

ISD No. 879 Delano, MN

Janel Bitzan, CPA



The Audit

Independent Auditor's Report

- ◆ Independent Auditor's Report
 - ◇ Financial statements are management's responsibility; auditor's responsibility to express an opinion on them.
 - ◇ Unmodified opinion on the financial statements
 - ◇ Financial statements present fairly in all material respects the financial position and change in financial position

Audit Communications

- ◆ Report in Accordance with *Government Auditing Standards*
 - ◇ Internal control findings
 - ❖ Lack of Segregation of Accounting Duties
 - ◇ No compliance findings

- ◆ Report on Compliance in Accordance with The Uniform Guidance
 - ◇ Unmodified opinion on compliance with requirements of major federal programs
 - ❖ Child nutrition cluster

- ◆ Report on Minnesota Legal Compliance
 - ◇ No findings on compliance with legal provisions contained in the *Minnesota Legal Compliance Audit Guide for Local Governments*

Financial Communications

General Education Aid – Formula Allowance

Year	General Education Aid Formula Allowance	
	Amount	Percent Increase
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%
2024	7,138	4.0%
2025	7,281	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 adjustment changes, and other restructuring.

Average Daily Membership - Resident ADM

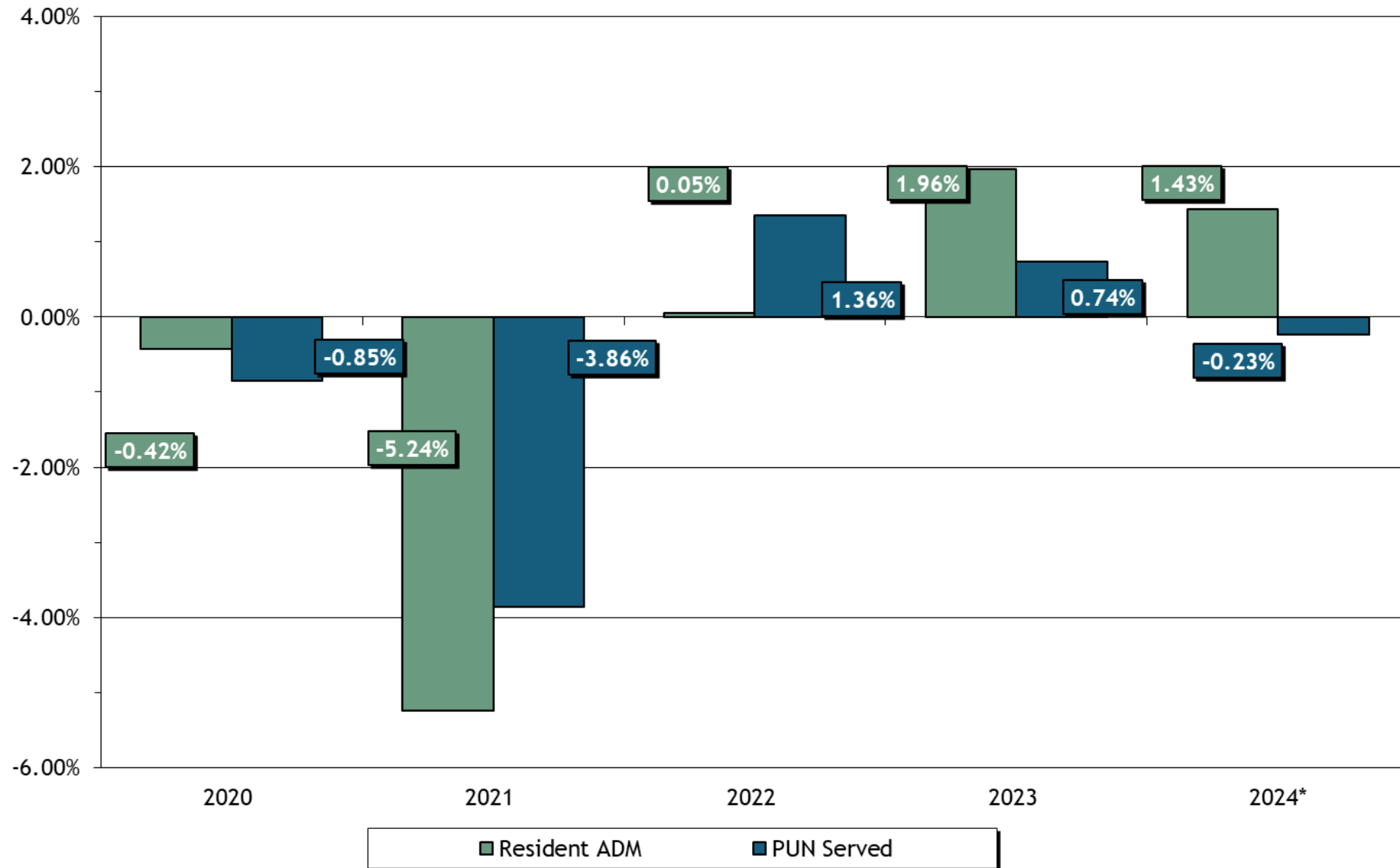
ADM	2020	2021	2022	2023	2024*
Early childhood	20.10	17.96	22.65	21.76	19.61
Kindergarten	152.10	137.54	148.83	168.06	166.48
Elementary	999.91	911.17	915.88	958.42	1,029.28
Secondary	1,131.06	1,115.89	1,096.33	1,078.34	1,043.09
Total Resident ADM	2,303.17	2,182.56	2,183.69	2,226.58	2,258.46

