

# ISD No. 877 Buffalo, MN

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Janel Bitzan, CPA



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# The Audit

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# 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
    - ❖ No findings
  - ◇ Compliance with various laws, regulations, contracts and grants
    - ❖ No findings
- ◆ (Preliminary) 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*

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# Financial Communications

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# General Education Aid – Formula Allowance

Year	General Education Aid Formula Allowance	
	Amount	Percent Increase
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%
2026	7,481	2.7%

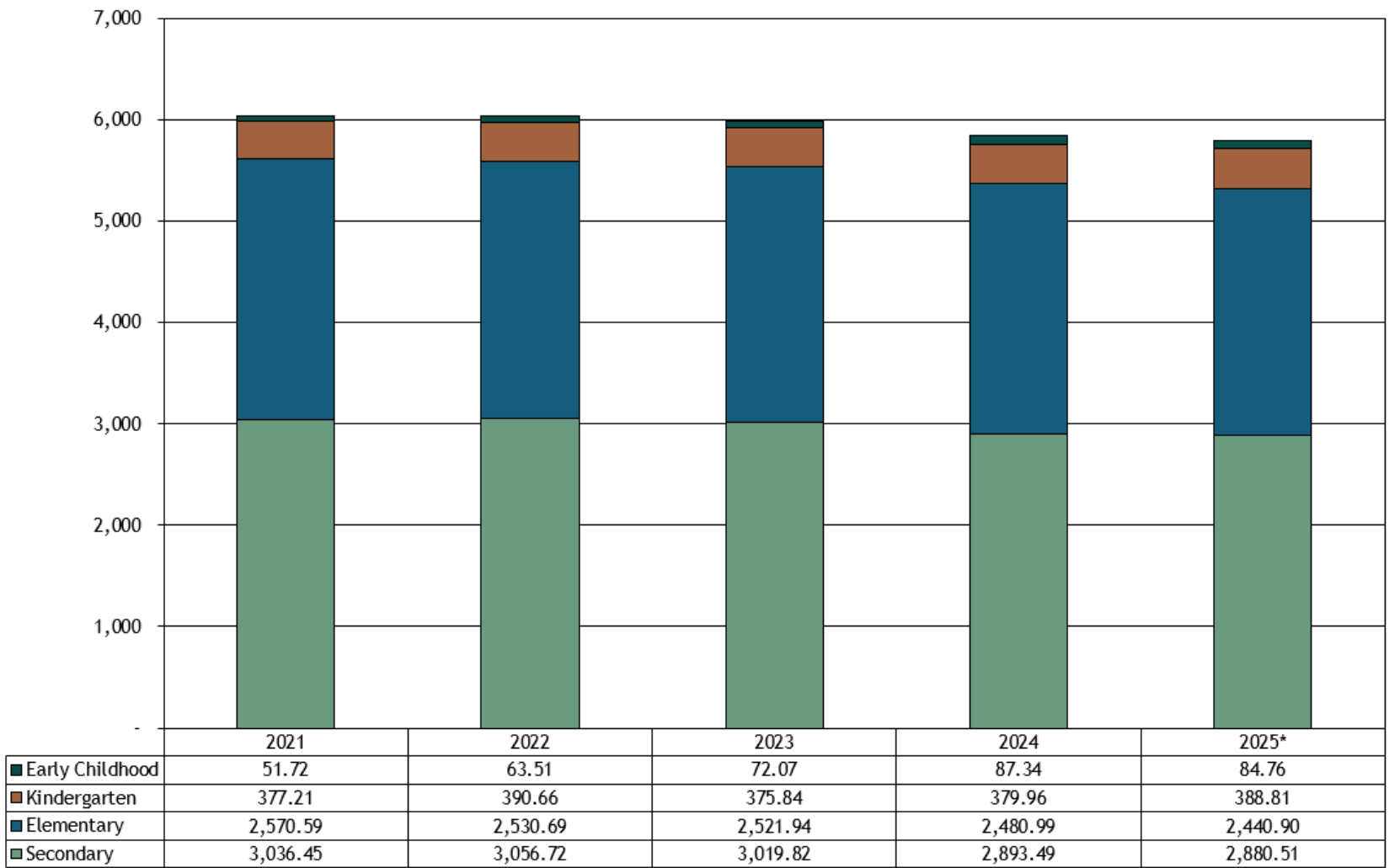
# Average Daily Membership (ADM)

## - Resident ADM

ADM	2021	2022	2023	2024	2025*
Early Childhood	51.72	63.51	72.07	87.34	84.76
Kindergarten	377.21	390.66	375.84	379.96	388.81
Elementary	2,570.59	2,530.69	2,521.94	2,480.99	2,440.90
Secondary	3,036.45	3,056.72	3,019.82	2,893.49	2,880.51
<b>Total Resident ADM</b>	<b>6,035.97</b>	<b>6,041.58</b>	<b>5,989.67</b>	<b>5,841.78</b>	<b>5,794.98</b>

