

# ISD No. 2687 Howard Lake-Waverly- Winsted, MN

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Aaron Dahl, CPA



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# The Audit

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# Independent Auditor's Report

- ◆ Unmodified opinion on the District's basic financial statements which comprise the District's governmental activities, each major fund, the aggregate remaining fund information, and the budget to actual statement for the General Fund.
- ◆ Financial Statements present fairly, in all material respects, the financial position and changes in the financial position of the Governmental Activities, Each Major Fund and the Aggregate Remaining Funds.

# Audit Communications

- ◆ Report in Accordance with *Government Auditing Standards*
  - ◇ Internal Control Finding
    - ❖ Lack of Segregation of Accounting Duties
  
- ◆ Report on results of a Single Audit performed in accordance with OMB *Uniform Guidance*
  - ◇ Unmodified opinion on compliance with requirements of the Child Nutrition Cluster - No findings
  
- ◆ 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

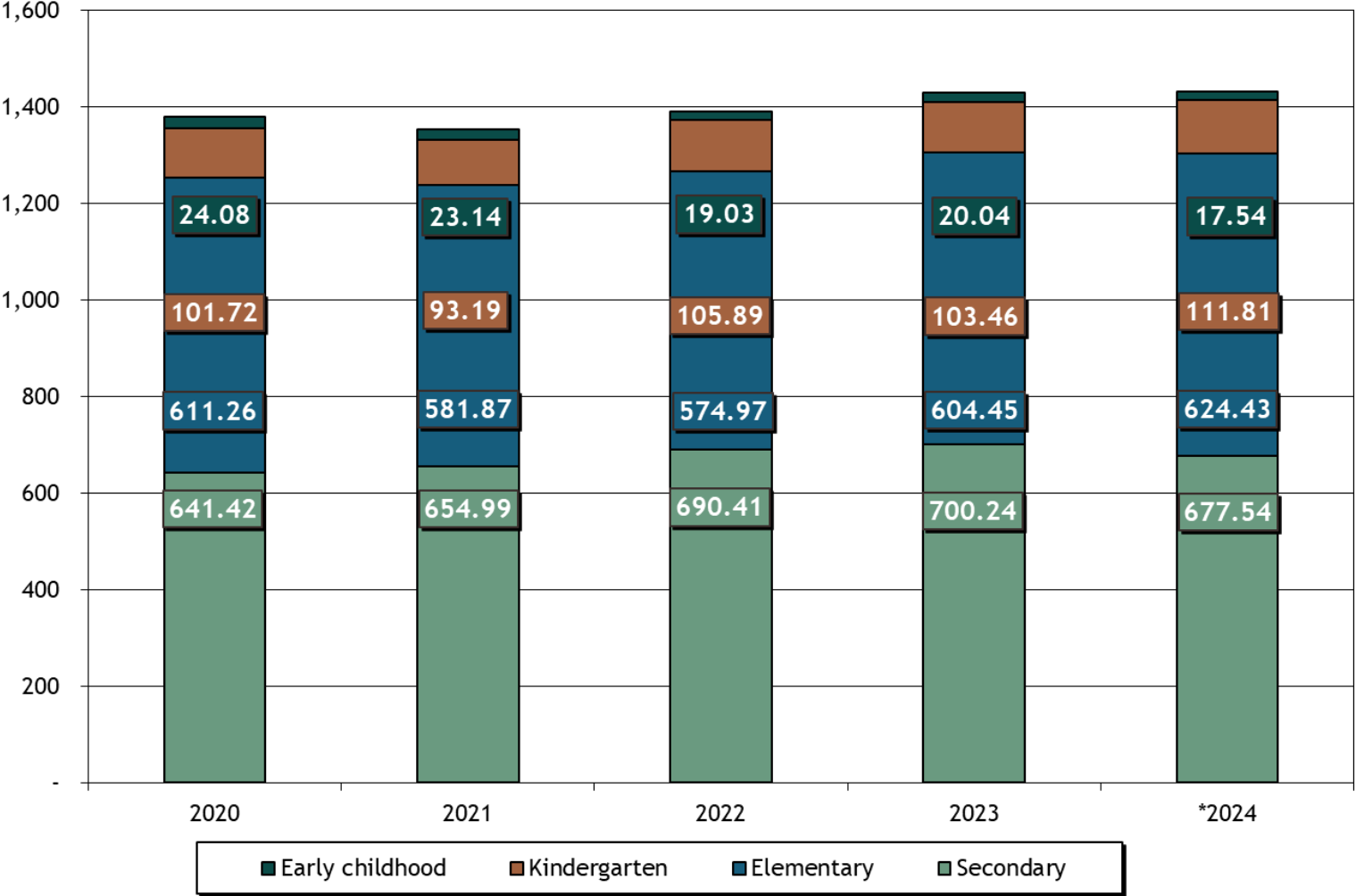
Year	General Education Aid Formula Allowance	
	Amount	Percent Increase
2014	\$ 5,302	1.5%
2015*	5,831	1.9%
2016	5,948	2.0%
2017	6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%
2024	7,138	4.0%
2025	7,281	2.0%

