



INDEPENDENT SCHOOL DISTRICT NO. 273

Audit Report for Year Ended June 30, 2023

AUDITOR'S ROLE



OPINION ON FINANCIAL STATEMENTS

- DISTRICT AUDIT
- SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)

INTERNAL CONTROLS AND COMPLIANCE

- FINANCIAL STATEMENT AUDIT
- FEDERAL "SINGLE AUDIT"
- STATE LAWS AND REGULATIONS

AUDIT RESULTS



DISTRICT FINANCIAL AUDIT

- Unmodified Opinion on Basic Financial Statements

AUDIT RESULTS (CONTINUED)



INTERNAL CONTROL AND COMPLIANCE – FINANCIAL AUDIT

- Internal Control Over Financial Reporting
 - No findings reported for fiscal 2023
- Compliance – Financial Reporting
 - No findings reported for fiscal 2023

AUDIT RESULTS (CONTINUED)



MN LEGAL COMPLIANCE

- One Finding Reported
 - 2023-001 Timely Payment of Claims

AUDIT RESULTS – SINGLE AUDIT



FEDERAL SINGLE AUDIT

- **Clean Opinion SEFA**
 - Major programs tested – Child Nutrition Cluster and COVID- 19 Education Stabilization Fund
- **Internal Control Over Federal Compliance**
 - No findings reported for fiscal 2023.
- **Compliance With Federal Program Requirements**
 - No findings reported for fiscal 2023.

AUDIT RESULTS

FOLLOW-UP ON PRIOR YEAR FINDINGS



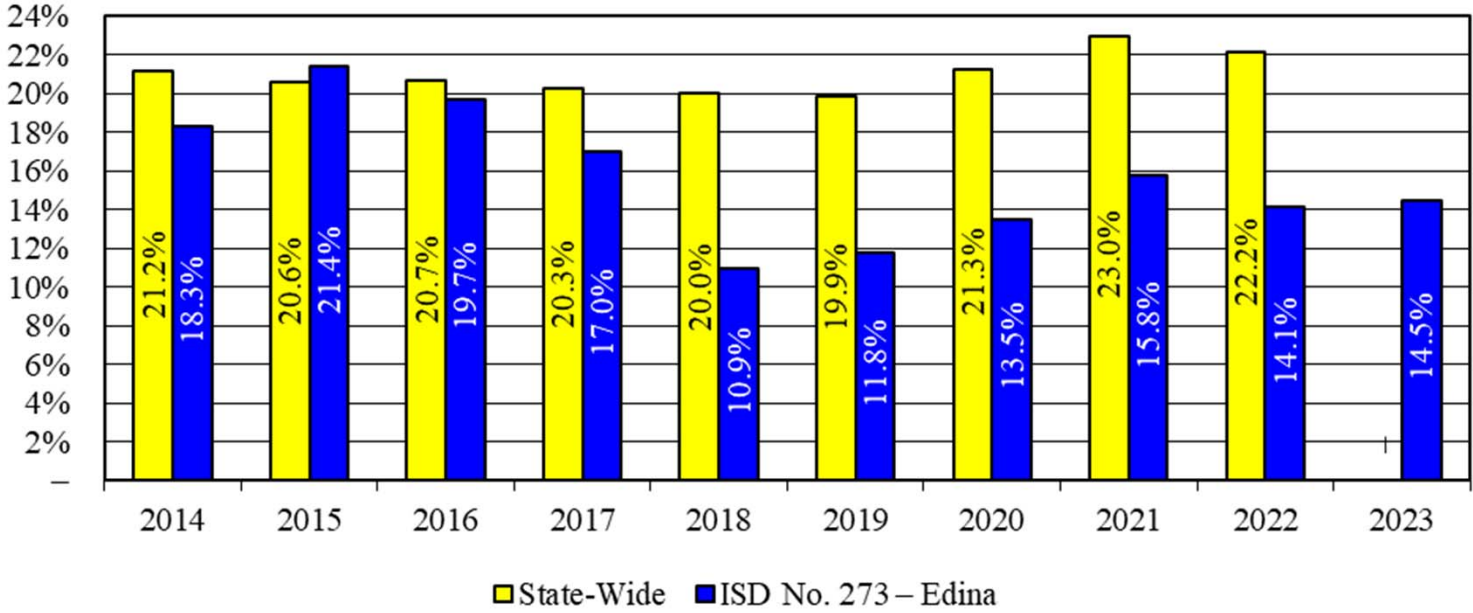
INTERNAL CONTROL DEFICIENCIES REPORTED IN FY 2022

- *Material Weakness in IC Over Financial Reporting* – Material audit adjustment to record additional contracts payable and CIP.
- *Significant Deficiency in IC Over Suspension and Debarment* – Federal Special Education Cluster Programs.
- Follow-up testing was performed during FY2023 Audit, and no similar findings were noted.

