

Independent School District No. 709
Audit Presentation
Year Ended June 30, 2023
Wipfli LLP



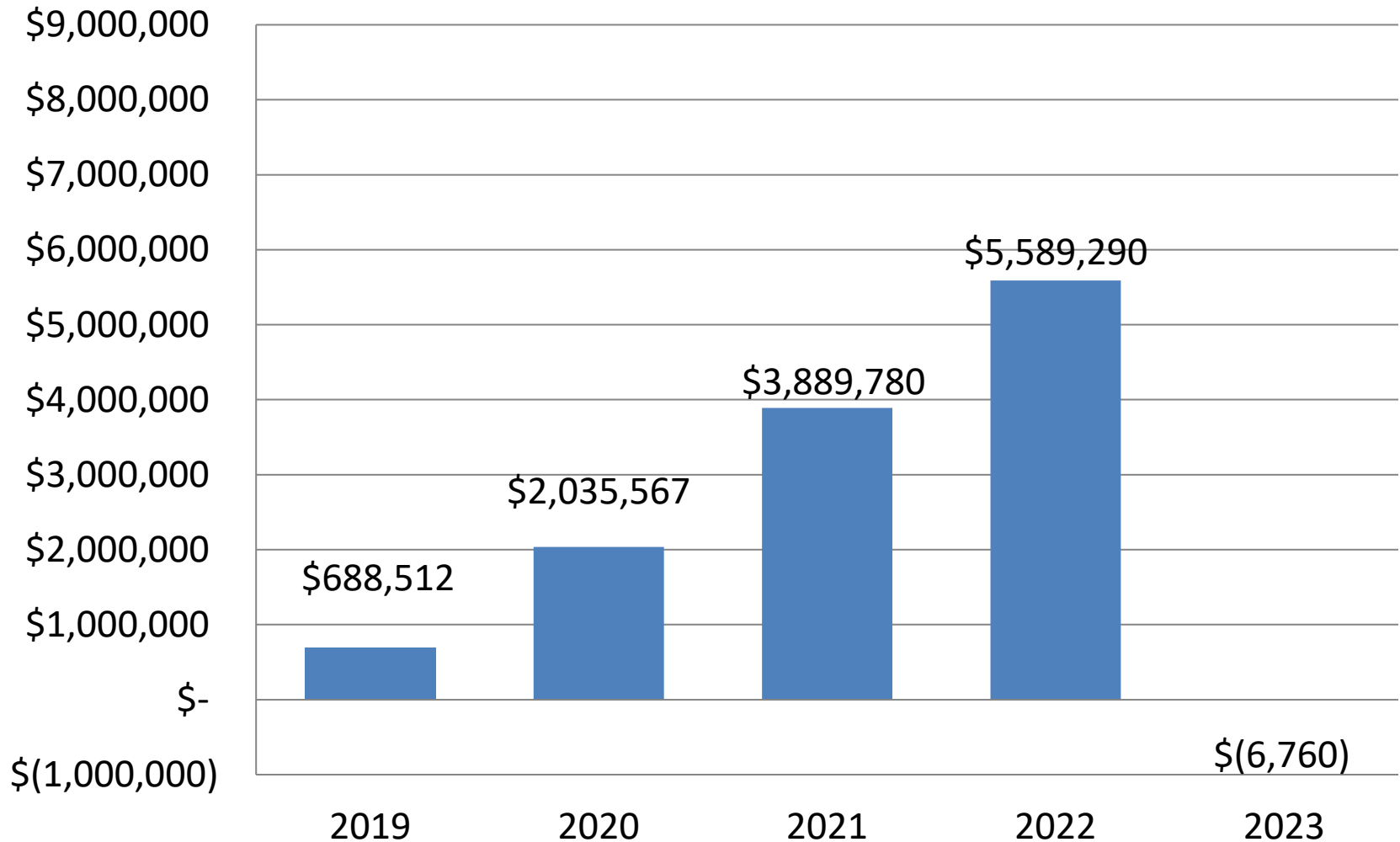
Auditor Responsibility

- Issue an opinion on the basic financial statements
- Report on compliance and internal controls over financial reporting
- Report on compliance and internal controls over federal programs – Uniform Guidance
- Report on compliance with Minnesota statutes tested

Auditor Results

- Unmodified opinion on the basic financial statements
- Internal controls findings over financial reporting (Material Weaknesses)
 - Audit adjustments/Reconciliation of Significant Accounts
 - Financial Statement Presentation and Disclosure
- No compliance or internal controls finding over federal programs
- No noncompliance with Minnesota statutes tested

General Fund - Unassigned Balance



General Fund – Fund Balances

	June 30, 2022	Change	June 30, 2023
Nonspendable			
Inventory	\$ 24,293	44,481	\$ 68,774
Restricted for:			
Student activities	363,546		363,546
Staff development	313,515		313,515
Teacher development & evaluation	16,729		16,729
Safe schools - crime levy	467,364	9,125	476,489
Gifted and talented		12,682	12,682
Operating capital	1,837,820	(152,272)	1,685,548
Basic skills	773,052	(638,918)	134,134
ALC	11,367		11,367
LTFM	1,553,883		1,553,883
Medical assistance	571,370	(371,510)	199,860
Assigned			-
Textbooks	1,960,610		1,960,610
Equipment	1,059,000		1,059,000
Severance - insurance premiums	4,100,000		4,100,000
Property		7,653,600	7,653,600
Instructional equipment	1,573,359		1,573,359
Special programs	510,000		510,000
Student activities	887,350		887,350
Unassigned	5,589,290	(5,596,050)	(6,760)
Total	<u>\$ 21,612,548</u>	<u>\$ 961,138</u>	<u>\$ 22,573,686</u>

Overview of General Fund Variances from Budget to Actual

Explanation:

Revenue over budget due to receiving over \$7.6M in the sale of land, buildings and equipment.

