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Independent School District No. 877
Buffalo, Minnesota

Financial Statement Presentation

June 30, 2022

Independent Auditor's Report

- Financial statements are management's responsibility; auditor's responsibility to express an opinion on them.
- Unmodified opinion on the basic financial statements
 - Present fairly in all material respects

Other Reports

- Report in Accordance with *Government Auditing Standards*
 - Internal control over financial reporting
 - Compliance with various laws, regulations, contracts and grants
 - No findings
- Report on Compliance in Accordance with The Uniform Guidance
 - Unmodified opinion on compliance with requirements of major federal programs
 - Special Education cluster
 - Title I
 - Education Stabilization Funds
- Report on Minnesota Legal Compliance
 - No findings on compliance with legal provisions contained in the *Minnesota Legal Compliance Audit Guide for Local Governments*

General Education Aid Formula Allowance

Year	General Education Aid Formula Allowance	
	Amount	Percent Increase
2013	\$ 5,224	1.0%
2014	5,302	1.5%
2015*	5,831	1.9%
2016	5,948	2.0%
2017	6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%

* General Education Aid - Of the \$529 increase over 2014, \$105 is for inflation at 1.9%; the remaining \$424 is a shifting of revenue to adjust for pupil weight changes, pension adjustments changes and other restructuring.