Pupil Units - Weighting & Adjusted PUN

Pupil Units Weighting						
	Early Childhood	Handicapped Kindergarten	Kindergarten	Elementary Grades 1-3	Elementary Grades 4-6	Secondary
Year 2020-2024	1.000	1.000	0.55/ 1.000	1.000	1.000	1.200

PUN	2020	2021	2022	2023	2024*
Residents	2,529.38	2,405.74	2,402.96	2,442.28	2,467.09
Resident PUN loss	(259.10)	(245.67)	(250.22)	(264.02)	(284.53)
Nonresident PUN gain	424.55	430.67	473.11	466.90	456.52
Total PUN Served	2,694.83	2,590.74	2,625.85	2,645.16	2,639.08

Change in Resident ADM and Adjusted PUN



General Fund - Sources of Revenue

	2020	2021	2022	2023	2024
Local property taxes	\$ 4,558,989	\$ 4,364,714	\$ 4,503,457	\$ 4,611,863	\$ 5,302,427
State sources	22,885,210	22,432,234	22,825,476	23,576,005	25,323,505
Other	1,285,532	2,039,888	1,749,786	2,222,579	2,701,224
Total	\$ 28,729,731	\$ 28,836,836	\$ 29,078,719	\$ 30,410,447	\$ 33,327,156

