

Independent School District No. 709
Audit Presentation
Year Ended June 30, 2019
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
- No internal controls finding over financial reporting
- No compliance or internal controls finding over federal programs
- No noncompliance with Minnesota statutes tested

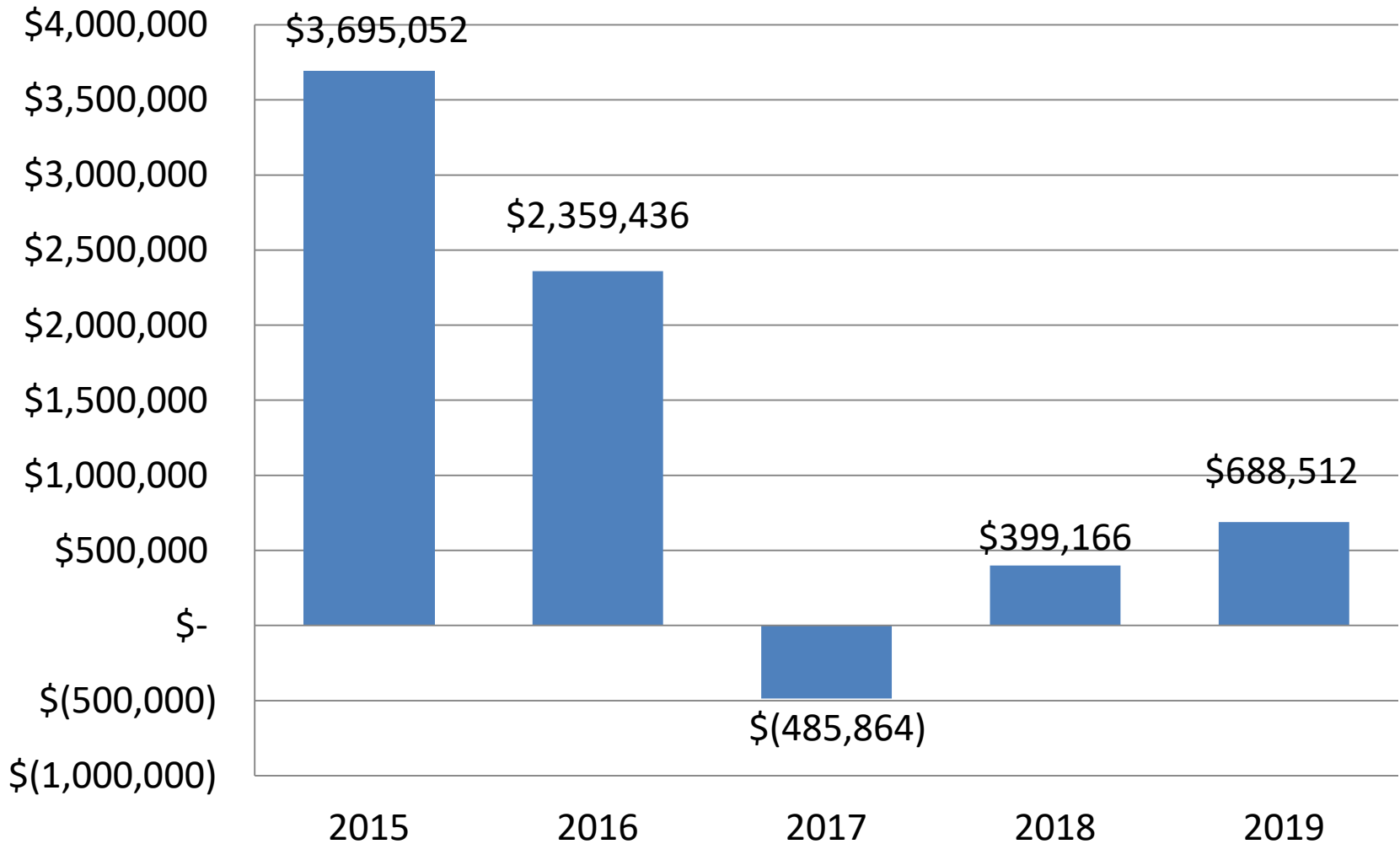
General Fund Results of Operation

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 107,277,520	\$ 108,424,466	\$ 1,146,946
TRA/PERA Special Funding revenue	107,277,520	111,939,967	
Total revenue	107,277,520	111,939,967	
Expenditures	107,644,854	106,117,465	(1,527,389)
TRA/PERA Special Funding expenditures	107,644,854	109,632,966	
Total expenditures	107,644,854	109,632,966	
Deficiency of revenues over expenditures	(367,334)	2,307,001	# 2,674,335
Other financing sources	300,000	685,175	385,175
Net change in fund balance	\$ (67,334)	2,992,176	\$ 3,059,510
Fund balance, June 30, 2018		1,408,949	
Fund balance, June 30, 2019		\$ 4,401,125	