\* 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 and Pupil Units - Resident ADM

ADM	2020	2021	2022	2023	*2024
Early childhood	24.08	23.14	19.03	20.04	17.54
Kindergarten	101.72	93.19	105.89	103.46	111.81
Elementary	611.26	581.87	574.97	604.45	624.43
Secondary	641.42	654.99	690.41	700.24	677.54
<b>Total Resident ADM</b>	<b>1,378.48</b>	<b>1,353.19</b>	<b>1,390.30</b>	<b>1,428.19</b>	<b>1,431.32</b>

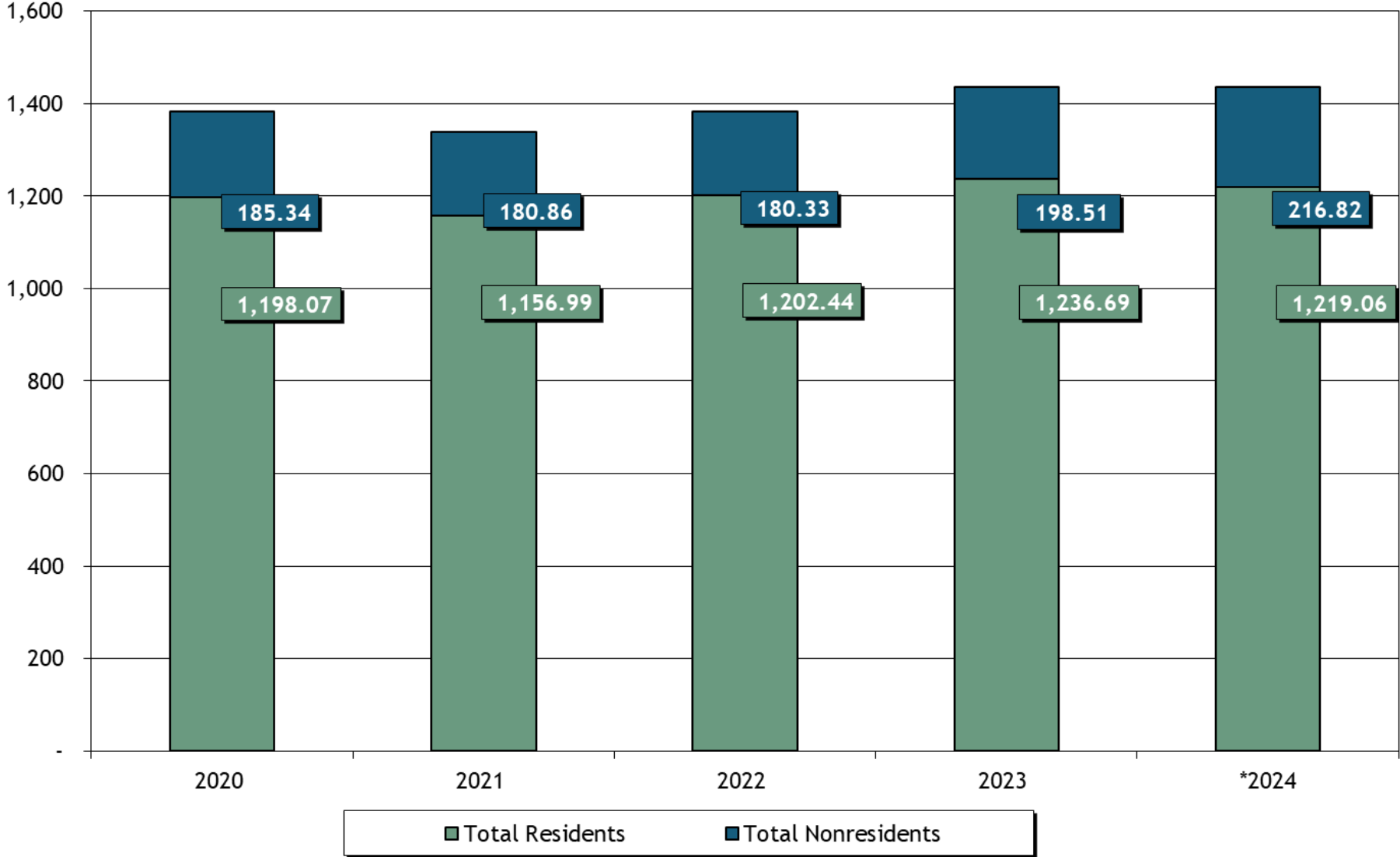
# Average Daily Membership and Pupil Units - Resident ADM