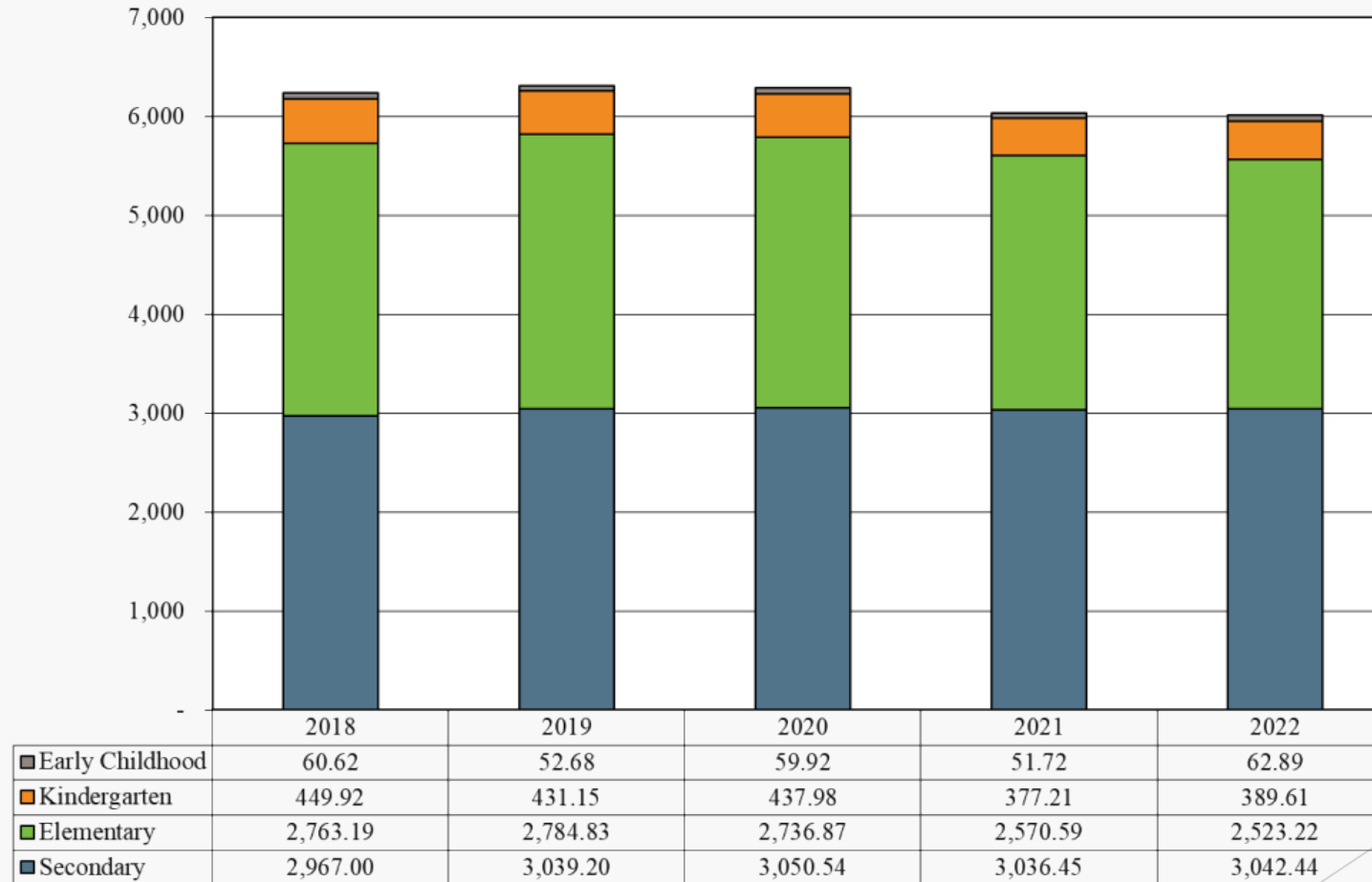
Resident Average Daily Membership

Resident ADM

ADM	2018	2019	2020	2021	2022
Early Childhood	60.62	52.68	59.92	51.72	62.89
Kindergarten	449.92	431.15	437.98	377.21	389.61
Elementary	2,763.19	2,784.83	2,736.87	2,570.59	2,523.22
Secondary	2,967.00	3,039.20	3,050.54	3,036.45	3,042.44
Total Resident ADM	6,240.73	6,307.86	6,285.31	6,035.97	6,018.16