# Average Daily Membership (ADM)

## - Resident ADM



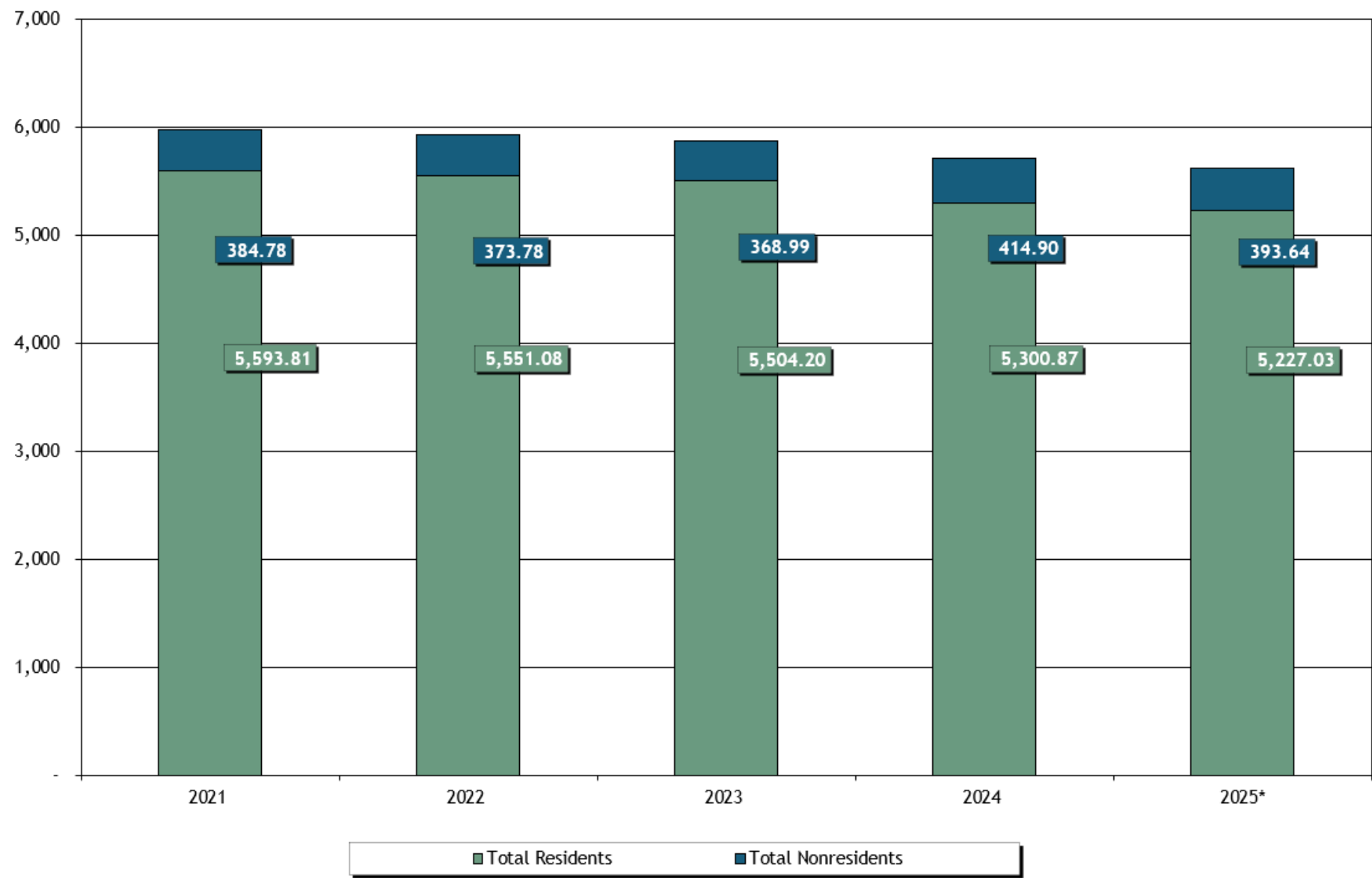


# Pupil Unit Numbers (PUN) - Weighting & PUN Served

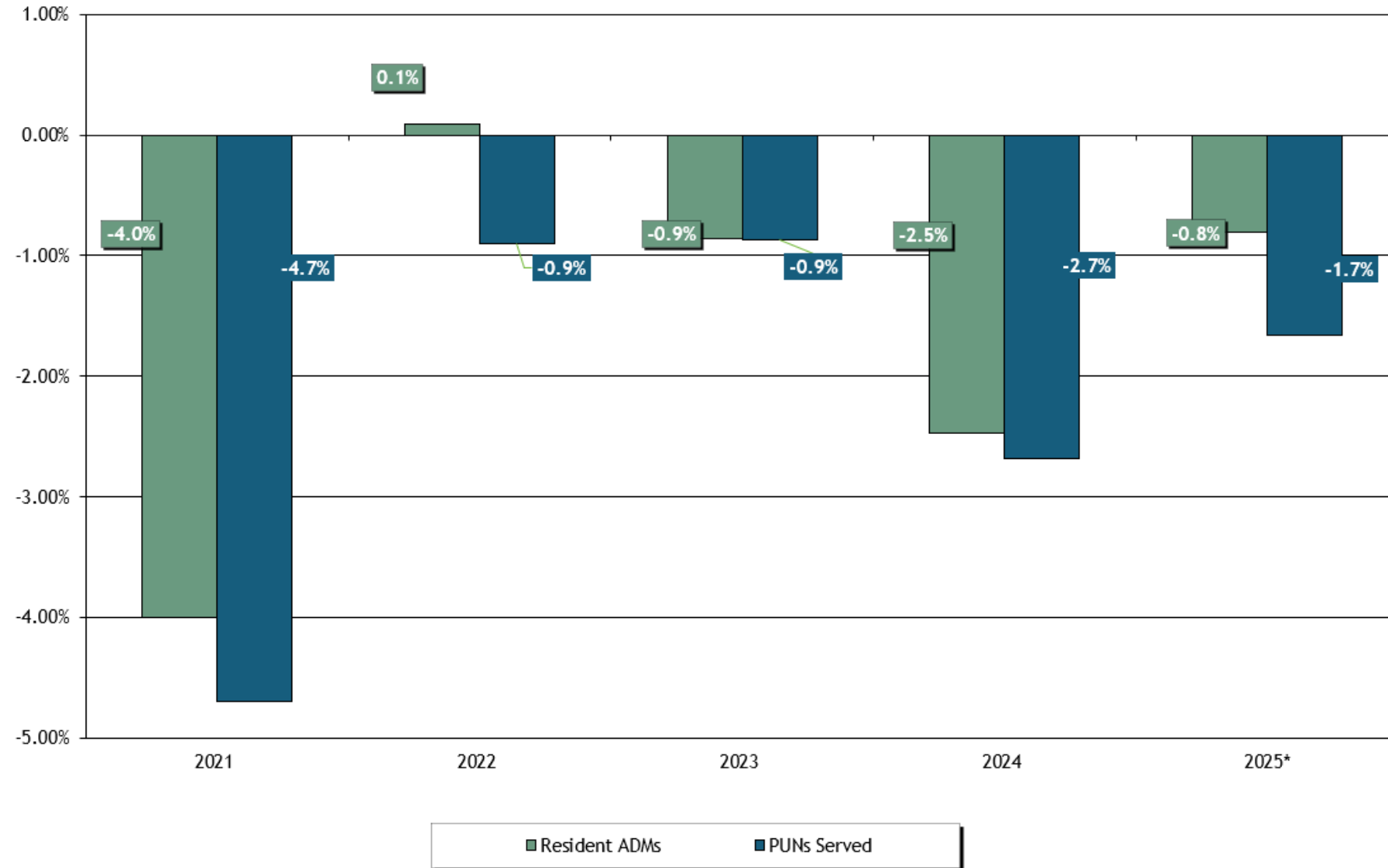
Pupil Units Weighting				
	Early Childhood	Kindergarten	Elementary Grades 1-6	Secondary Grades 7-12
2021-2025	1.000	1.000	1.000	1.200

PUN	2021	2022	2023	2024	2025*
Residents	6,643.07	6,652.95	6,593.62	6,420.47	6,371.11
Resident PUN loss	(1,049.26)	(1,101.87)	(1,089.42)	(1,119.60)	(1,144.08)
Nonresident PUN gain	384.78	373.78	368.99	414.90	393.64
<b>Total PUN Served</b>	<b>5,978.59</b>	<b>5,924.86</b>	<b>5,873.19</b>	<b>5,715.77</b>	<b>5,620.67</b>