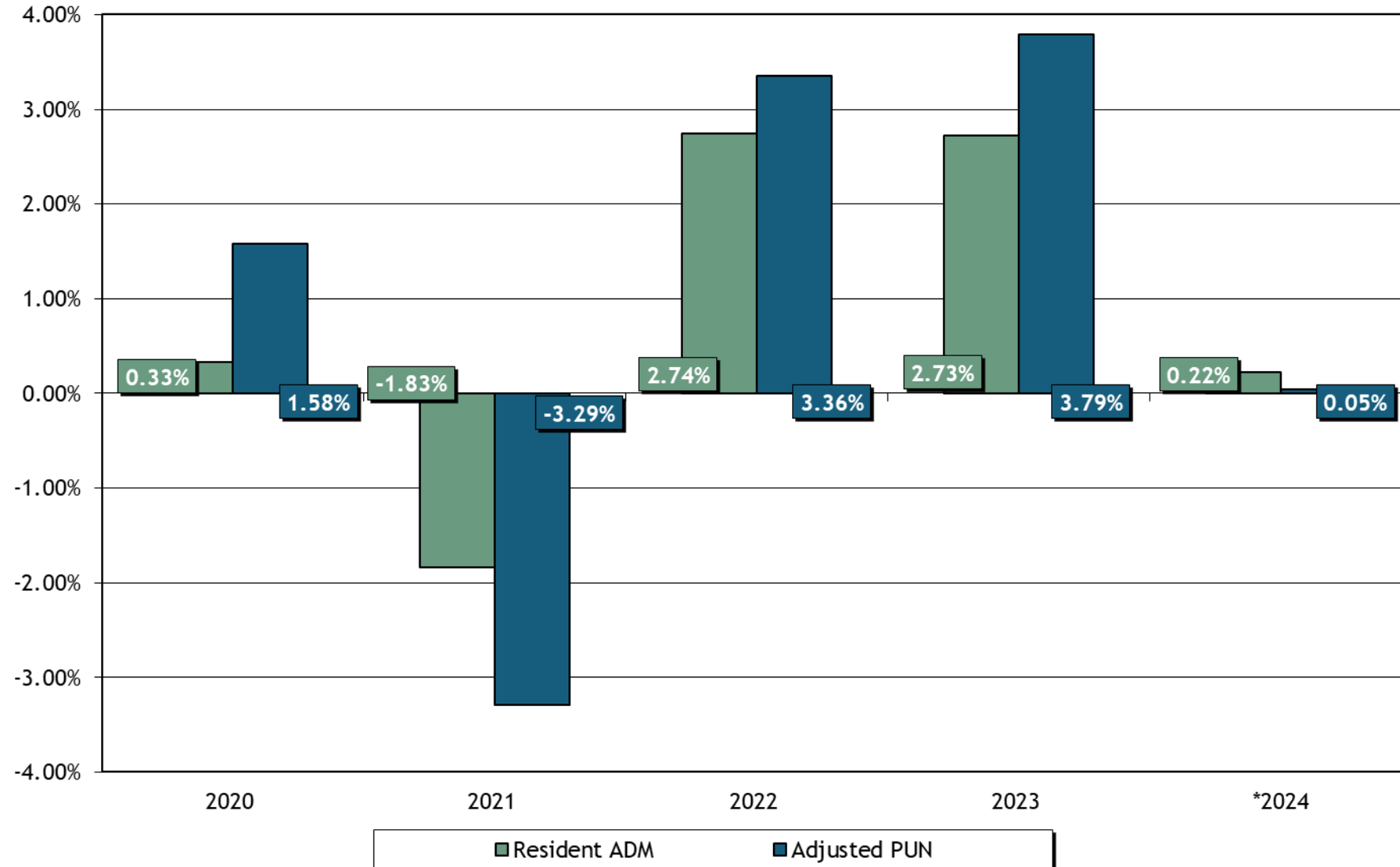
# Average Daily Membership and Pupil Units - Weighting & Adjusted PUN

Pupil Units Weighting					
Prekindergarten and Handicapped Half and Full Elementary Kindergarten Kindergarten Grades 1-3/4-6 Secondary					
2020-2024	1.000	1.000	1.000	1.200	
PUN	2020	2021	2022	2023	*2024
Residents	1,506.20	1,484.18	1,528.39	1,568.24	1,566.37
Resident PUN loss	(308.13)	(327.19)	(325.95)	(331.55)	(347.31)
Nonresident PUN gain	185.34	180.86	180.33	198.51	216.82
<b>Total Adjusted PUN</b>	<b>1,383.41</b>	<b>1,337.85</b>	<b>1,382.77</b>	<b>1,435.20</b>	<b>1,435.88</b>