Resident Average Daily Membership

Resident ADM



Pupil Units

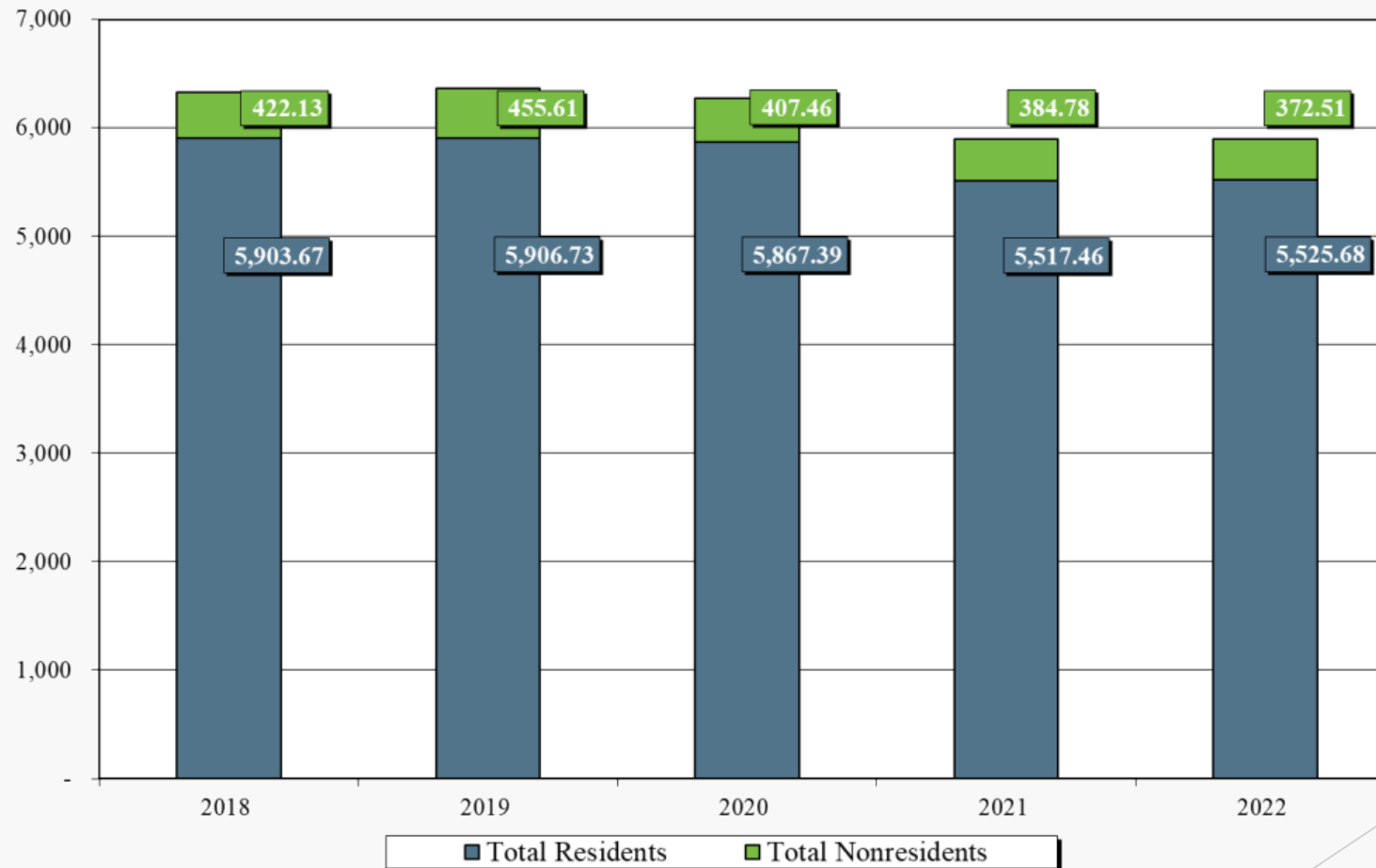
Pupil Unit – Weighting and PUN Served

Pupil Units Weighting

	Pre-Kindergarten and Handicapped Kindergarten	Part-time and All-Day Kindergarten	Elementary Grades 1-3/4-6	Secondary
2018-2022	1.000	0.612/1.000	1.000	1.200