# PUN Served



# Change in Resident ADM and PUN Served



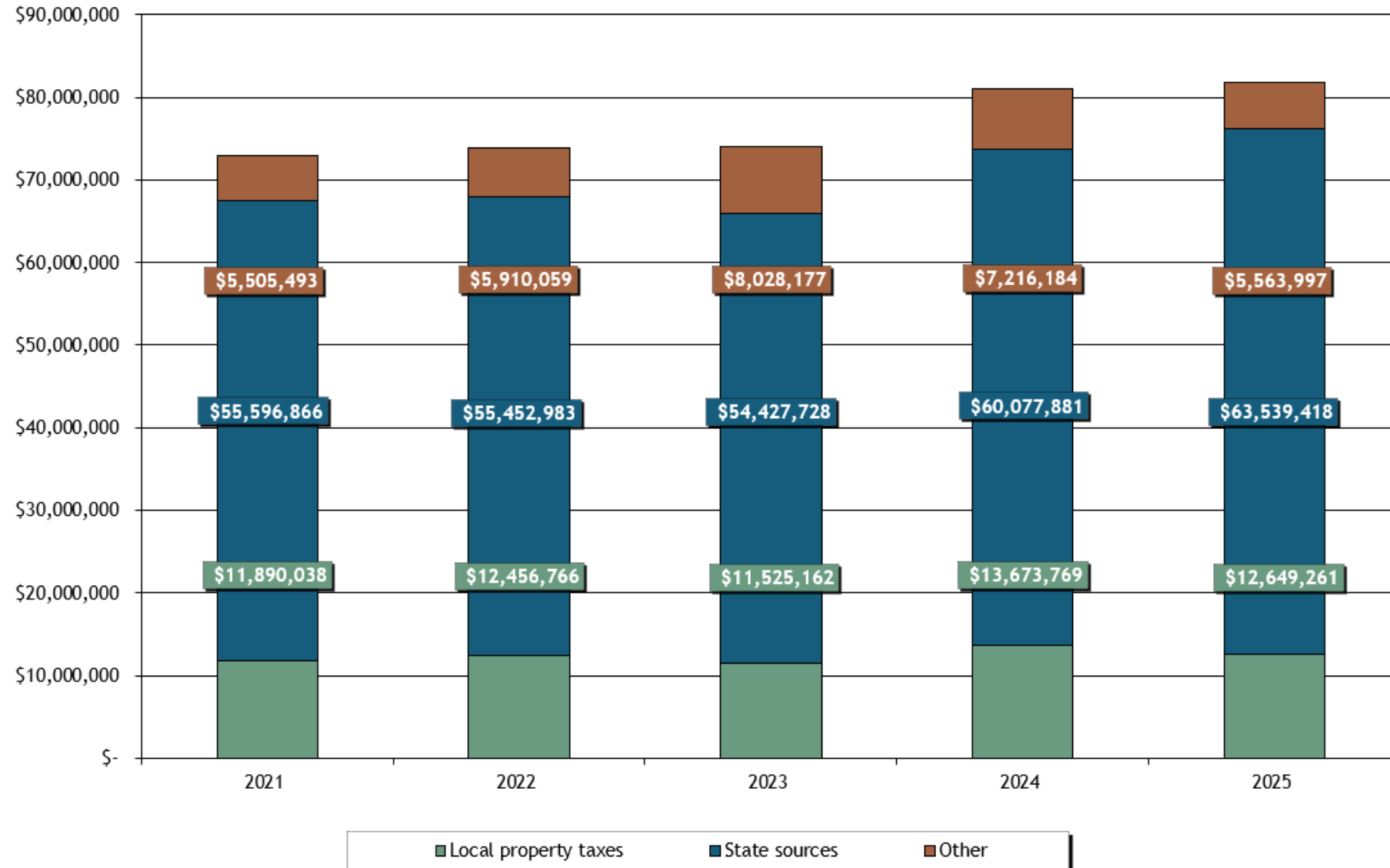
# General Fund – Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Local property taxes	\$ 12,773,541	\$ 12,674,582	\$ 12,649,261	\$ (25,321)
Other local revenues	3,088,802	3,358,881	3,529,618	170,737
Revenue from state sources	60,867,398	62,450,884	63,539,418	1,088,534
Revenue from federal sources	2,463,840	1,939,298	2,008,888	69,590
Sales and other conversion of assets	22,000	23,335	25,491	2,156
Total revenues	79,215,581	80,446,980	81,752,676	1,305,696
<b>Expenditures</b>				
Administration	2,502,910	2,542,294	2,542,879	585
District support services	2,036,664	2,017,642	1,892,807	(124,835)
Regular instruction	36,139,381	35,411,637	35,626,360	214,723
Vocational instruction	1,848,103	1,686,519	1,730,413	43,894
Special education instruction	17,484,639	17,488,424	17,393,483	(94,941)
Instructional support services	5,700,672	5,663,651	4,464,159	(1,199,492)
Pupil support services	7,268,922	7,749,789	7,655,729	(94,060)
Sites and buildings	9,189,319	8,585,397	8,083,008	(502,389)
Fiscal and other fixed cost programs	363,638	360,869	363,935	3,066
Debt service	123,843	107,843	122,842	14,999
Total expenditures	82,658,091	81,614,065	79,875,615	(1,738,450)
Excess of revenues over (under) expenditures	(3,442,510)	(1,167,085)	1,877,061	3,044,146
<b>Net Other Financing Sources</b>	1,500	1,500	4,546	3,046
Net Change in Fund Balance	\$ (3,441,010)	\$ (1,165,585)	\$ 1,881,607	\$ 3,047,192