General Fund

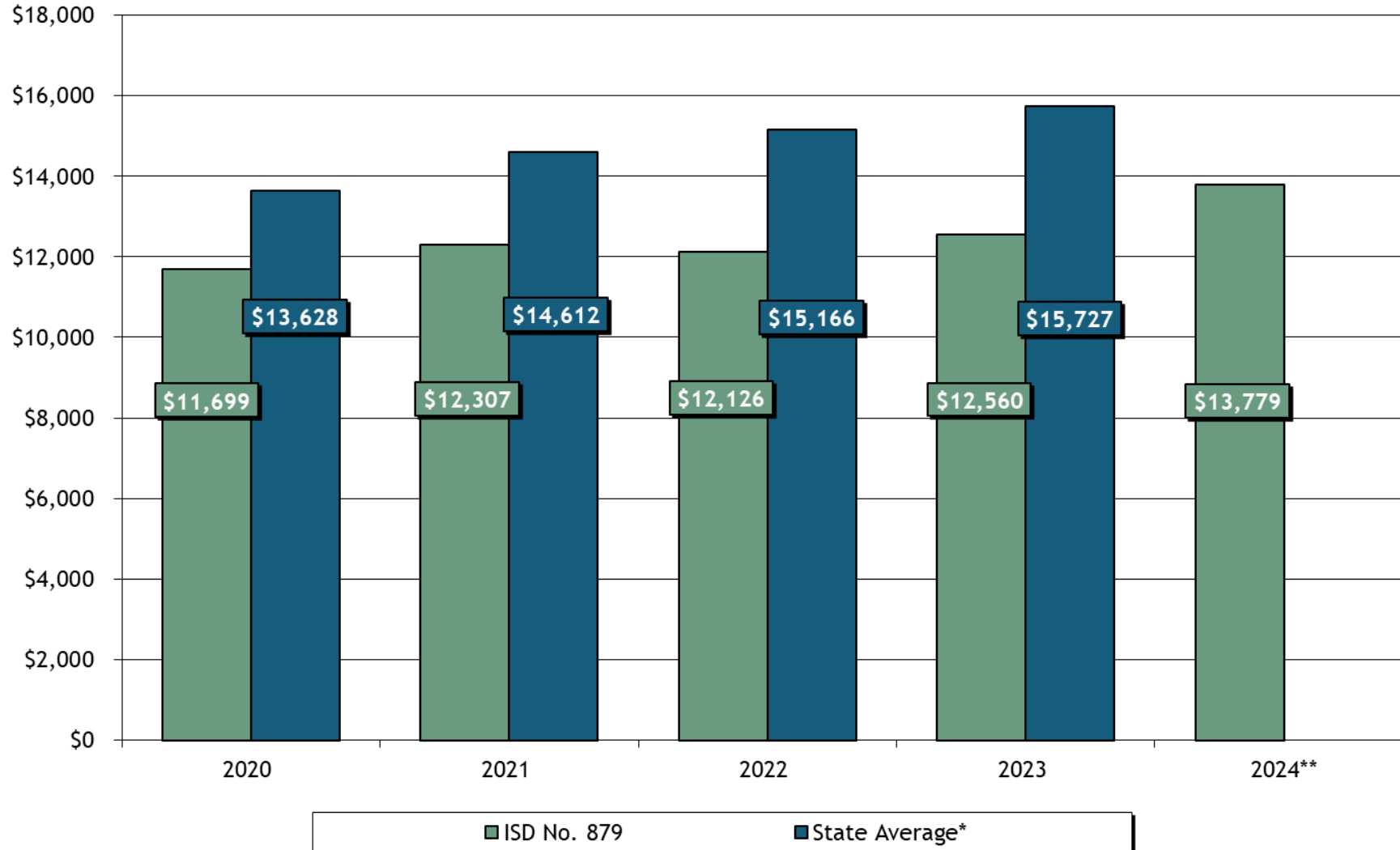
- Revenues Per Student ADM Served

ISD No. 879	2020	2021	2022	2023	2024**
Property taxes	\$ 1,810	\$ 1,815	\$ 1,782	\$ 1,852	\$ 2,192
State aid	9,244	9,494	9,510	9,729	10,470
Other	645	998	834	979	1,117
Total	\$ 11,699	\$ 12,307	\$ 12,126	\$ 12,560	\$ 13,779

State Average *	2020	2021	2022	2023	2024
Property taxes	\$ 2,180	\$ 2,381	\$ 2,443	\$ 2,545	N/A
State aid	10,393	10,758	10,782	11,073	N/A
Other	1,055	1,473	1,941	2,109	N/A
Total	\$ 13,628	\$ 14,612	\$ 15,166	\$ 15,727	N/A