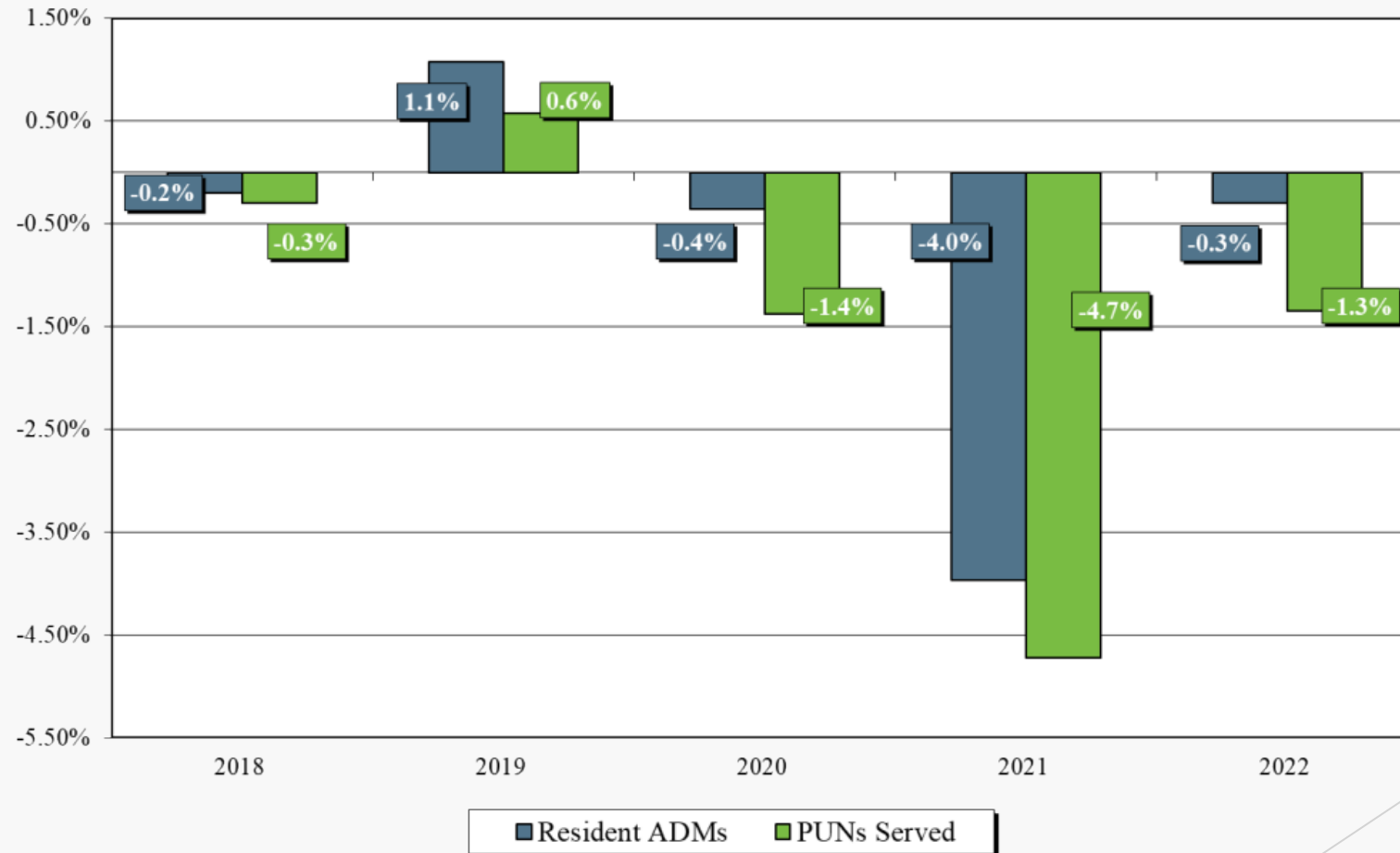
PUN	2018	2019	2020	2021	2022
Residents	6,834.04	6,915.71	6,895.31	6,643.07	6,626.64
Resident PUN loss	(930.37)	(1,008.98)	(1,027.69)	(1,049.26)	(1,100.96)
Nonresident PUN gain	422.13	455.61	407.46	384.78	372.51
Total PUN Served	6,325.80	6,362.34	6,275.08	5,978.59	5,898.19