# General Fund - Sources of Revenue

	2021	2022	2023	2024	2025
Local property taxes	\$ 11,890,038	\$ 12,456,766	\$ 11,525,162	\$ 13,673,769	\$ 12,649,261
State sources	55,596,866	55,452,983	54,427,728	60,077,881	63,539,418
Other	5,505,493	5,910,059	8,028,177	7,216,184	5,563,997
<b>Total</b>	<b>\$ 72,992,397</b>	<b>\$ 73,819,808</b>	<b>\$ 73,981,067</b>	<b>\$ 80,967,834</b>	<b>\$ 81,752,676</b>

# General Fund - Sources of Revenue



# General Fund

## - Revenues Per ADM Served

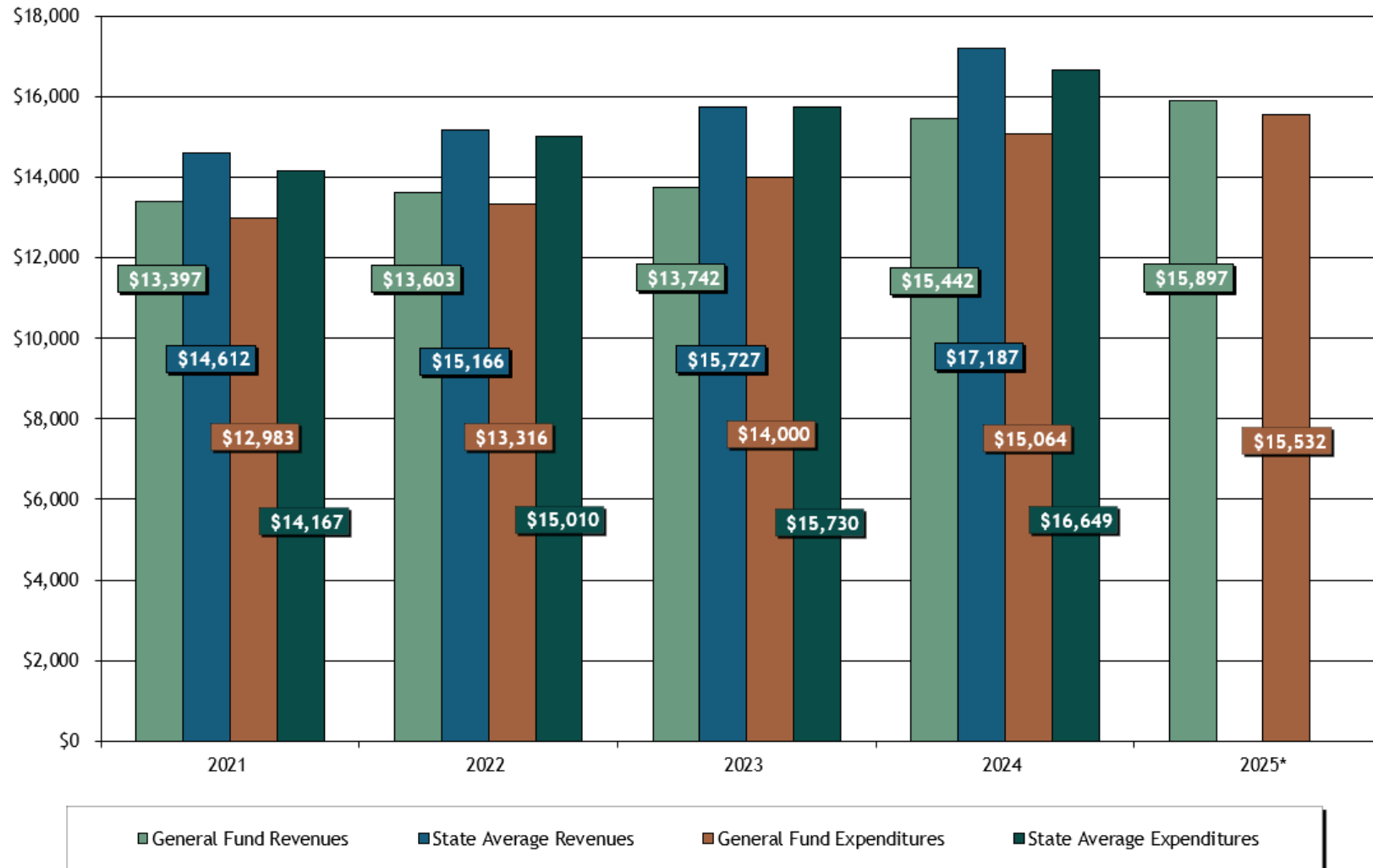
	2021	2022	2023	2024	2025*
General Fund	\$ 13,397	\$ 13,603	\$ 13,742	\$ 15,442	\$ 15,897
General Fund state average	14,612	15,166	15,727	17,187	N/A

## - Expenditures Per ADM Served

	2021	2022	2023	2024	2025*
General Fund	\$ 12,983	\$ 13,316	\$ 14,000	\$ 15,064	\$ 15,532
General Fund state average	14,167	15,010	15,730	16,649	N/A