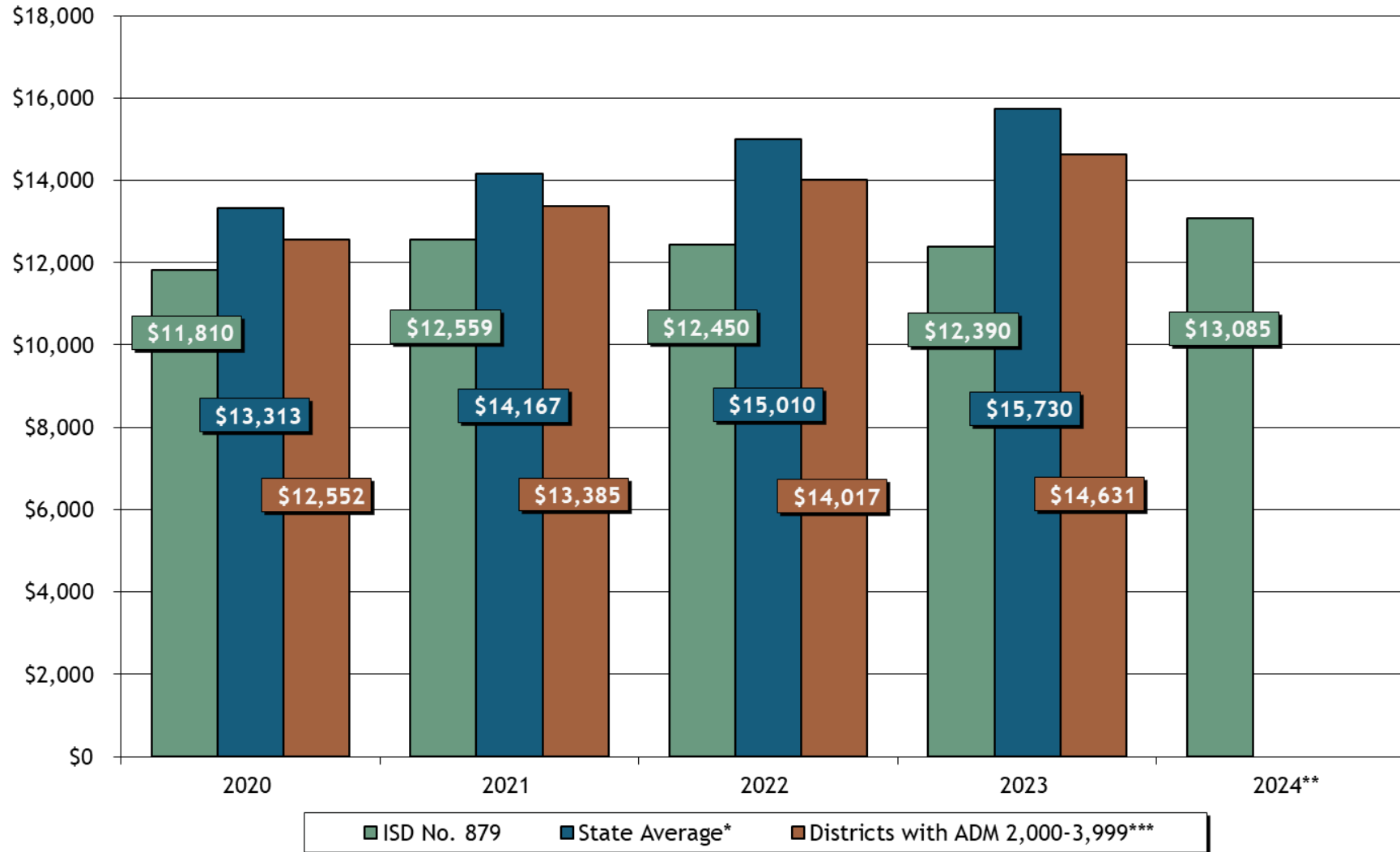
General Fund

- Revenues Per Student ADM Served



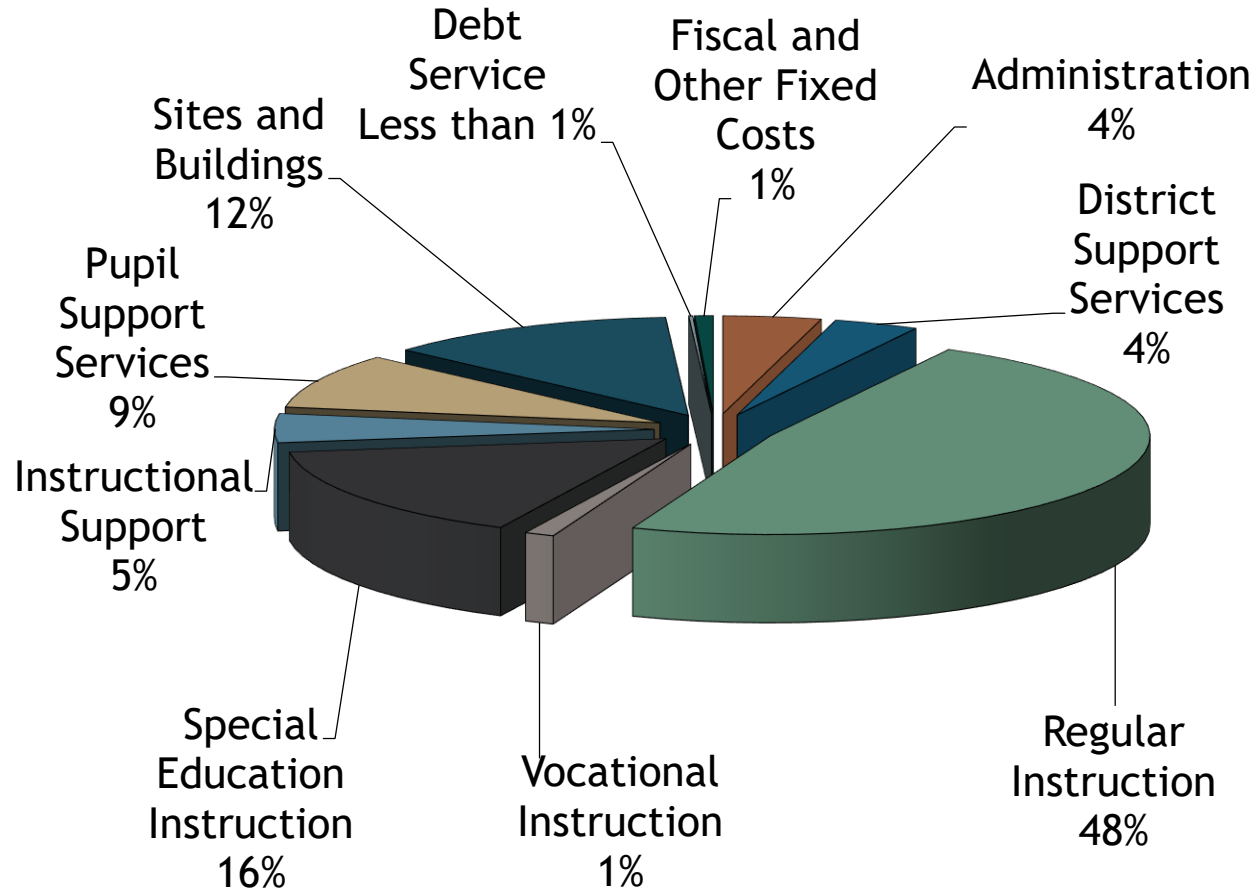
General Fund

- Expenditures Per Student ADM Served

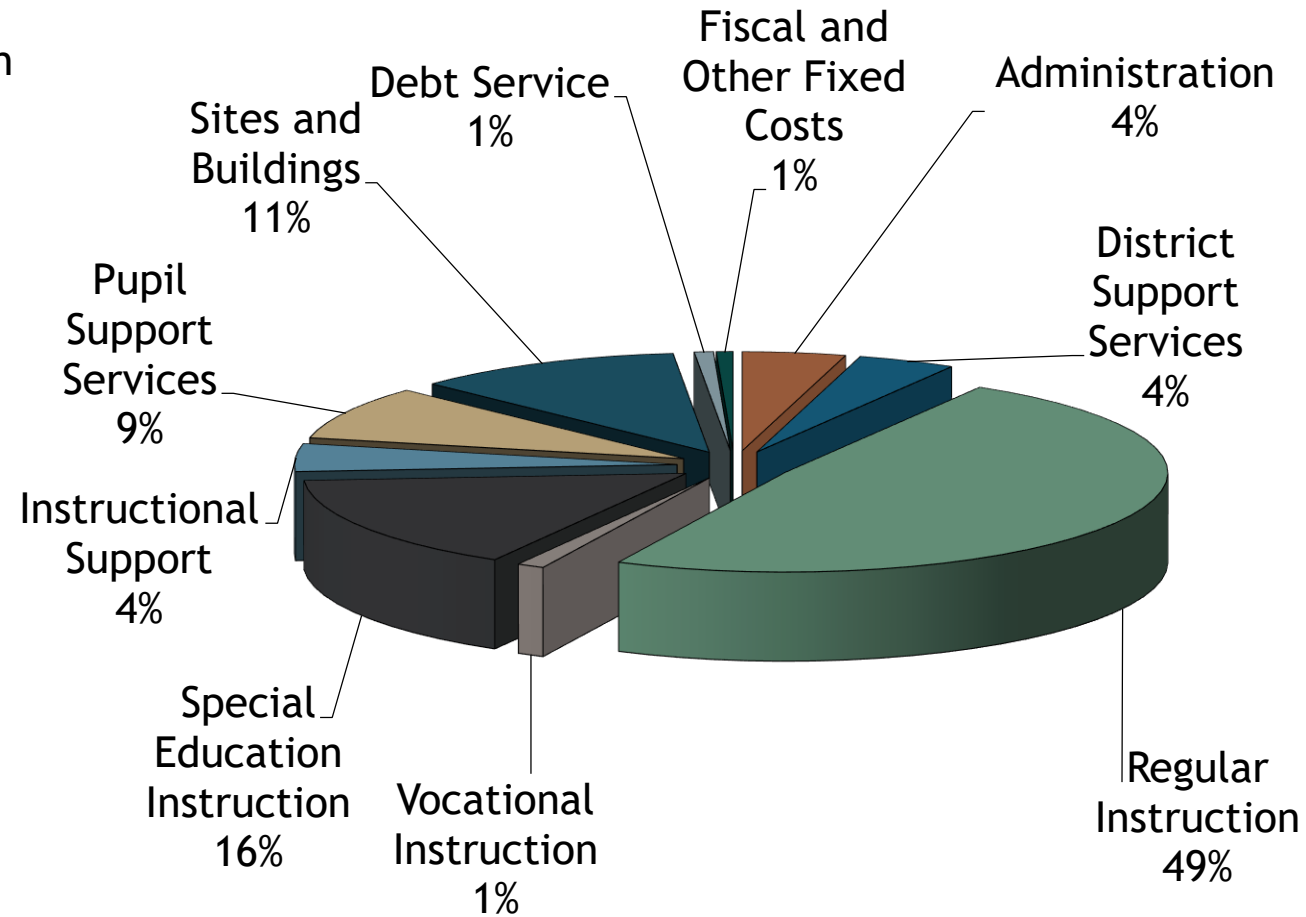


General Fund – Expenditures

General Fund Expenditures 2024



General Fund Expenditures 2023



General Fund - Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local property taxes	\$ 5,249,260	\$ 5,300,118	\$ 5,302,427	\$ 2,309
Other local and county revenues	883,000	1,930,548	2,160,142	229,594
Revenue from state sources	25,369,821	25,365,478	25,323,505	(41,973)