# Adjusted Pupil Units



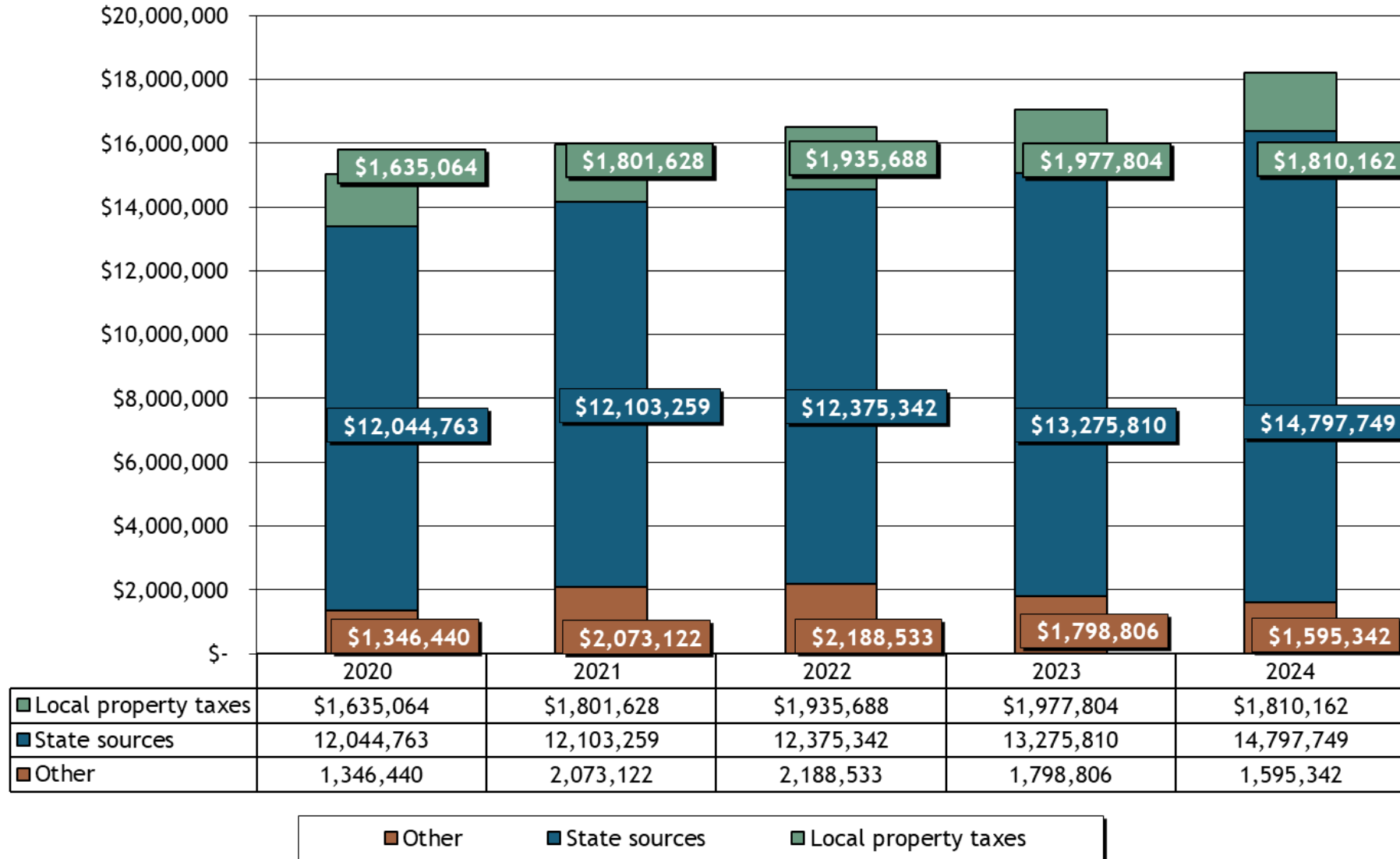
# Change in Resident ADM and Adjusted PUN