# General Fund

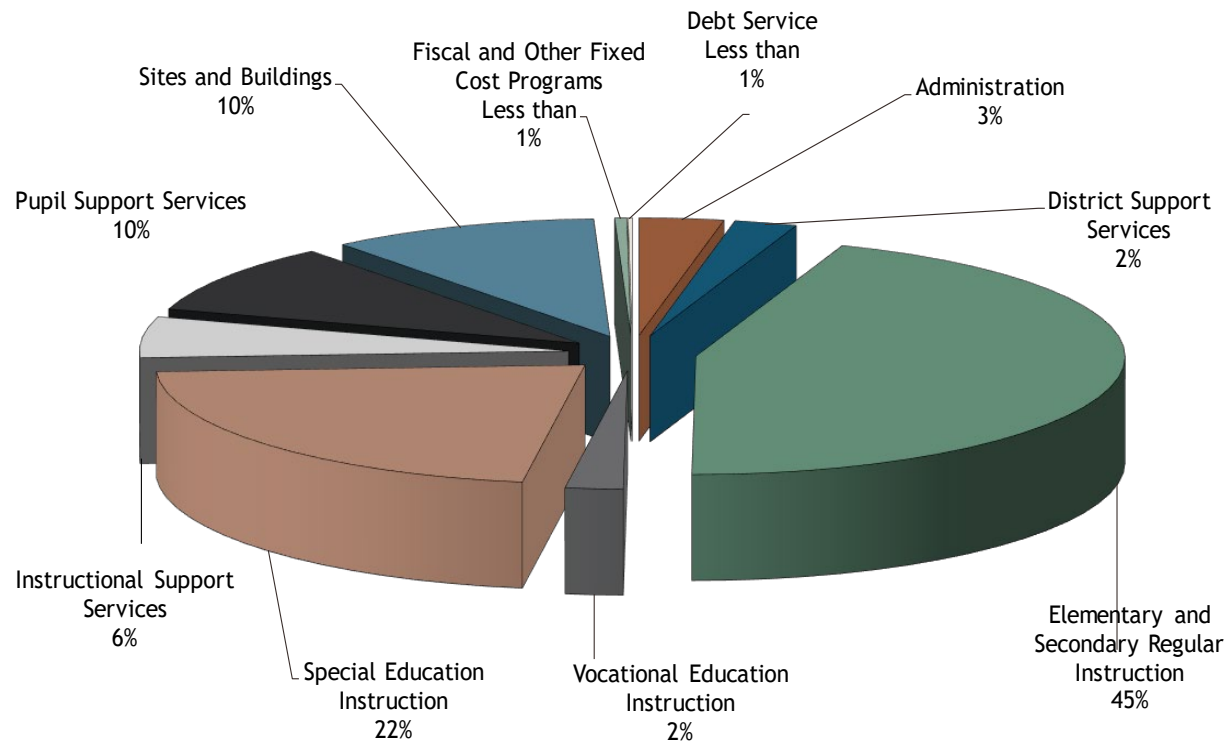
## - Revenues and Expenditures Per ADM Served