Pupil Units PUN Served



Pupil Units Weighting Served

Change in Resident ADM and PUN Served



General Fund

Budget and Actual

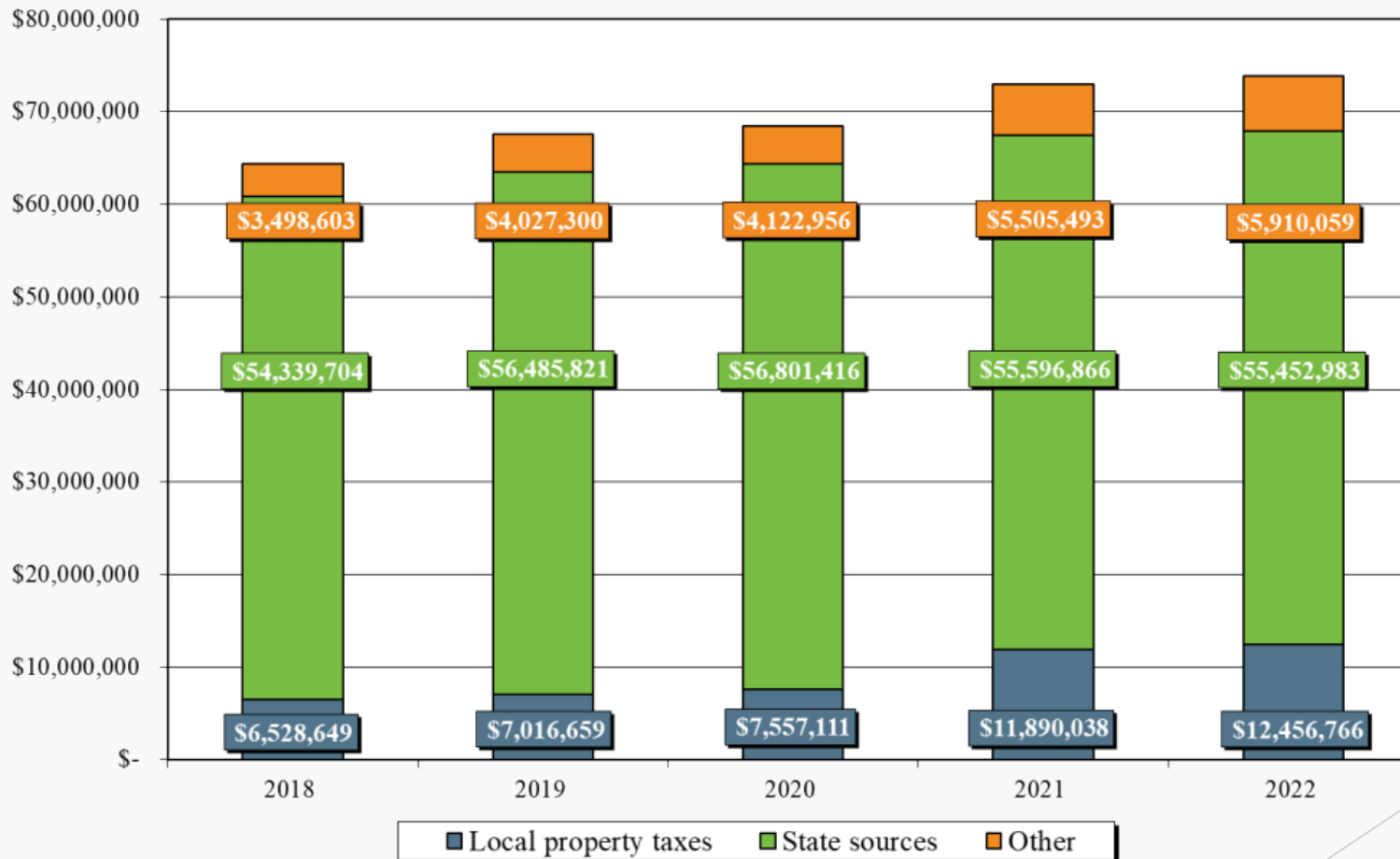
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local property taxes	\$ 12,223,346	\$ 12,221,260	\$ 12,456,766	\$ 235,506
Other local revenues	2,177,914	2,357,008	2,384,594	27,586
Revenue from state sources	55,133,493	55,651,101	55,452,983	(198,118)
Revenue from federal sources	2,313,419	3,305,173	3,497,363	192,190
Sales and other conversion of assets	22,000	22,000	28,102	6,102
Total revenues	<u>71,870,172</u>	<u>73,556,542</u>	<u>73,819,808</u>	<u>263,266</u>
Expenditures				
Administration	1,927,748	1,915,290	1,872,795	(42,495)
District support services	1,808,788	1,701,032	1,648,411	(52,621)
Regular instruction	32,525,384	32,387,365	32,857,667	470,302
Vocational instruction	1,894,741	2,110,933	2,070,931	(40,002)
Special education instruction	13,380,254	13,684,099	13,291,312	(392,787)
Instructional support services	5,431,130	5,192,776	5,593,497	400,721
Pupil support services	7,103,146	7,225,878	6,793,780	(432,098)
Sites and buildings	8,137,324	7,710,662	7,906,187	195,525
Fiscal and other fixed cost programs	272,690	276,881	92,563	(184,318)
Debt service	166,750	166,750	267,605	100,855
Total expenditures	<u>72,647,955</u>	<u>72,371,666</u>	<u>72,394,748</u>	<u>23,082</u>
Excess of revenues over (under) expenditures	<u>\$ (777,783)</u>	<u>\$ 1,184,876</u>	<u>\$ 1,425,060</u>	<u>\$ 240,184</u>

