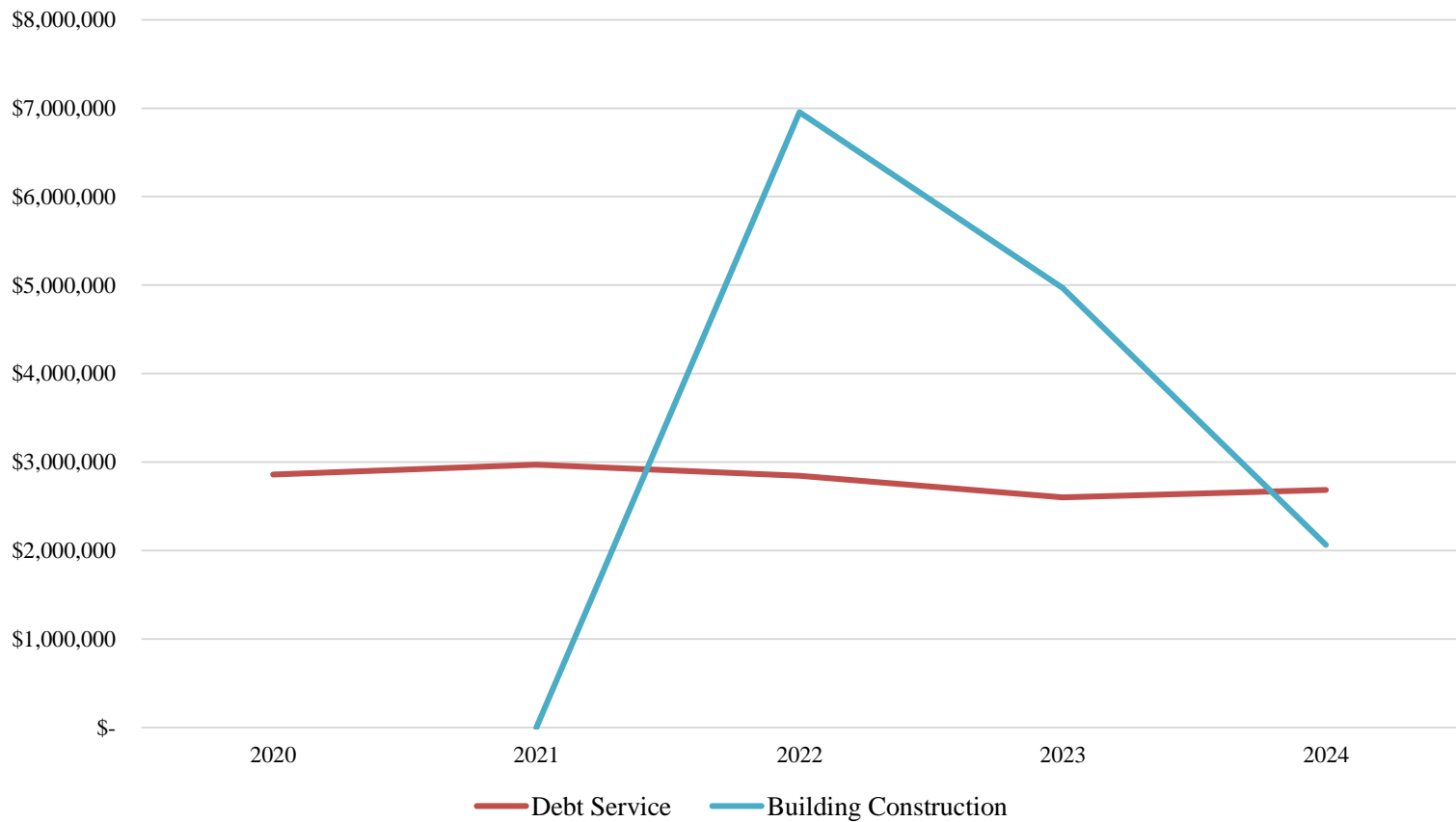
Remaining Governmental Funds



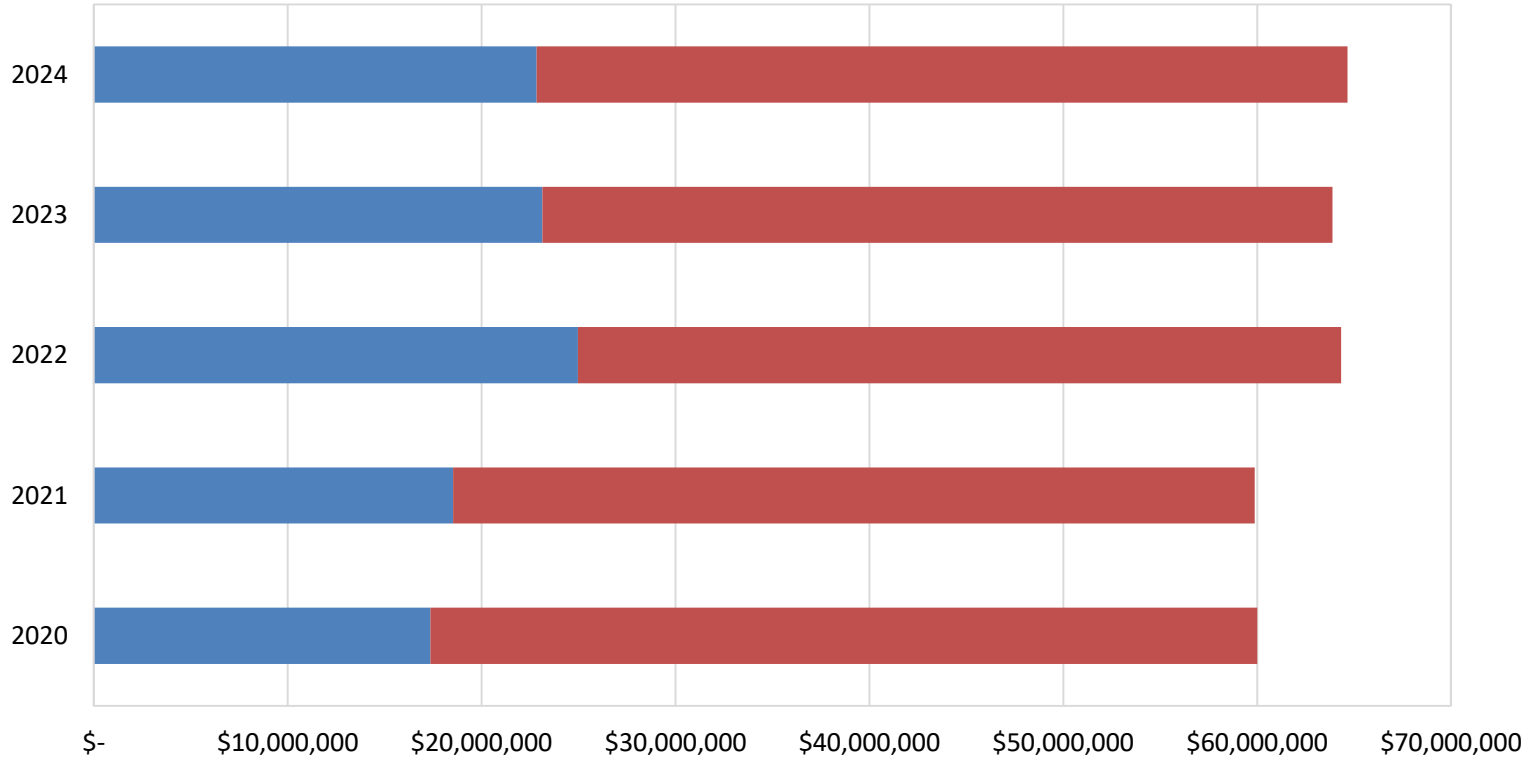
	Debt Service	Building Construction
Revenues	\$ 4,969,660	\$ 196,127
Expenditures	4,896,458	3,126,564
Other Sources	-	-
Change in Fund Balance	73,202	(2,930,437)
Fund Balance	\$ 253,267	\$ 2,731,107