# General Fund Sources of Revenue

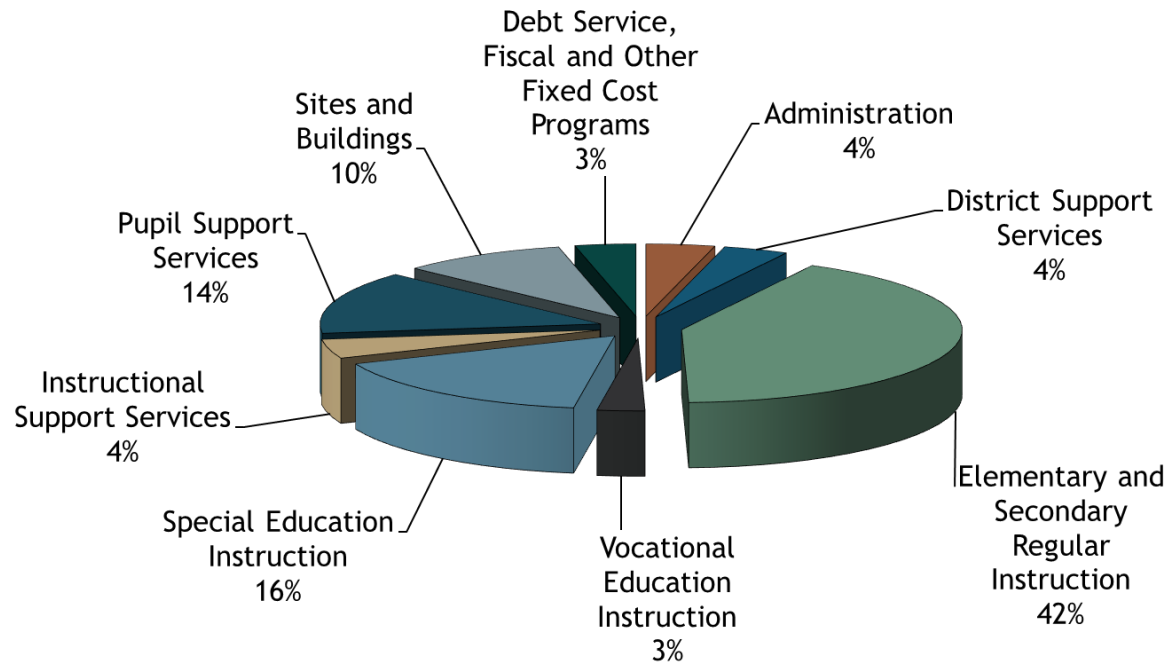
	2020	2021	2022	2023	2024
Local property taxes	\$ 1,635,064	\$ 1,801,628	\$ 1,935,688	\$ 1,977,804	\$ 1,810,162
State sources	12,044,763	12,103,259	12,375,342	13,275,810	14,797,749
Other	1,346,440	2,073,122	2,188,533	1,798,806	1,595,342
<b>Total</b>	<b>\$ 15,026,267</b>	<b>\$ 15,978,009</b>	<b>\$ 16,499,563</b>	<b>\$ 17,052,420</b>	<b>\$ 18,203,253</b>