STATE-WIDE FUND BALANCES

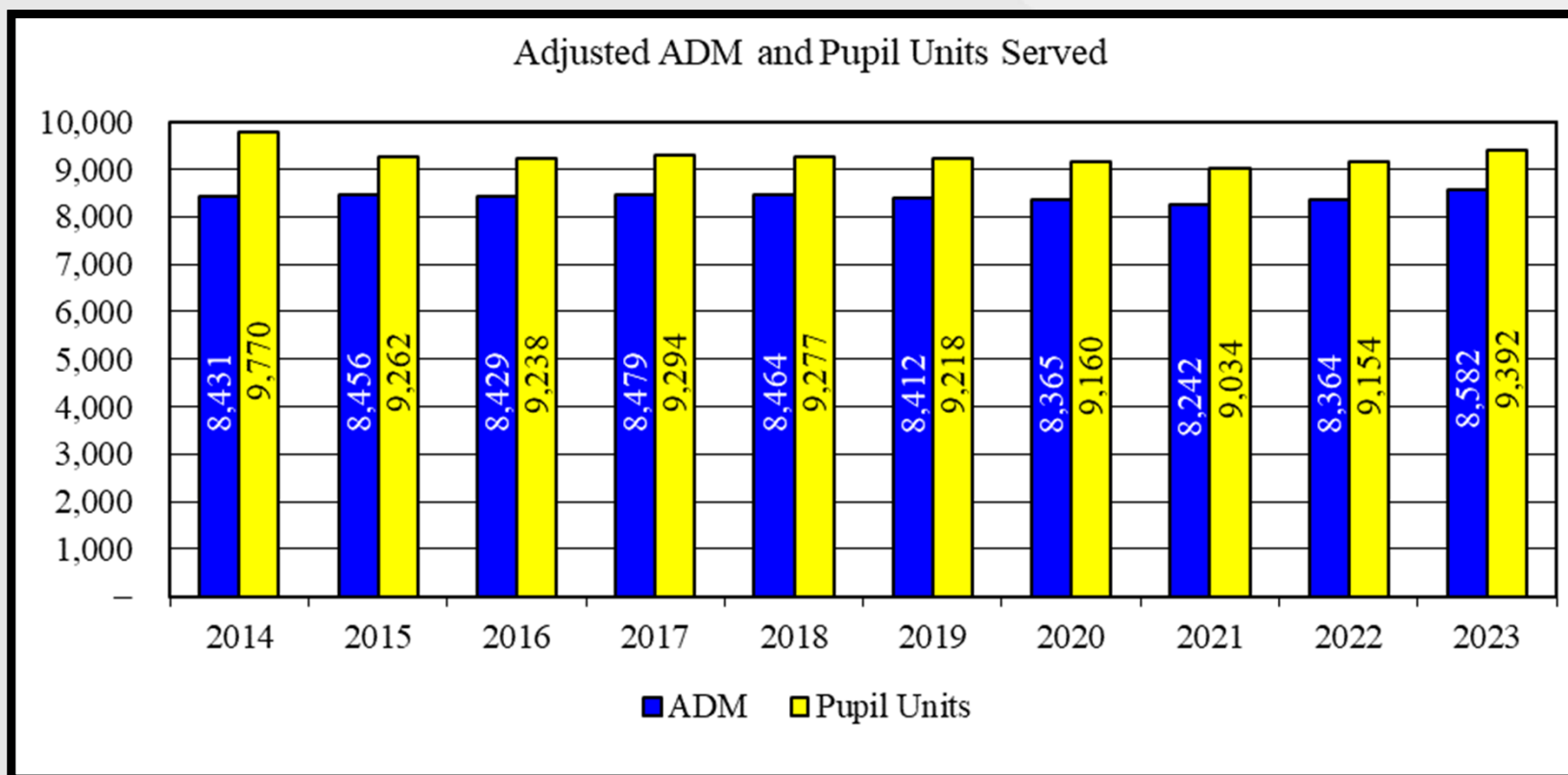


State-Wide Unrestricted Operating Fund Balance
as a Percentage of Operating Expenditures