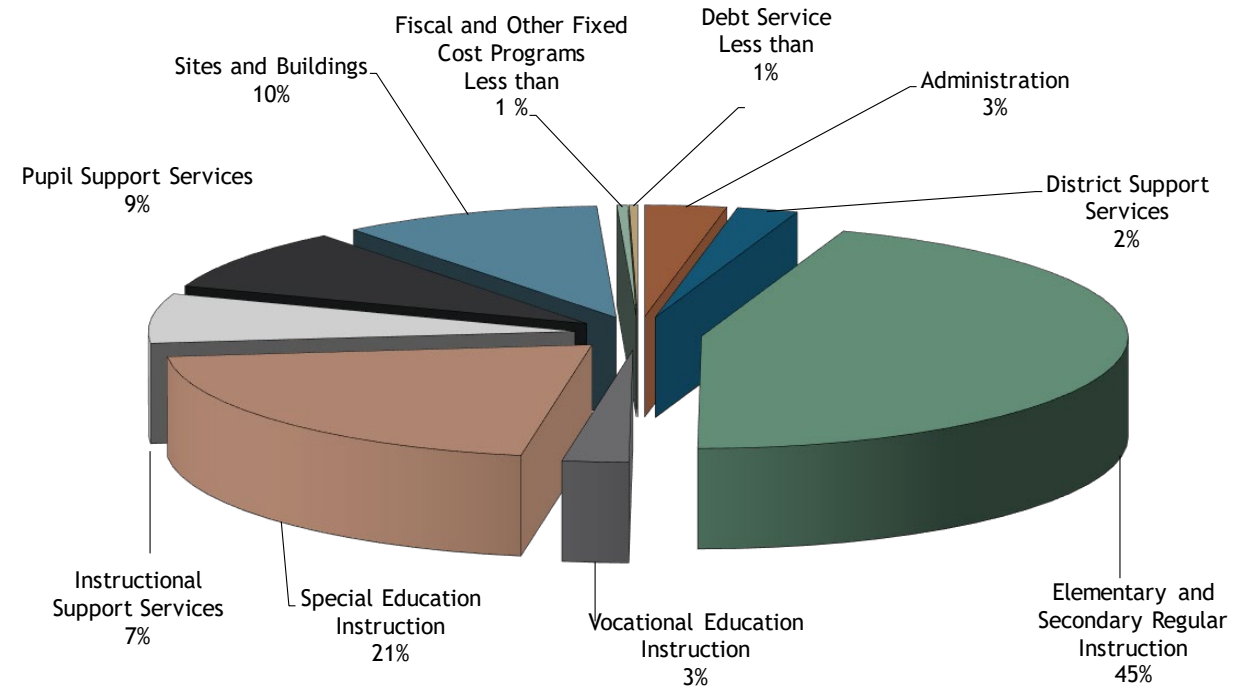


# General Fund – Expenditures

**General Fund Expenditures 2025**



**General Fund Expenditures 2024**



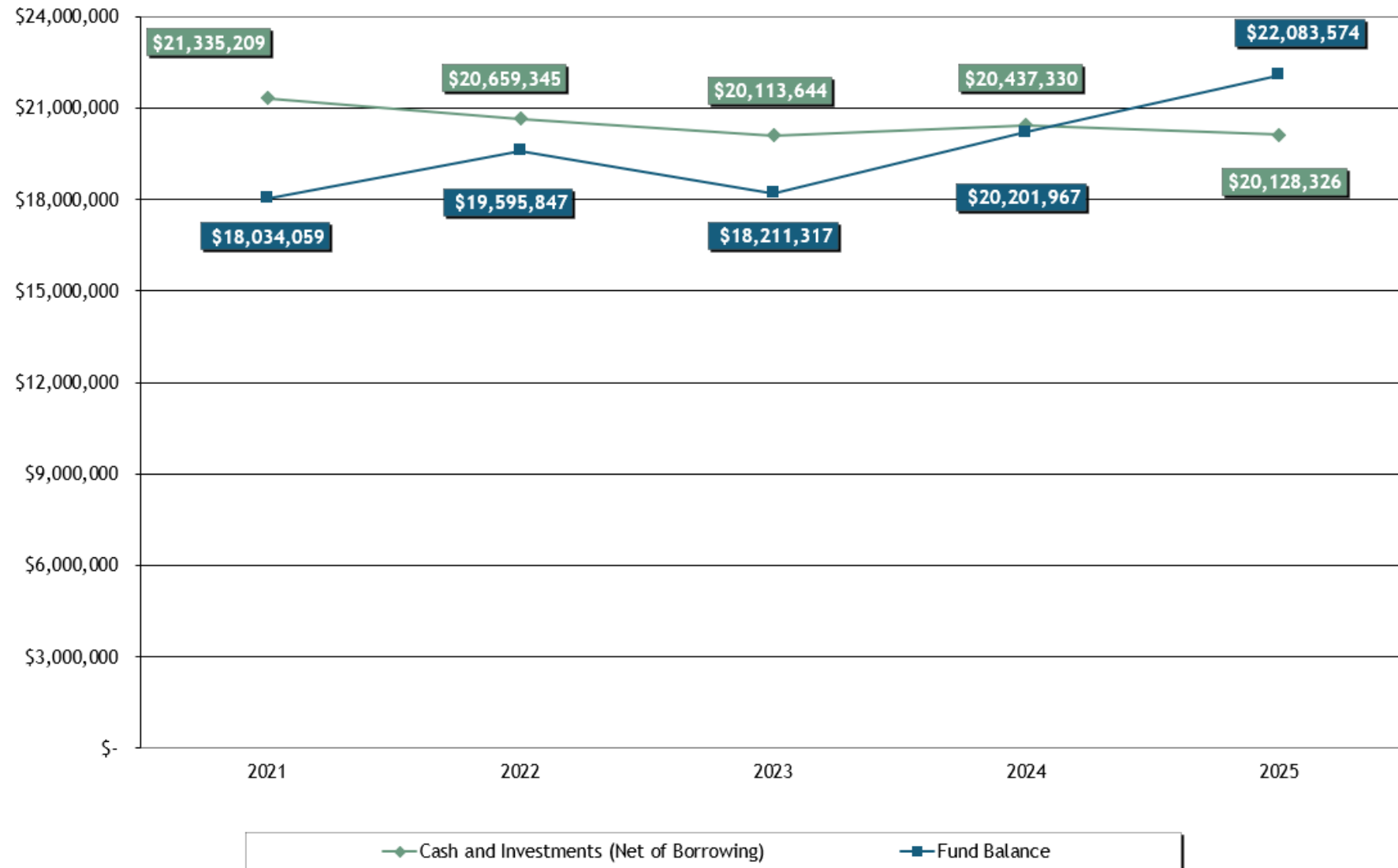
# General Fund – Operations

	2021	2022	2023	2024	2025
Revenues	\$ 72,992,397	\$ 73,819,808	\$ 73,981,067	\$ 80,967,834	\$ 81,752,676
Expenditures	70,812,639	72,394,748	75,442,218	78,989,395	79,875,615
Excess of revenues over (under) expenditures	2,179,758	1,425,060	(1,461,151)	1,978,439	1,877,061
Transfers/other financing sources and uses	86,919	136,728	76,621	12,211	4,546
Fund balance, July 1	15,767,382	18,034,059	19,595,847	18,211,317	20,201,967
<b>Fund Balance, June 30</b>	<b>\$ 18,034,059</b>	<b>\$ 19,595,847</b>	<b>\$ 18,211,317</b>	<b>\$ 20,201,967</b>	<b>\$ 22,083,574</b>

Components					
Unassigned	\$ 10,013,894	\$ 10,750,570	\$ 10,418,889	\$ 11,803,666	\$ 12,331,324
Nonspendable	607,010	808,200	706,309	821,258	1,128,099
Reserved/restricted for					
Student activities	21,121	38,012	42,337	45,429	41,773
Student support personnel aid	-	-	-	-	10,014
Literacy aid	-	-	-	-	177,816
Q Comp	-	-	-	-	188,663
Operating capital	1,182,366	1,497,207	1,749,715	1,940,960	1,680,637
Literacy incentive aid	-	-	-	182,371	233,382
American Indian education aid	-	-	-	8,407	7,041
Long-term facility maintenance	347,494	624,421	(198,064)	377,945	870,417
Medical assistance	482,065	488,888	326,694	379,846	496,996
Committed/assigned for					
Separation benefits	2,187,804	2,374,820	2,576,411	2,890,038	3,209,069
Student activities - fund 9	383,104	351,218	428,932	584,869	607,249
Q Comp	37,353	133,344	25,072	-	-
Capital	1,385,317	1,030,697	853,208	428,147	809,390
Carryover	1,201,806	1,421,168	1,352,588	759,431	320,186
Dental insurance	184,725	77,302	(70,774)	(20,400)	(28,482)
<b>Total</b>	<b>\$ 18,034,059</b>	<b>\$ 19,595,847</b>	<b>\$ 18,211,317</b>	<b>\$ 20,201,967</b>	<b>\$ 22,083,574</b>