Remaining Governmental Funds

Cash Trend Analysis

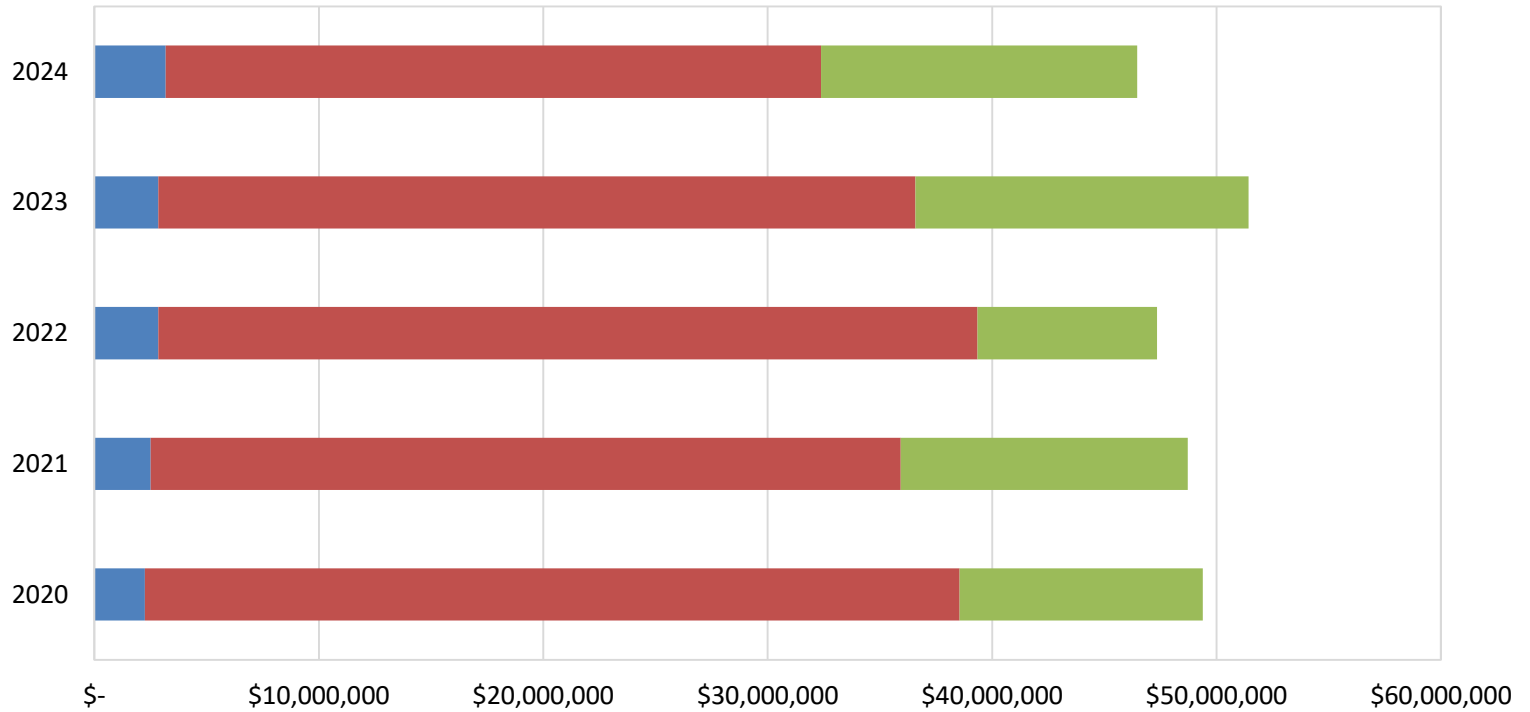


District-Wide Assets



	2020	2021	2022	2023	2024
■ Current Assets	\$17,354,607	\$18,523,862	\$24,972,299	\$23,128,833	\$22,841,151
■ Capital/Noncurrent	\$42,656,486	\$41,348,332	\$39,362,998	\$40,756,944	\$41,825,597