# General Fund Sources of Revenue

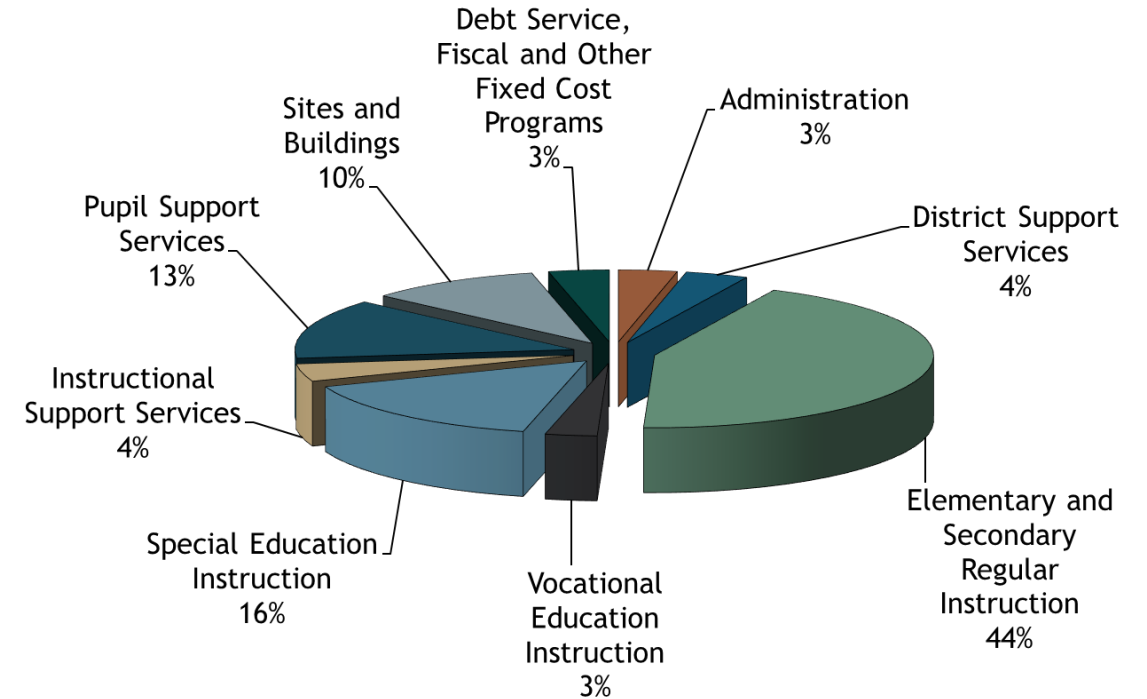


# General Fund Expenditures

**2024 General Fund Expenditures**  
**\$17,811,605**



**2023 General Fund Expenditures**  
**\$17,785,896**



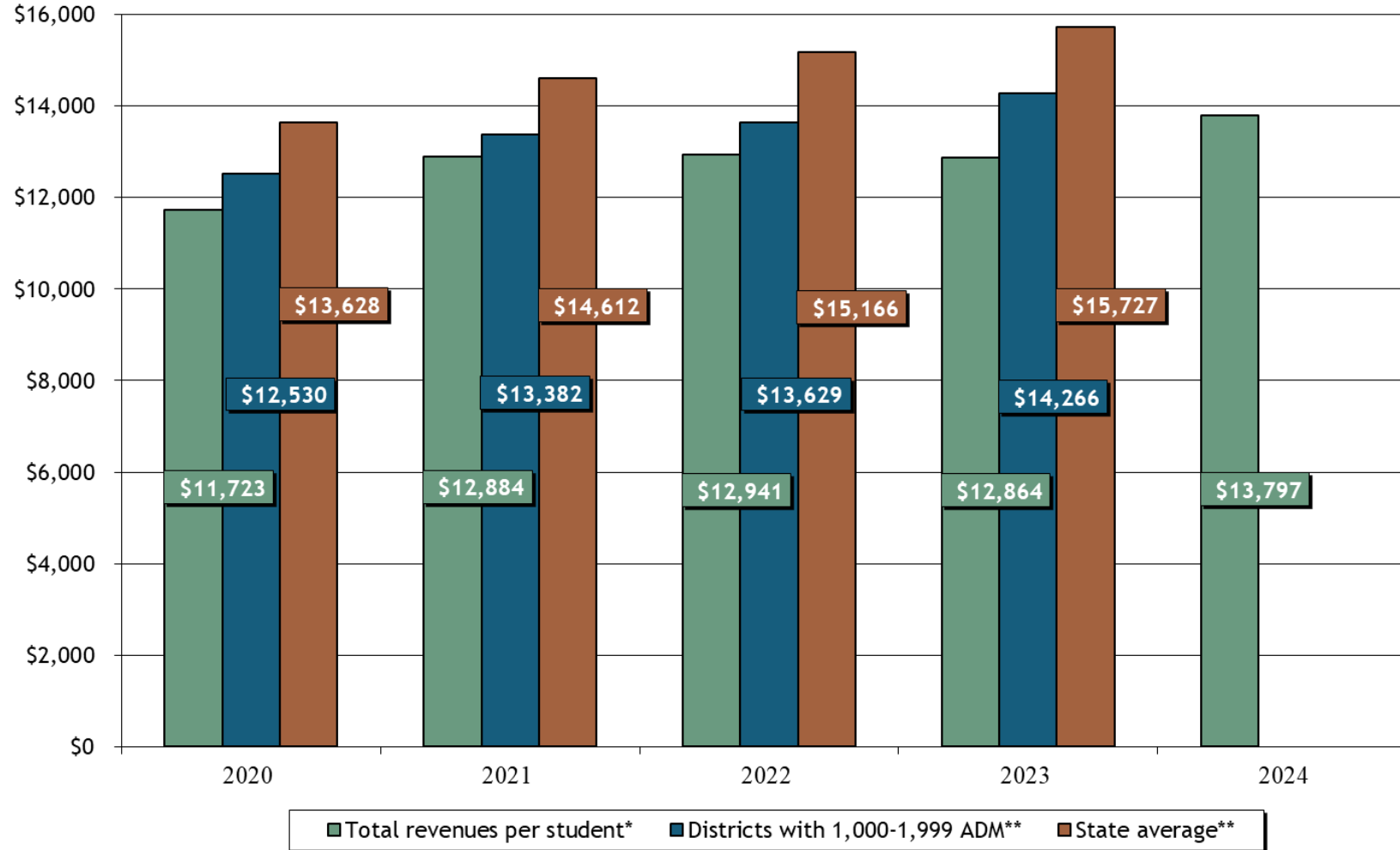
# General Fund Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Local property taxes	\$ 1,603,119	\$ 1,779,892	\$ 1,810,162	\$ 30,270
State sources	14,434,830	14,606,739	14,797,749	191,010
Other sources	1,493,480	1,241,295	1,595,342	354,047
Total revenues	<u>17,531,429</u>	<u>17,627,926</u>	<u>18,203,253</u>	<u>575,327</u>
<b>Expenditures</b>				
Administration	665,952	761,115	705,843	(55,272)
District Support Services	680,068	685,401	668,574	(16,827)
Elementary and Secondary Regular Instruction	7,679,243	7,605,998	7,460,619	(145,379)
Vocational Education Instruction	451,146	443,676	487,065	43,389
Special Education Instruction	3,002,692	3,083,797	2,911,914	(171,883)
Instructional Support Services	615,262	639,754	756,665	116,911
Pupil Support Services	2,188,462	2,229,537	2,493,419	263,882
Sites and Buildings	1,783,805	1,877,130	1,703,353	(173,777)
Debt Service and Fiscal	623,770	632,740	624,116	(8,624)
Community Service	-	690	37	(653)
Total expenditures	<u>17,690,400</u>	<u>17,959,838</u>	<u>17,811,605</u>	<u>(148,233)</u>
<b>Other Financing Sources</b>	-	38,711	38,270	(441)
Net change in fund balances	\$ (158,971)	\$ (293,201)	\$ 429,918	\$ 723,119

