

**School Board Meeting:**

**November 28, 2022**

**Subject:**

2021-2022 Financial Audit

**Presenter:**

**Ryan L. Tangen, Director  
Finance and Operations**

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**SUGGESTED SCHOOL BOARD ACTION:**

For Board Approval.

**DESCRIPTION:**

Attached are the Audited Financial Statements and Communications Letter for the year ending June 30, 2022. Janel Bitzen from BergankDV will attend the board meeting to give a formal presentation. The financial statement attachment is 114 pages long so only the financial highlights will be covered during the presentation. In preparation for the audit presentation, it is recommended to review the following pages of the Audited Financial Statements attachment: pages 2-20 starting with the Independent Auditor's Report and concluding with the Management's Discussion and Analysis, pages 22-29 Government-wide Financial Statements, and pages 86-94 Fund Financial Statements. Reviewing the Communications Letter is also recommended.

The District's general fund revenues exceed expenditures. Revenues were \$270,824 or 0.37% higher than budgeted, and expenditures were \$104,088 or 0.14% less than budgeted. Overall, including all other sources and uses, the general fund balance went up \$1,561,788. The unassigned/non-spendable fund balance went up \$937,868 or 8.83% and ended the 2021-22 school year at \$11,558,772 or 15.99% of the General Fund's expenditures. Restricted, committed, and assigned fund balances went up a total of \$623,920. The unassigned/non-spendable fund balance percentage compared to expenditures is slightly outside the range of our fund balance policy of 8-12% but is in line with the plan established with the implementation of the five-year operating referendum.

The Business office has three Dashboard Indicators for our department and all are in the area of Fiscal Responsibility/Accountability. The first is that the district will have an unqualified opinion and the results of the preliminary audit review are that the district will receive an unqualified opinion. The second Dashboard Indicator is that the district will spend at least 75% of the General Fund expenditures on instructional costs. The district fell just short of this target with 74.32% of all costs going into instruction. The final Dashboard Indicator category is to have the final results for revenues and expenditures be within 2% of the General Fund budget. The combined budget variance for revenues and expenditures is 0.23%, within the target range.

**Attachments:**

- 2022.0877.01.Buffalo.FinStm.District (Audited Financial Statements)
- 2022.0877.01.Buffalo.ComLtr.District (Communications Letter)