General Fund

Sources of Revenue

	2018	2019	2020	2021	2022
Local property taxes	\$6,528,649	\$7,016,659	\$7,557,111	\$11,890,038	\$ 12,456,766
State sources	54,339,704	56,485,821	56,801,416	55,596,866	55,452,983
Other	3,498,603	4,027,300	4,122,956	5,505,493	5,910,059
Total	\$ 64,366,956	\$ 67,529,780	\$ 68,481,483	\$ 72,992,397	\$ 73,819,808

General Fund Sources of Revenue



Revenues and Expenditures

Per ADM Served

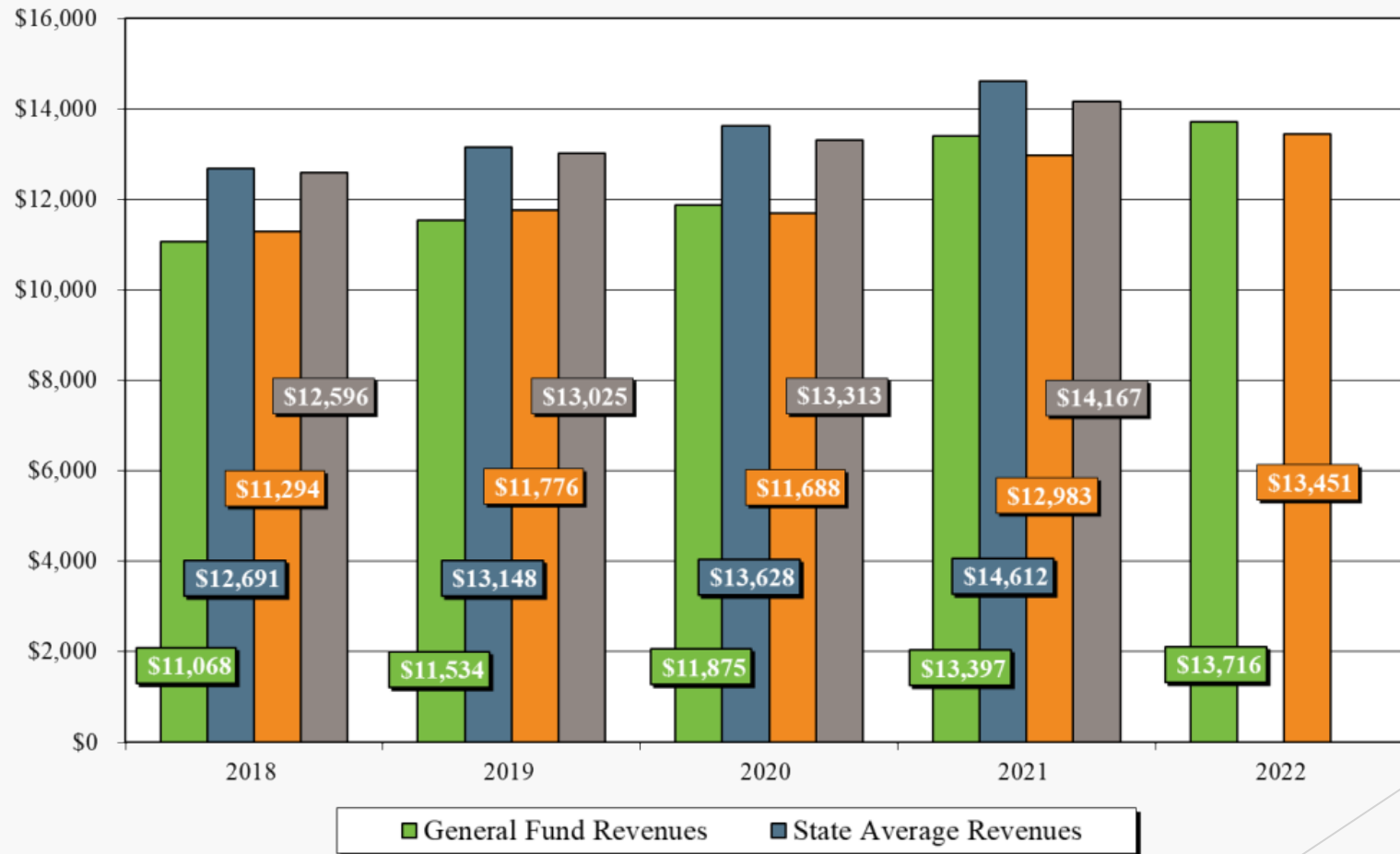
Revenues

	2018	2019	2020	2021	2022
General Fund	\$ 11,068	\$ 11,534	\$ 11,875	\$ 13,397	\$ 13,716
General Fund state average	12,691	13,148	13,628	14,612	N/A

Expenditures

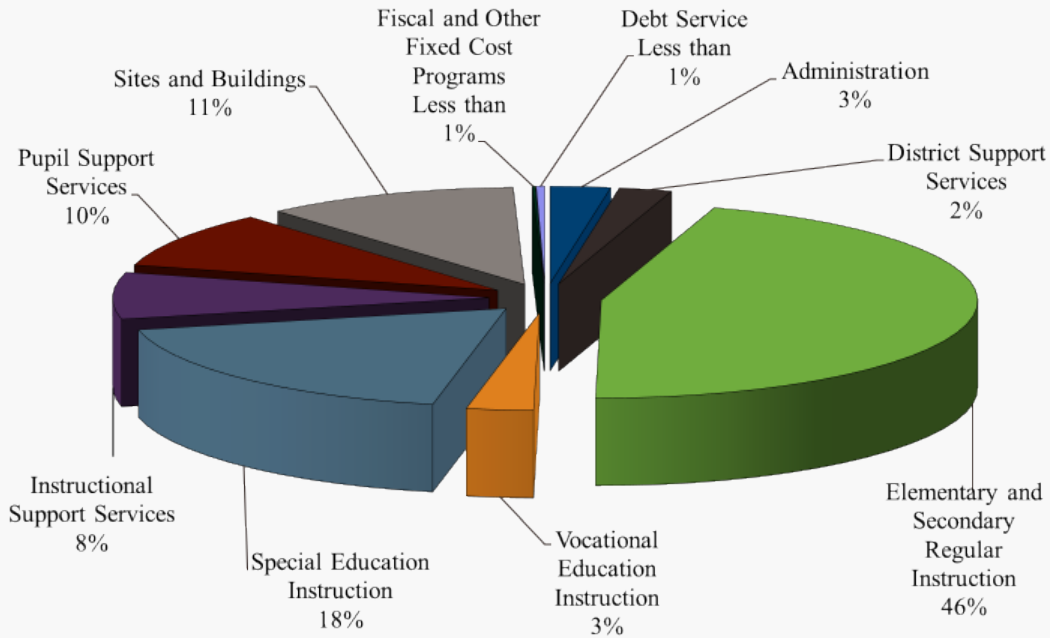
	2018	2019	2020	2021	2022
General Fund	\$ 11,294	\$ 11,776	\$ 11,688	\$ 12,983	\$ 13,451
General Fund state average	12,596	13,025	13,313	14,167	N/A