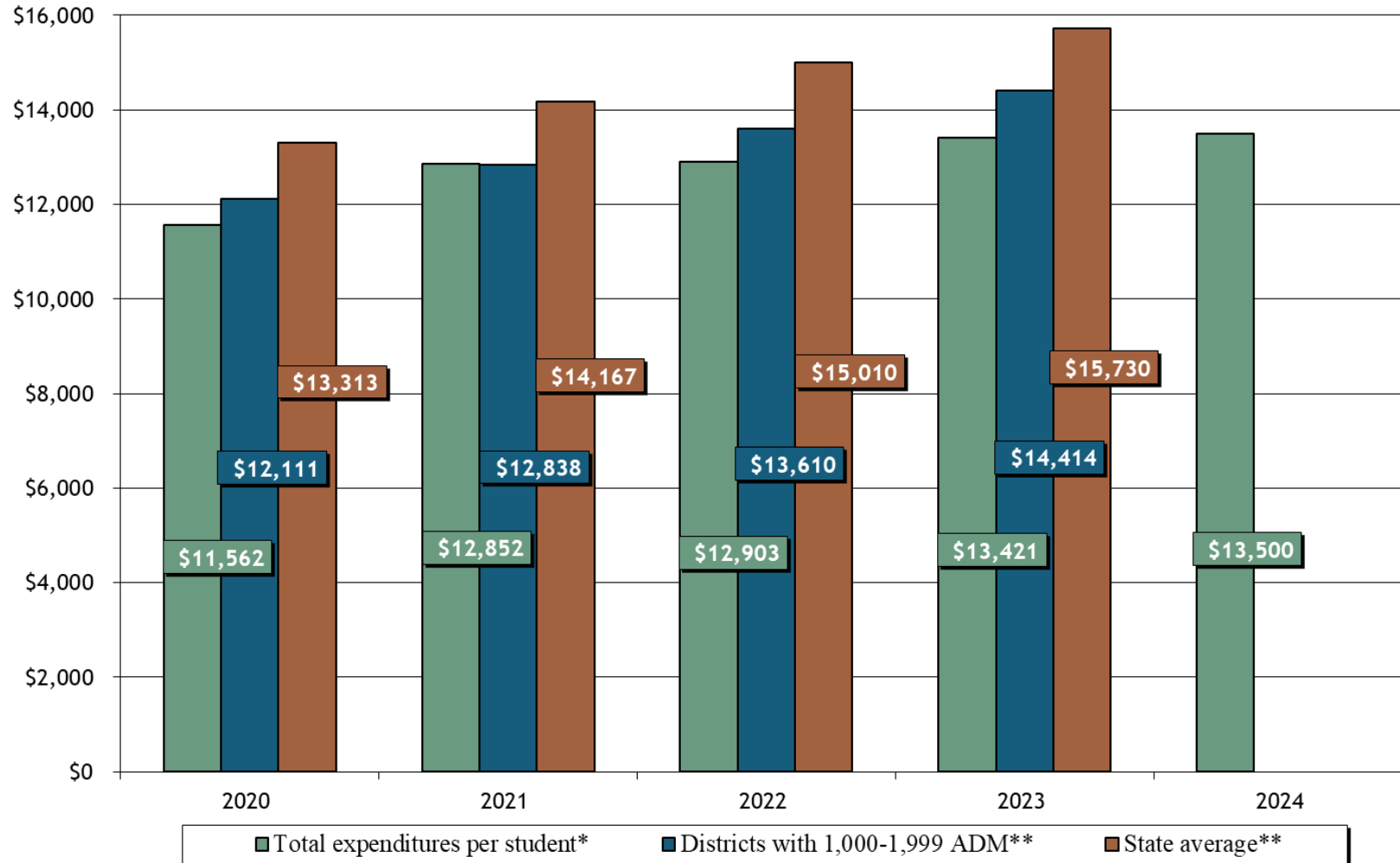
# Revenues and Expenditures Per Student ADM Served for the General Fund

		2020		2021		2022		2023		2024
Total revenues per student*	\$	11,723	\$	12,884	\$	12,941	\$	12,864	\$	13,797
Districts with 1,000-1,999 ADM**		12,530		13,382		13,629		14,266		N/A
State average**		13,628		14,612		15,166		15,727		N/A
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		2020		2021		2022		2023		2024
Total expenditures per student*	\$	11,562	\$	12,852	\$	12,903	\$	13,421	\$	13,500
Districts with 1,000-1,999 ADM**		12,111		12,838		13,610		14,414		N/A
State average**		13,313		14,167		15,010		15,730		N/A