Revenue from federal sources	495,873	540,568	537,641	(2,927)
Sales and other conversion of assets	-	3,441	3,441	-
Total revenues	<u>31,997,954</u>	<u>33,140,153</u>	<u>33,327,156</u>	<u>187,003</u>
Expenditures				
Administration	1,414,640	1,438,293	1,323,295	(114,998)
District support services	1,197,831	1,181,909	1,147,505	(34,404)
Regular instruction	14,824,983	15,485,576	15,215,267	(270,309)
Vocational education instruction	330,760	412,310	398,179	(14,131)
Special education instruction	5,095,722	5,093,243	4,960,652	(132,591)
Instructional support services	1,586,783	1,528,443	1,500,346	(28,097)
Pupil support services	2,846,858	2,905,795	2,864,474	(41,321)
Sites and buildings	4,611,252	4,740,718	3,934,310	(806,408)
Fiscal and other fixed cost programs	236,000	250,945	250,507	(438)
Debt service	24,102	27,161	52,941	25,780
Total expenditures	<u>32,168,931</u>	<u>33,064,393</u>	<u>31,647,476</u>	<u>(1,416,917)</u>
Excess of revenues over (under) expenditures	(170,977)	75,760	1,679,680	1,603,920
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	10	10	-
Lease issuance	-	112,882	-	(112,882)
Total other financing sources	<u>-</u>	<u>112,892</u>	<u>10</u>	<u>(112,882)</u>
Net change in fund balance	\$ (170,977)	\$ 188,652	\$ 1,679,690	\$ 1,491,038