STUDENTS SERVED

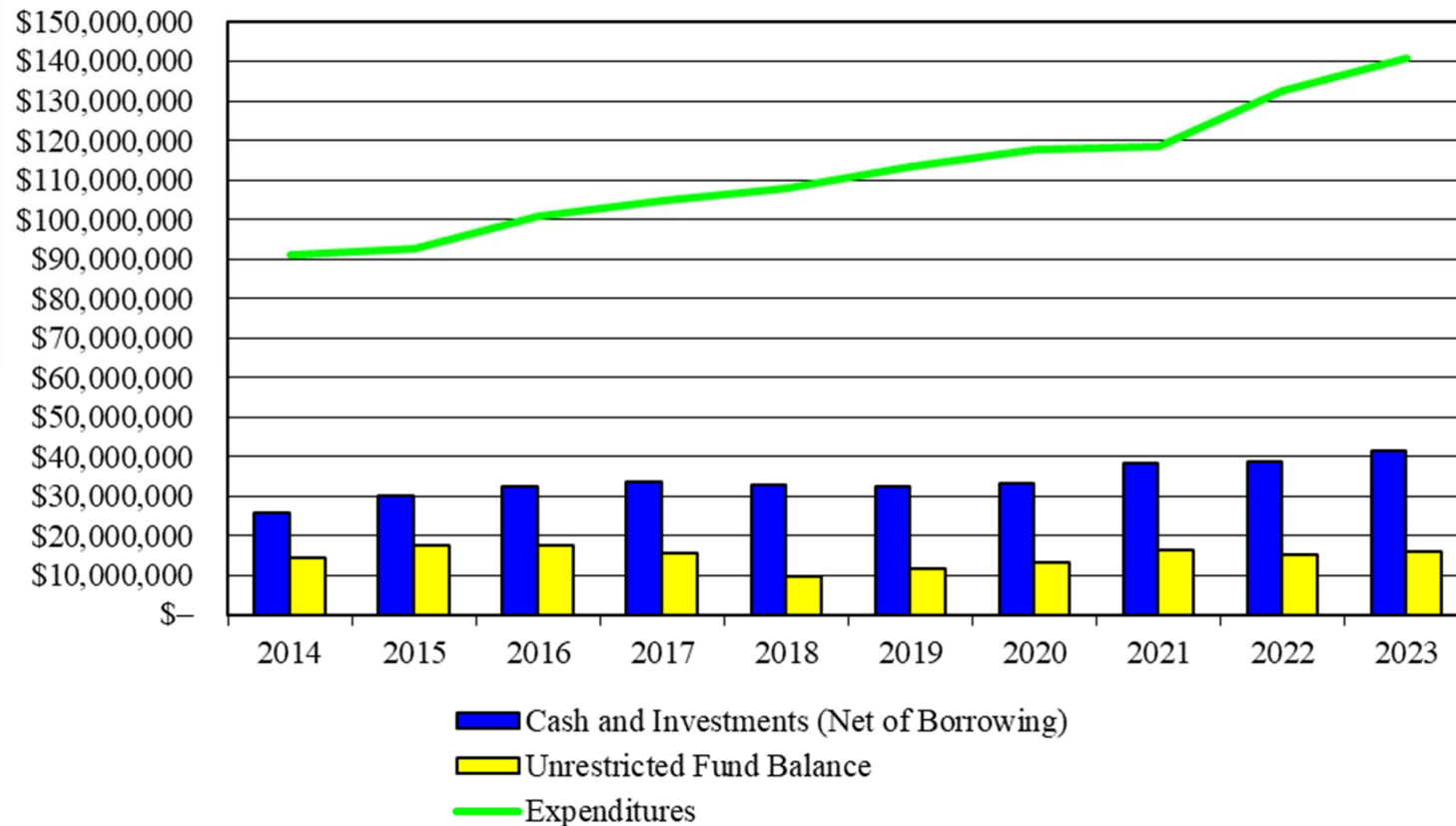
ADM AND PUPIL UNITS



GENERAL FUND FINANCIAL POSITION



General Fund Financial Position
Year Ended June 30,



GENERAL FUND FINANCIAL POSITION (continued)