General Fund – Fund Balances

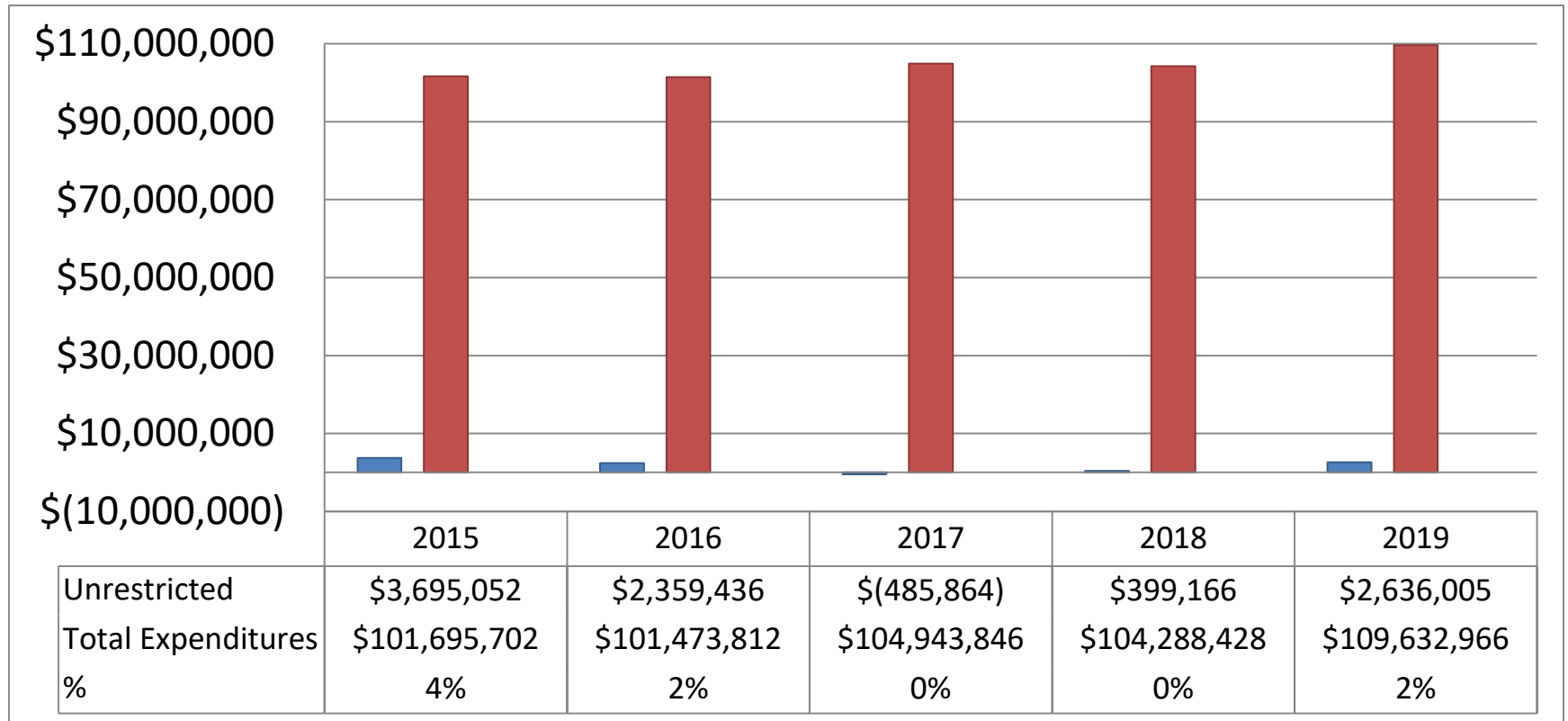
	<u>June 30, 2018</u>	<u>Change</u>	<u>June 30, 2019</u>
Nonspendable			
Inventory	\$ 57,652	(1,463)	\$ 56,189
Prepayments	178,895	(56,732)	122,163
Restricted for:			
Staff development	12,479	9,705	22,184
Teacher development & evaluation	75,636	(28,501)	47,135
Operating capital		57,718	57,718
Bond refunding		4,668	4,668
ALC	342,059	(175,610)	166,449
LTFM	343,062	505,704	848,766
Medical assistance		439,848	439,848
Assigned			
Textbooks		410,610	410,610
Equipment		500,000	500,000
Student activities		1,036,883	1,036,883
Unassigned	<u>399,166</u>	<u>289,346</u>	<u>688,512</u>
 Total	 <u><u>\$ 1,408,949</u></u>	 <u><u>\$ 2,992,176</u></u>	 <u><u>\$ 4,401,125</u></u>

General Fund - Unassigned Balance



General Fund

Unrestricted Fund Balance as a % of Expenditures



Food Service Fund

Results of Operation and Fund Balances

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 4,118,820	\$ 4,352,279	\$ 233,459
Expenditures	4,258,981	4,175,542	(83,439)
Net change in fund balance	\$ (140,161)	176,737	\$ 150,020
Fund balance, June 30, 2018		973,719	
Fund balance, June 30, 2019		\$ 1,150,456	
 Fund Balance			
Nonspendable			
Inventory		\$ 92,232	
Prepayments		1,008	
Restricted		1,057,216	
Total		\$ 1,150,456	