Revenues and Expenditures Per ADM Served

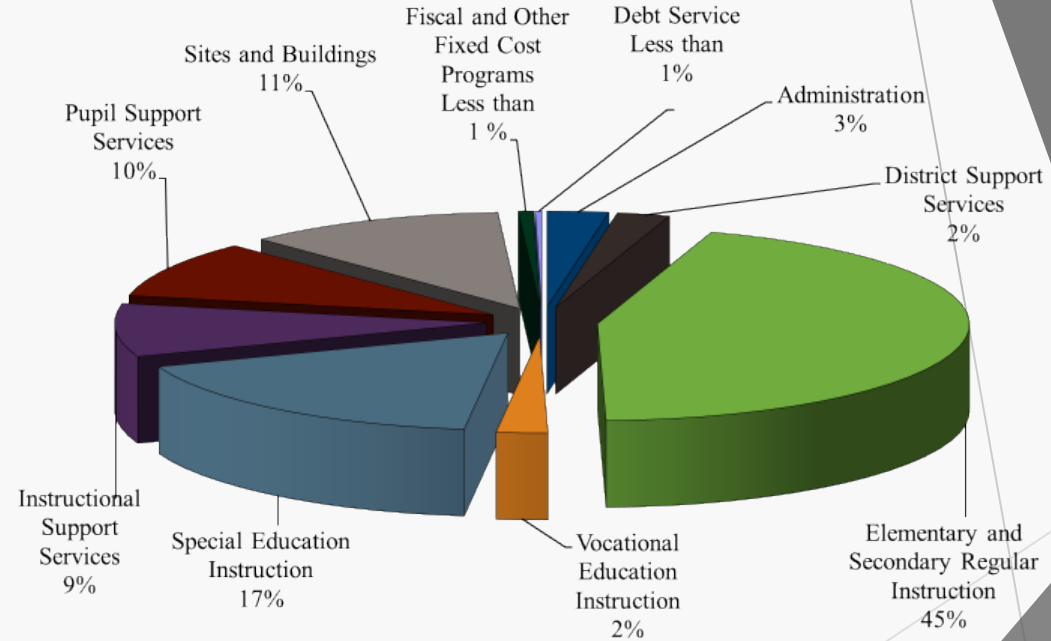


General Fund Expenditures

General Fund Expenditures 2022



General Fund Expenditures 2021



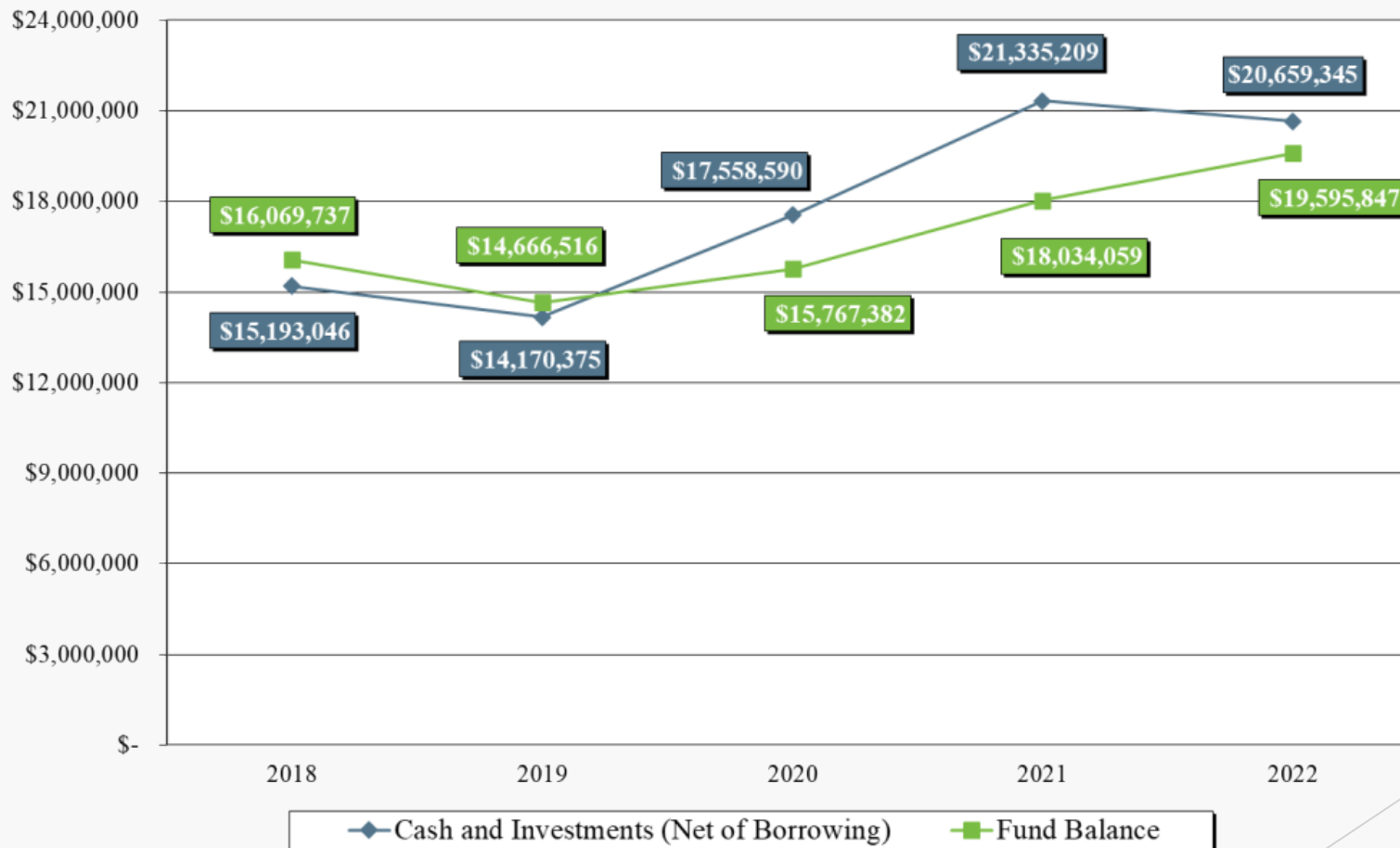
General Fund Operations

	2018	2019	2020	2021	2022
Revenues	\$ 64,366,956	\$ 67,529,780	\$ 68,481,483	\$ 72,992,397	\$ 73,819,808
Expenditures	65,672,883	68,940,965	67,409,717	70,812,639	72,394,748
Excess of revenues over (under) expenditures	(1,305,927)	(1,411,185)	1,071,766	2,179,758	1,425,060
Transfers/other financing sources and uses	4,701	7,964	616	86,919	136,728
Change in accounting principle	-	-	28,484	-	-
Fund balance, July 1	17,370,963	16,069,737	14,666,516	15,767,382	18,034,059
Fund Balance, June 30	\$ 16,069,737	\$ 14,666,516	\$ 15,767,382	\$ 18,034,059	\$ 19,595,847

Components

Unassigned	\$ 8,430,222	\$ 6,136,605	\$ 7,850,572	\$ 10,013,894	\$ 10,750,570
Nonspendable	504,349	574,149	559,231	607,010	808,200
Reserved/restricted for					
Student activities	-	-	26,151	21,121	38,012
Teacher development and evaluations	103,247	103,096	-	-	-
Operating capital	734,140	733,445	1,015,094	1,182,366	1,497,207
Long-term facility maintenance	(150,913)	(71,833)	(115,278)	347,494	624,421
Medical assistance	124,412	217,324	308,929	482,065	488,888
Committed/assigned for					
Separation benefits	3,420,225	3,340,760	2,615,036	2,187,804	2,374,820
Student activities - fund 9	360,854	389,589	403,592	383,104	351,218
3rd party special education	560,353	560,353	-	-	-
Q Comp	-	66,719	105,022	37,353	133,344
Technology capital	1,459,667	1,833,715	1,833,715	1,385,317	1,030,697
Carryover	301,525	587,621	904,295	1,201,806	1,421,168
Dental insurance	221,656	194,973	261,023	184,725	77,302
Total	\$ 16,069,737	\$ 14,666,516	\$ 15,767,382	\$ 18,034,059	\$ 19,595,847

General Fund Financial Position



Food Service Fund

For the Year Ended June 30,	2018	2019	2020	2021	2022