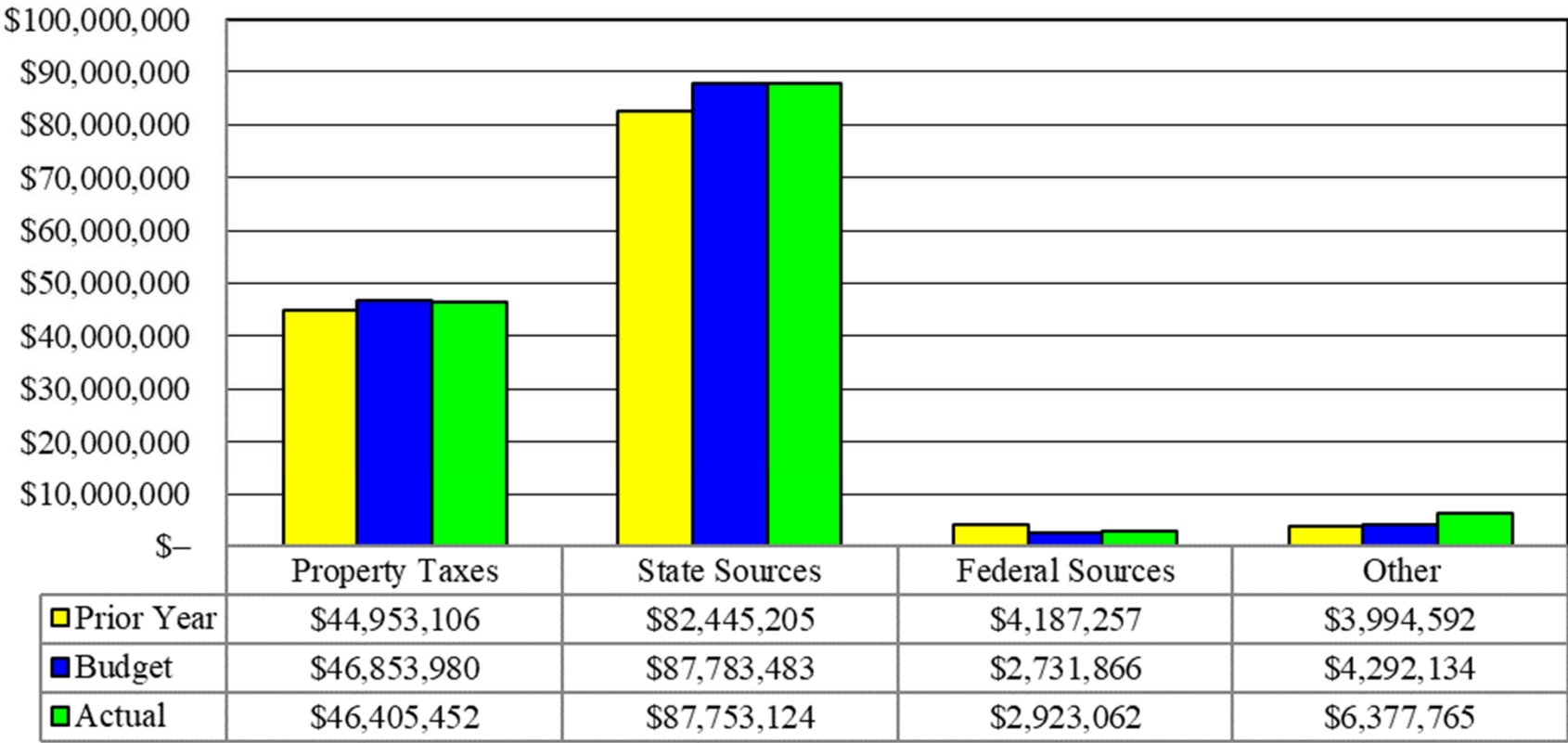
	June 30,				
	2019	2020	2021	2022	2023
Nonspendable fund balances	\$ 31,133	\$ –	\$ –	\$ 2,925	\$ 392,982
Restricted fund balances (1)	2,624,734	1,459,232	1,333,034	2,833,640	4,342,395
Unrestricted fund balances					
Committed	1,037,614	1,068,409	1,074,602	1,098,955	2,322,850
Assigned	3,534,808	3,752,941	6,094,910	5,995,361	5,519,524
Unassigned	6,954,177	8,613,512	9,061,060	8,191,141	8,013,834
Total fund balance	<u>\$ 14,182,466</u>	<u>\$ 14,894,094</u>	<u>\$ 17,563,606</u>	<u>\$ 18,122,022</u>	<u>\$ 20,591,585</u>
Unrestricted fund balances as a percentage of expenditures	<u>10.2%</u>	<u>11.4%</u>	<u>13.7%</u>	<u>11.5%</u>	<u>11.3%</u>
Unassigned fund balances as a percentage of expenditures	<u>6.1%</u>	<u>7.3%</u>	<u>7.6%</u>	<u>6.2%</u>	<u>5.7%</u>

(1) Includes deficits in restricted fund balance accounts allowed to accumulate deficits under UFARS, which are part of unassigned fund balance on the accounting principles generally accepted in the United States of America-based financial statements.