General Fund – Operations

	2020	2021	2022	2023	2024
Revenues	\$ 28,729,731	\$ 28,836,836	\$ 29,078,719	\$ 30,410,447	\$ 33,327,156
Expenditures	29,627,446	29,647,752	29,853,526	30,108,074	31,647,476
Excess of revenues over (under) expenditures	(897,715)	(810,916)	(774,807)	302,373	1,679,680
Transfers/other financing sources/uses	624,287	218,055	146	107,114	10
Fund balance, July 1	9,881,443	9,611,428	9,018,567	8,243,906	8,653,393
Change in accounting principle	3,413	-	-	-	-
Beginning Balance, Restated	9,884,856	9,611,428	9,018,567	8,243,906	8,653,393
Fund Balance, June 30	\$ 9,611,428	\$ 9,018,567	\$ 8,243,906	\$ 8,653,393	\$ 10,333,083

Components	2020	2021	2022	2023	2024
Unassigned	\$ 6,459,490	\$ 5,691,027	\$ 4,493,020	\$ 4,460,854	\$ 5,681,239
Assigned for					
Donated funds	460,797	450,099	489,523	509,357	520,424
Student activities	578	578	66	4,803	122
Q comp	253,776	387,428	439,297	303,129	314,995
Providing transformative learning	14,654	14,654	14,654	29,133	29,133
Committed for					
Severance	75,731	82,994	117,525	43,136	102,076
Restricted for					
Student activities	30,190	30,713	35,998	47,727	46,739
Scholarships	2,730	2,230	7,210	1,710	4,195
Staff development	219,275	168,557	125,581	136,471	122,618
Literacy incentive	-	-	-	-	115,336
Operating capital	898,044	984,938	1,109,765	1,041,295	912,155
Area learning center	19,004	5,737	6,385	7,260	-
Safe school crime	76,254	-	-	-	-
Long-term facilities maintenance	1,027,746	1,083,160	1,299,938	1,938,707	2,289,953
Medical assistance	30,134	48,522	9,276	18,794	89,127
Nonspendable	43,025	67,930	95,668	111,017	104,971
Total	\$ 9,611,428	\$ 9,018,567	\$ 8,243,906	\$ 8,653,393	\$ 10,333,083

Food Service Fund

For the Year Ended June 30,	2020	2021	2022	2023	2024
Revenues	\$ 944,700	\$ 933,449	\$ 1,646,718	\$ 1,603,656	\$ 1,856,152
Expenditures	952,415	928,231	1,268,235	1,461,624	1,634,923
Excess of revenues over (under) expenditures	(7,715)	5,218	378,483	142,032	221,229
Fund balance, July 1	269,682	261,967	267,185	645,668	787,700
Fund Balance, June 30	\$ 261,967	\$ 267,185	\$ 645,668	\$ 787,700	\$ 1,008,929

Community Service Fund

For the Year Ended June 30,	2020	2021	2022	2023	2024
Revenues	\$ 2,155,642	\$ 1,908,152	\$ 2,465,483	\$ 2,799,473	\$ 2,753,397
Expenditures	2,173,429	2,006,653	2,386,064	2,616,172	2,624,836
Excess of revenues over (under) expenditures	(17,787)	(98,501)	79,419	183,301	128,561
Transfers/other financing sources	-	-	-	3,904	-
Fund balance, July 1	251,487	233,720	135,219	214,638	401,843
Change in accounting principle	20	-	-	-	-
Beginning Balance, Restated	251,507	233,720	135,219	214,638	401,843
Fund Balance, June 30	\$ 233,720	\$ 135,219	\$ 214,638	\$ 401,843	\$ 530,404

Components					
Nonspendable	\$ 13,846	\$ 13,259	\$ 13,259	\$ 7,795	\$ 6,741
Restricted for					
Community Education	123,259	42,893	143,078	321,327	503,300
ECFE	71,580	71,943	45,856	53,240	260
School Readiness	19,991	4,381	9,494	16,114	13,610
Adult Basic Education	966	966	897	897	897
Fund Purpose	4,078	1,777	2,054	2,470	5,596
Total	\$ 233,720	\$ 135,219	\$ 214,638	\$ 401,843	\$ 530,404

Auditor



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Thank You



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