Revenues	\$ 2,992,988	\$ 3,055,039	\$ 3,431,084	\$ 3,574,635	\$ 4,844,434
Expenditures, excluding OPEB	3,078,905	2,910,459	3,122,854	3,133,990	3,533,402
Excess of revenues over (under) expenditures	(85,917)	144,580	308,230	440,645	1,311,032
Transfers/other financing sources	-	5,575	453	1,310	14,116
Fund balance, July 1	557,504	471,587	621,742	930,425	1,372,380
Fund Balance, June 30	\$ 471,587	\$ 621,742	\$ 930,425	\$ 1,372,380	\$ 2,697,528

Community Service Fund

For the Year Ended June 30,	2018	2019	2020	2021	2022
Revenues	\$ 3,719,931	\$ 3,687,299	\$ 3,380,387	\$ 3,014,480	\$ 3,794,664
Expenditures, excluding OPEB	3,679,358	3,444,580	3,472,360	3,098,360	3,467,083
Excess of revenues over (under) expenditures	40,573	242,719	(91,973)	(83,880)	327,581
Fund balance, July 1	(316,675)	(276,102)	(33,383)	(125,356)	(209,236)
Fund Balance, June 30	\$ (276,102)	\$ (33,383)	\$ (125,356)	\$ (209,236)	\$ 118,345

Components

Unreserved/unassigned	\$ (44,723)	\$ (44,476)	\$ (50,506)	\$ (50,687)	\$ (73,462)
Nonspendable	5,969	390	5,168	2,037	10,244
Restricted/reserved for					
ECFE	86,893	122,452	114,542	196,617	225,808
Community education	(300,928)	(115,528)	(226,840)	(438,776)	(122,940)
School readiness	(35,658)	(8,566)	19,935	44,612	78,695
Adult basic education	12,345	12,345	12,345	36,961	-
Total	\$ (276,102)	\$ (33,383)	\$ (125,356)	\$ (209,236)	\$ 118,345

Questions?

Janel Bitzan

320.650.0225

Janel.Bitzan@berganKDV.com



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We are powered by people who do business the Midwest way delivering comprehensive business, financial and technology solutions including business planning and consulting, tax, assurance and accounting, technology, wealth management and turnaround management services. From tax reform to technology, we go beyond so you can...

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