# General Fund – Financial Position



# Food Service Fund

For the Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	\$ 3,574,635	\$ 4,844,434	\$ 3,905,749	\$ 4,987,106	\$ 4,851,574
Expenditures, excluding OPEB	3,133,990	3,533,402	3,585,741	4,376,501	5,090,763
Excess of revenues over (under) expenditures	440,645	1,311,032	320,008	610,605	(239,189)
Transfers/other financing sources	1,310	14,116	-	-	-
Fund balance, July 1	930,425	1,372,380	2,697,528	3,017,536	3,628,141
<b>Fund Balance, June 30</b>	<b>\$ 1,372,380</b>	<b>\$ 2,697,528</b>	<b>\$ 3,017,536</b>	<b>\$ 3,628,141</b>	<b>\$ 3,388,952</b>

# Community Service Fund

For the Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	\$ 3,014,480	\$ 3,794,664	\$ 4,160,988	\$ 4,684,255	\$ 4,012,591
Expenditures, excluding OPEB	3,098,360	3,467,083	3,752,012	4,099,179	4,190,602
Excess of revenues over (under) expenditures	(83,880)	327,581	408,976	585,076	(178,011)
Transfers/other financing sources	-	-	-	266	-
Fund balance, July 1	(125,356)	(209,236)	118,345	527,321	1,112,663
<b>Fund Balance, June 30</b>	<b>\$ (209,236)</b>	<b>\$ 118,345</b>	<b>\$ 527,321</b>	<b>\$ 1,112,663</b>	<b>\$ 934,652</b>

Components					
Unassigned	\$ (50,687)	\$ (73,462)	\$ (78,301)	\$ (93,675)	\$ (132,135)
Nonspendable	2,037	10,244	1,781	2,967	3,883
Restricted/reserved for					
ECFE	196,617	225,808	195,493	206,487	299,509
Community education	(438,776)	(122,940)	307,973	875,192	679,304
School readiness	44,612	78,695	100,375	121,692	84,091
Adult basic education	36,961	-	-	-	-
<b>Total</b>	<b>\$ (209,236)</b>	<b>\$ 118,345</b>	<b>\$ 527,321</b>	<b>\$ 1,112,663</b>	<b>\$ 934,652</b>

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# Auditor

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# Janel Bitzan

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# Thank You

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