Community Service Fund

Results of Operation and Fund Balances

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 7,468,254	\$ 8,020,062	\$ 551,808
Expenditures	7,756,239	7,974,969	(218,730)
Net change in fund balance	\$ (287,985)	45,093	\$ 333,078
Fund balance, June 30, 2018		1,227,352	
Fund balance, June 30, 2019		\$ 1,272,445	
 Fund Balance			
Nonspendable			
Prepayments		\$ 2,763	
Restricted			
Community education		919,855	
Early childhood family education		103,488	
School readiness		79,941	
Adult basic education		163,480	
Community service		2,918	
Total		\$ 1,272,445	

Capital Projects Fund

Results of Operation and Fund Balance

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$	\$ 12,016	\$ 12,016
Expenditures	642,690	490,671	(152,019)
Excess (deficiency) of revenues over expenditures	\$ (642,690)	(478,655)	\$ (140,003)
Net change in fund balance	\$ (642,690)	(478,655)	\$ (140,003)
Fund balance, June 30, 2018		642,715	
Fund balance, June 30, 2019		\$ 164,060	
 Fund Balances			
Restricted			
LTFM		\$ 164,051	
Projects funded by COP		9	
Total		\$ 164,060	

Debt Service Fund

Results of Operation and Fund Balance

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 22,306,905	\$ 20,115,795	\$ (2,191,110)
Expenditures	21,077,671	21,614,906	(537,235)
Excess (deficiency) of revenues over expenditures	1,229,234	(1,499,111)	(2,728,345)
Other financing sources (uses)			
Issuance of bonds		44,425,000	44,425,000
Principal refunding payments from escrow	(77,165,000)	(125,690,000)	(48,525,000)
Interest refunding payments from escrow		(4,305,094)	4,305,094
Premium on bonds		5,239,444	(5,239,444)
Other financing sources (uses)	(77,165,000)	(80,330,650)	(5,034,350)
Net change in fund balance	\$ (75,935,766)	(81,829,761)	\$ (7,762,695)
Fund balance, June 30, 2018		84,715,346	
Fund balance, June 30, 2019		\$ 2,885,585	
Fund Balances			
Restricted			
Bond refunding		6,744	
Debt service		2,878,941	
Total		\$ 2,885,685	

Outstanding Debt

<u>G.O. Bonds</u>	<u>Balance</u> <u>06/30/18</u>	<u>New</u> <u>Debt</u>	<u>Refunded</u>	<u>Principal</u> <u>Paid</u>	<u>Balance</u> <u>06/30/19</u>
\$44,320,000 G.O. Refunding Bonds, Series 2015B	\$ 43,730,000			\$ 3,605,000	\$ 40,125,000
\$3,640,000 G.O. Taxable Facilities Maintenance Bonds, Series 2017A	2,885,000			690,000	2,195,000
\$615,000 G.O. Taxable Capital Facilities Bonds, Series 2017B	485,000			115,000	370,000
Total G.O. Bonds	47,100,000			4,410,000	42,690,000
<u>Certificates of Participation</u>					
\$111,440,000 Full Term Certificates of Participation, Series 2008B	77,165,000		77,165,000		
\$71,170,000 Full Term Certificates of Participation, Series 2009A	49,400,000		45,590,000	3,810,000	
\$5,000,000 Full Term Refunding Certificates of Participation, Series 2010C	3,215,000		2,935,000	280,000	
\$12,800,424.50 Full Term Capital Appreciation C.O.P., Series 2012A	12,800,425				12,800,425
\$82,605,000 Certificates of Participation, Series 2016A	73,275,000			5,200,000	68,075,000
\$41,715,000 Full Term Refunding Certificates of Participation, Series 2019B		41,715,000			41,715,000
\$2,710,000 Full Term Refunding Certificates of Participation, Series 2019C		2,710,000			2,710,000
\$35,400,000 US Bank Lease Purchase funded by COP, Series 2009B	25,520,000		23,900,000	1,620,000	
\$1,650,000 Full Term Refunding Certificates of Participation, Series 2010D	1,055,000			70,000	985,000
\$6,340,000 Certificates of Participation, Series 2012B	5,000,000			285,000	4,715,000
\$24,130,000 Refunding Certificates of Participation, Series 2019A		24,130,000			24,130,000
Total Certificates of Participation	247,430,425 #	68,555,000 #	149,590,000 #	11,265,000 #	155,130,425
Total Debt Outstanding	\$ 294,530,425	\$ 68,555,000	\$ 149,590,000	\$ 15,675,000	\$ 197,820,425

Thank you for your time

WIPFLIⁱ LLP
CPAs and Consultants

www.wipfli.com

WIPFLIⁱ LLP
CPAs and Consultants