GENERAL FUND REVENUE



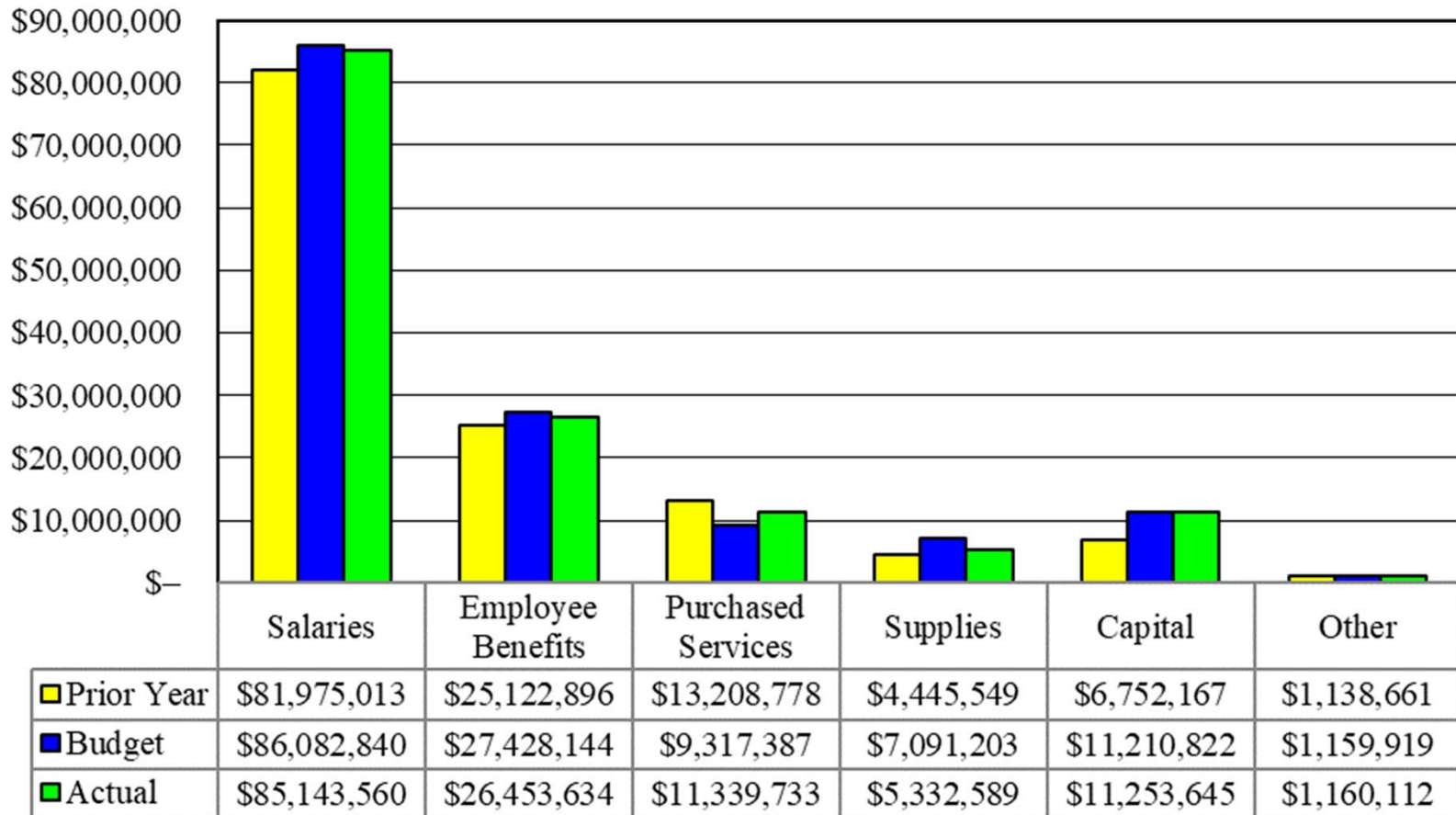
General Fund Revenue



GENERAL FUND EXPENDITURES



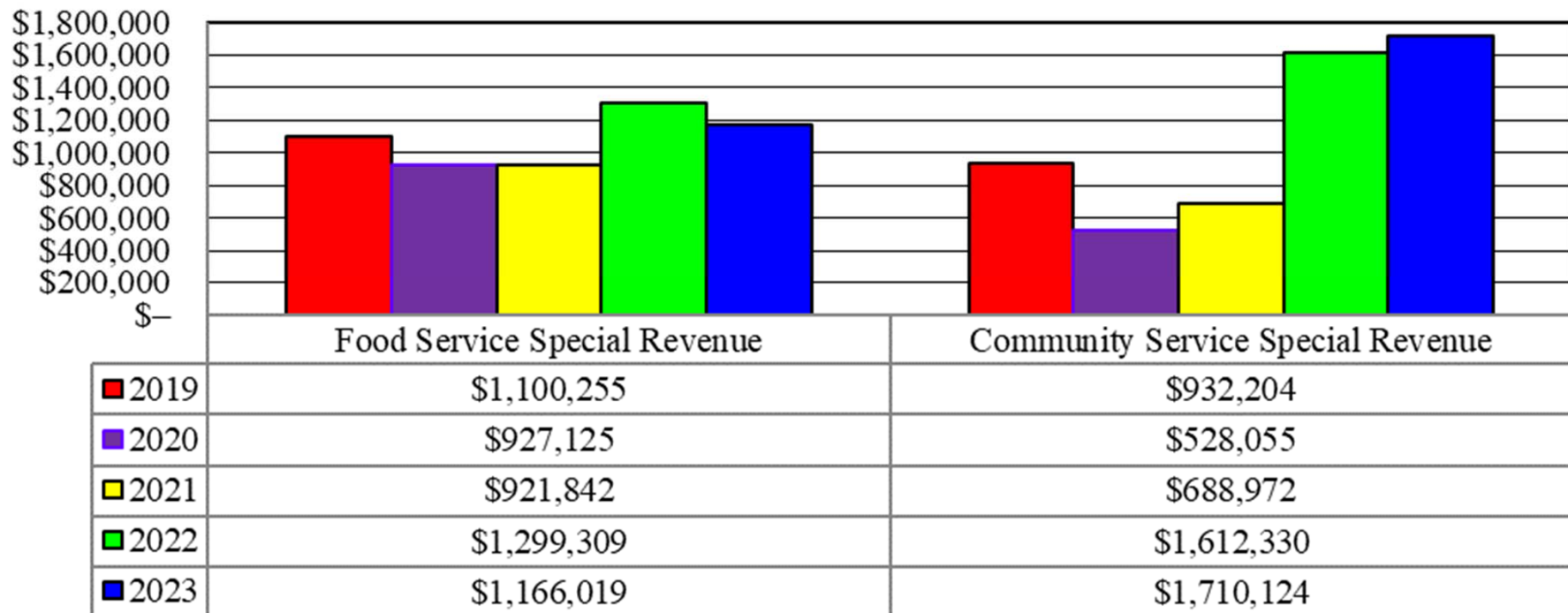
General Fund Expenditures



OTHER OPERATING FUNDS



Other Operating Funds
Total Fund Balances



DISTRICT-WIDE STATEMENT OF NET POSITION

	June 30,		Change
	2023	2022	
Net position – governmental activities			
Total fund balances – governmental funds	\$ 43,233,946	\$ 35,898,872	\$ 7,335,074
Total capital assets, net of depreciation	285,952,272	274,289,306	11,662,966
Bonds, certificates, financed purchases, and other	(211,995,795)	(199,689,431)	(12,306,364)
Pension and OPEB liabilities and deferrals	(121,724,060)	(141,879,896)	20,155,836
Other adjustments	(2,875,573)	(2,533,682)	(341,891)
	<u>\$ (7,409,210)</u>	<u>\$ (33,914,831)</u>	<u>\$ 26,505,621</u>
Net position			
Net investment in capital assets	\$ 81,404,498	\$ 79,307,413	\$ 2,097,085
Restricted	16,384,478	13,096,826	3,287,652
Unrestricted	<u>(105,198,186)</u>	<u>(126,319,070)</u>	<u>21,120,884</u>
	<u>\$ (7,409,210)</u>	<u>\$ (33,914,831)</u>	<u>\$ 26,505,621</u>