Expenditures over budget due to ESSER spending, special education and transportation.

General Fund

Results of Operation

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 132,753,808	\$ 134,165,887	\$ 1,412,079
Total revenue	132,753,808	134,165,887	
Expenditures	132,640,038	140,887,463	8,247,425
Total expenditures	132,640,038	140,887,463	
Excess (deficiency) of revenues over expenditures	113,770	(6,721,576)	(6,835,346)
Other financing sources			
Transfers in	-	-	-
Transfers out	-	(1,637)	(1,637)
Sale of capital assets	-	7,653,600	7,653,600
Net change in fund balance	<u>\$ 113,770</u>	930,387	<u>\$ 816,617</u>
Fund balance, June 30, 2022		<u>21,612,548</u>	
Fund balance, June 30, 2023		<u>\$ 22,542,935</u>	

Food Service Fund

Results of Operation and Fund Balances

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 3,985,000	\$ 4,813,791	\$ 828,791
Expenditures	4,427,347	4,649,408	222,061
Net change in fund balance	<u>\$ (442,347)</u>	164,383	<u>\$ 1,050,852</u>
Fund balance, June 30, 2022		<u>2,067,517</u>	
Fund balance, June 30, 2023		<u>\$ 2,231,900</u>	
Fund Balance			
Nonspendable			
Inventory		\$ 98,667	
Restricted		<u>2,133,233</u>	
Total		<u>\$ 2,231,900</u>	

Community Service Fund

Results of Operation and Fund Balances

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 8,537,211	\$ 8,838,406	\$ 301,195
Expenditures	8,950,129	8,410,707	539,422
Net change in fund balance	<u>\$ (412,918)</u>	427,699	<u>\$ 840,617</u>
Transfer		1,637	
Fund balance, June 30, 2022		1,825,520	
Fund balance, June 30, 2023		<u>\$ 2,254,856</u>	
Fund Balance			
Restricted			
Community education		\$ 1,681,401	
Early childhood family education		266,987	
Adult basic education		249,695	
School readiness		56,773	
Unassigned		-	
Total		<u>\$ 2,254,856</u>	

Capital Projects Fund

Results of Operation and Fund Balance

	Budget	Final	Over (Under) Budget
Results of Operation			
Revenues	\$	\$ 395,558	\$ 395,558
Expenditures	21,472,543	18,767,569	(2,704,974)
Excess (deficiency) of revenues over expenditures	<u>\$(21,472,543)</u>	(18,372,011)	<u>\$ (2,309,416)</u>
Insurance recovery		136,693	136,693
Net change in fund balance	<u>\$(21,472,543)</u>	(18,235,318)	<u>\$ (2,172,723)</u>
Fund balance, June 30, 2022		<u>30,526,104</u>	
Fund balance, June 30, 2023		<u>\$ 12,290,786</u>	
Fund Balances			
Restricted			
Projects funded by COP		<u>\$ 12,290,786</u>	
Total		<u>\$ 12,290,786</u>	

Debt Service Fund

Results of Operation and Fund Balance

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 24,571,443	\$ 22,548,851	\$ (2,022,592)
Expenditures	<u>24,691,485</u>	<u>24,325,884</u>	<u>365,601</u>
Excess (deficiency) of revenues over expenditures	(120,042)	(1,777,033)	(1,656,991)
Net change in fund balance	<u><u>\$ (120,042)</u></u>	(1,777,033)	<u><u>\$ (1,656,991)</u></u>
Fund balance, June 30, 2022		<u>4,495,681</u>	
Fund balance, June 30, 2023		<u><u>\$ 2,718,648</u></u>	
Fund Balances			
Restricted			
Bond refunding		16,432	
Debt service		<u>2,702,216</u>	
Total		<u><u>\$ 2,718,648</u></u>	

Outstanding Debt

	Balance	New	Principal	Balance
<u>G.O. Bonds</u>	<u>06/30/22</u>	<u>Debt</u>	<u>Paid</u>	<u>06/30/23</u>
\$44,320,000 G.O. Refunding Bonds, Series 2015B	\$ 28,435,000		\$ 4,275,000	\$ 24,160,000
\$31,497,602 G.O. Capital Appreciation Bonds, Series 2021C	31,497,602			31,497,602
\$10,035,000 G.O. Facilities Maintenance Bonds, Series 2021D	10,035,000		\$ 1,820,000	8,215,000
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Total G.O. Bonds	69,967,602		6,095,000	63,872,602
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<u>Certificates of Participation</u>				
\$82,605,000 Certificates of Participation, Series 2016A	50,250,000		6,865,000	43,385,000
\$41,715,000 Full Term Refunding Certificates of Participation, Series 2019B	30,065,000		4,155,000	25,910,000
\$2,710,000 Full Term Refunding Certificates of Participation, Series 2019C	1,895,000		280,000	1,615,000
\$18,385,000 Full Term Refunding Certificates of Participation, Series 2021A	16,815,000		1,550,000	15,265,000
\$5,070,000 Refunding Certificates of Participation, Series 2021B	4,580,000		435,000	4,145,000
\$24,130,000 Refunding Certificates of Participation, Series 2019A	20,385,000		1,260,000	19,125,000
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Total Certificates of Participation	123,990,000		14,545,000	109,445,000
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Total Debt Outstanding	<u>\$ 193,957,602</u>	<u>\$ -</u>	<u>\$ 20,640,000</u>	<u>\$ 173,317,602</u>

Thank you for your time

WIPFLi LLP
CPAs and Consultants

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