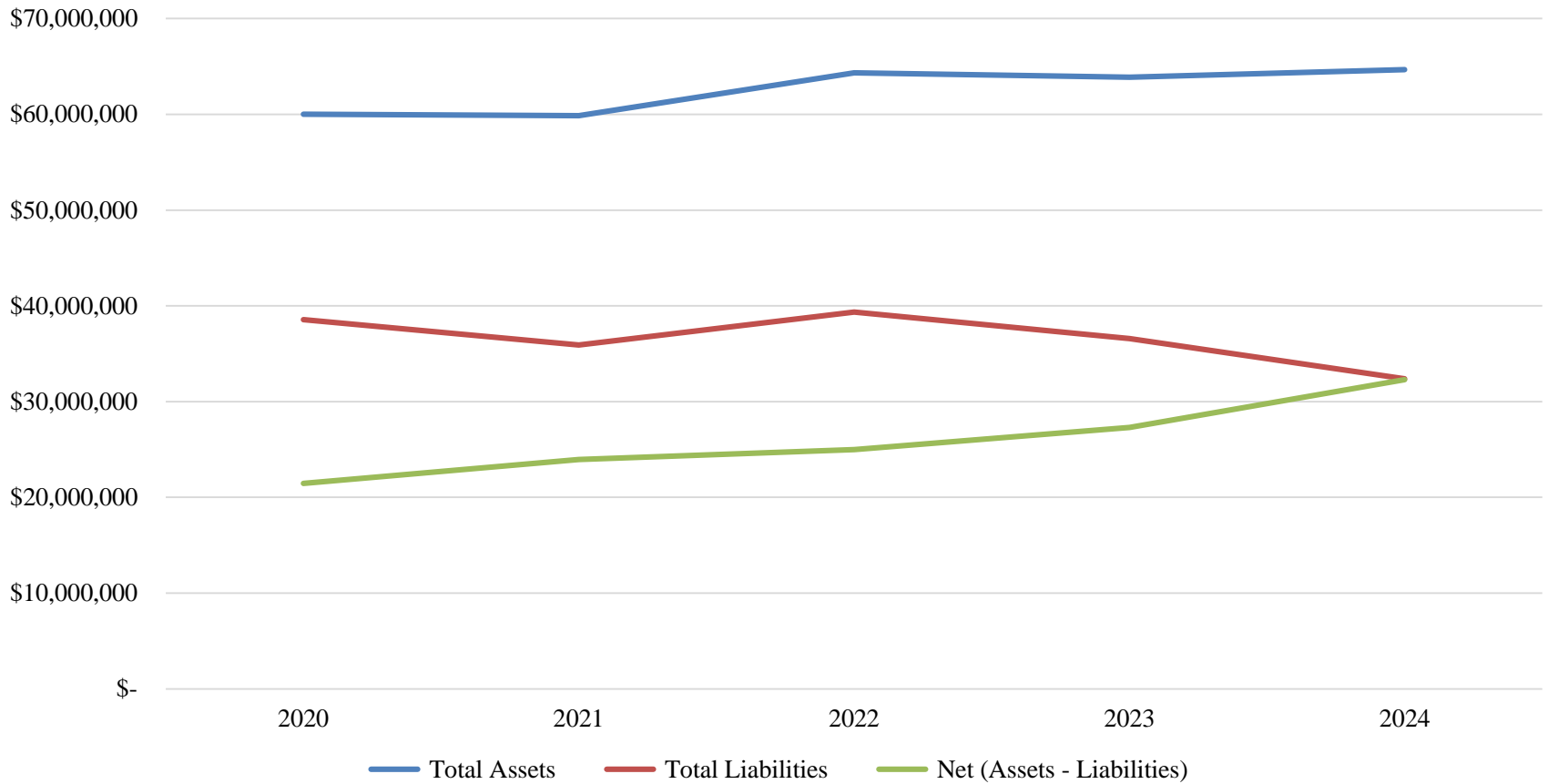
District-Wide Liabilities

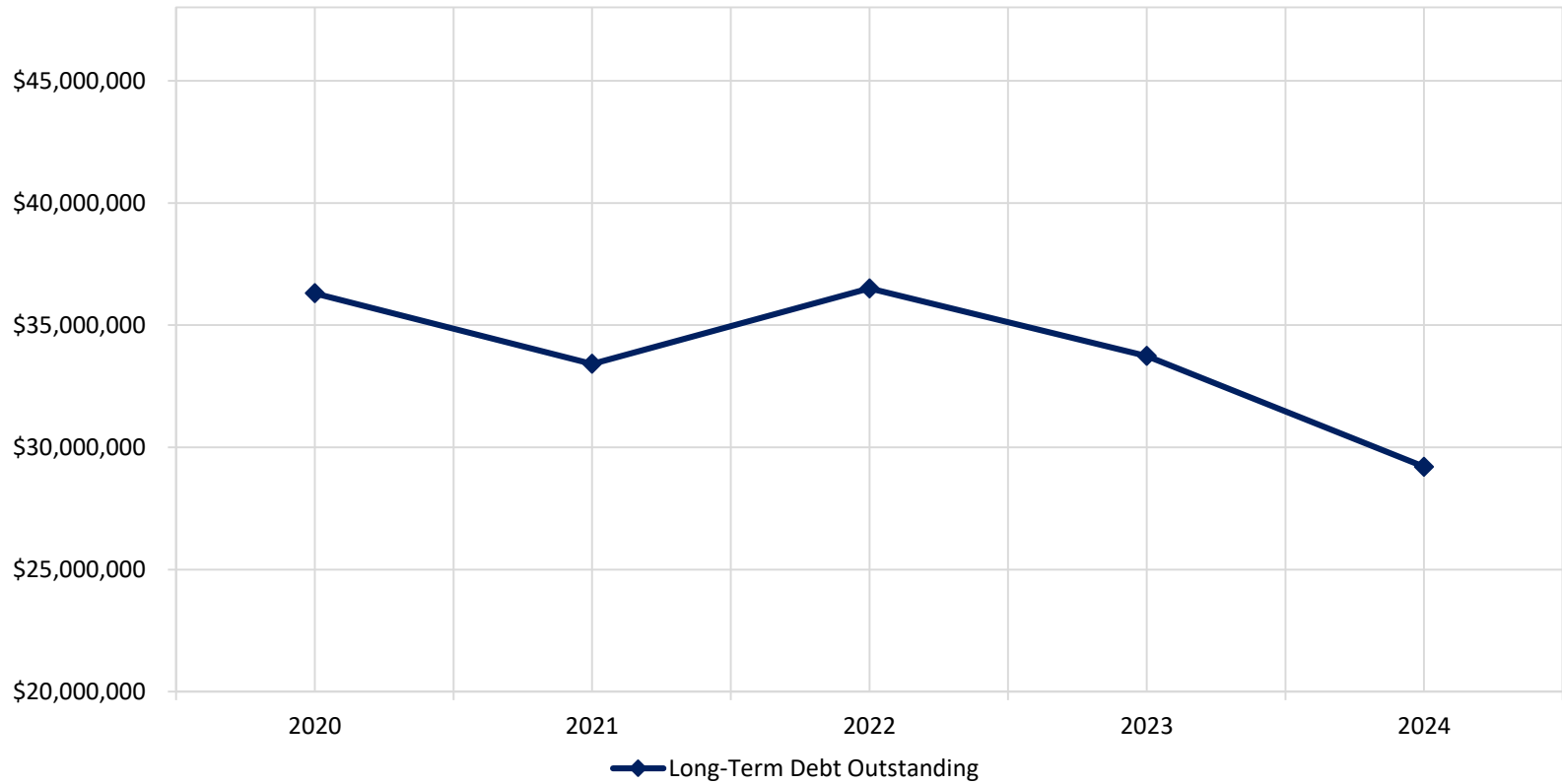


	2020	2021	2022	2023	2024
■ Current Liabilities	\$2,250,159	\$2,510,134	\$2,848,695	\$2,845,842	\$3,170,565
■ Debt/Noncurrent	\$36,300,034	\$33,415,808	\$36,501,118	\$33,733,258	\$29,203,960
■ Net Pension Liability	\$10,834,647	\$12,793,712	\$8,004,403	\$14,840,982	\$14,090,523

District-Wide Assets & Liabilities

(Excluding Pension Balances)





Long Term Debt Outstanding

- General Obligation Bonds
- Financing Arrangements
- Lease Liabilities

Questions?

Ryan Schmidt, CPA

Partner

rschmidt@schlennerwenner.cpa

320-251-0286