# Revenues Per Student ADM Served Plus Tuition Out



# Expenditures Per Student ADM Served Plus Tuition Out

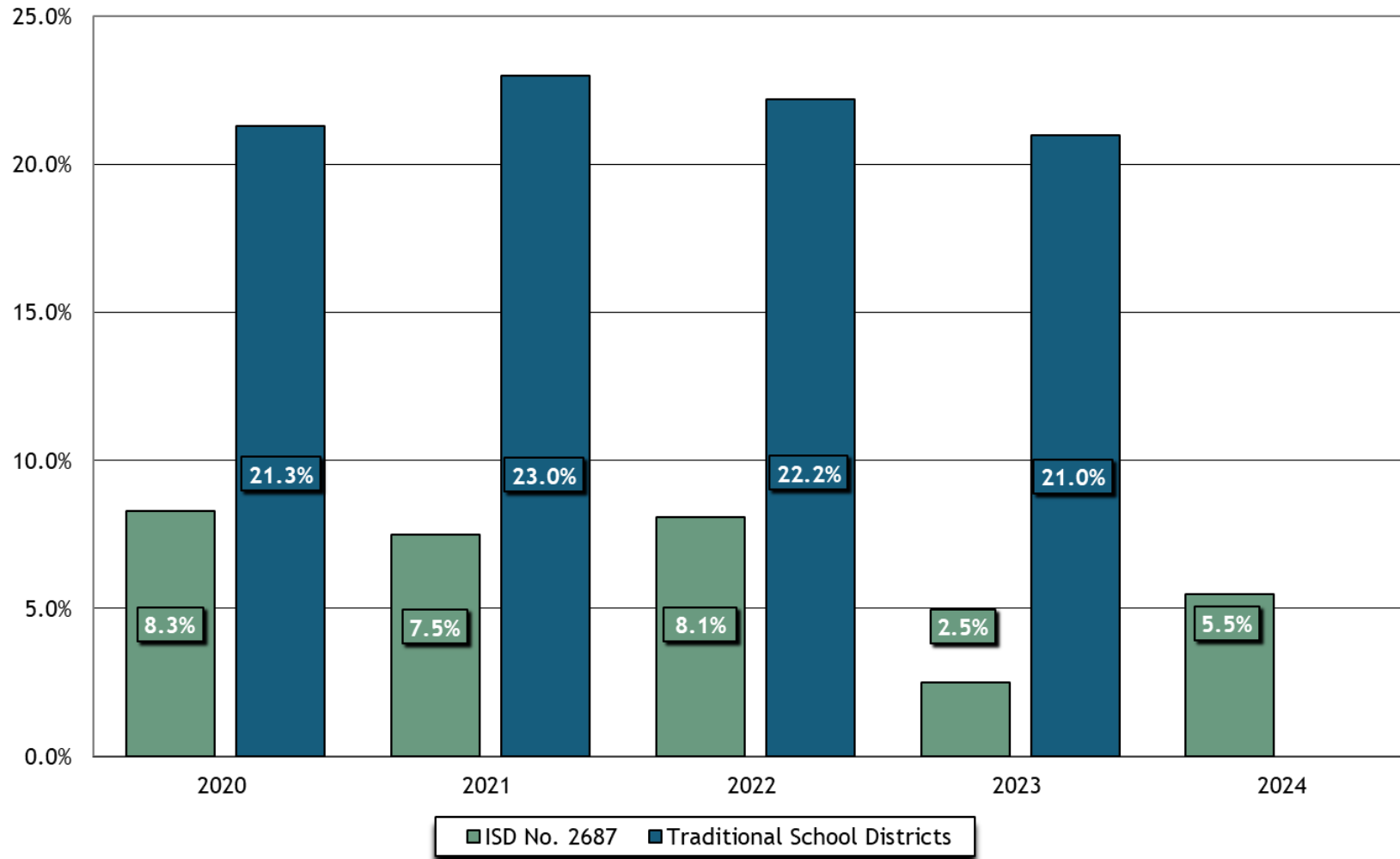


# General Fund Operations

	2020	2021	2022	2023	2024
Revenues	\$ 15,026,267	\$ 15,978,009	\$ 16,499,563	\$ 17,052,420	\$ 18,203,253
Expenditures	14,820,446	15,938,369	16,450,701	17,785,896	17,811,605
Excess of revenues over (under) expenditures	205,821	39,640	48,862	(733,476)	391,648
Other financing sources	-	-	2,500	-	38,270
Fund balance, July 1	941,900	1,203,115	1,242,755	1,294,117	560,641
Change in accounting principle	55,394	-	-	-	-
<b>Fund Balance, June 30</b>	<b>\$ 1,203,115</b>	<b>\$ 1,242,755</b>	<b>\$ 1,294,117</b>	<b>\$ 560,641</b>	<b>\$ 990,559</b>

Components					
Nonspendable	\$ 47,306	\$ 37,088	\$ 14,518	\$ 8,145	\$ 3,725
Restricted/Reserved for					
Student Activities	91,746	86,354	107,294	121,167	118,259
Literacy Incentive Aid	-	-	-	-	35,103
Operating Capital	52,710	105,850	246	-	-
Student Support Personnel	-	-	-	-	1,695
Long-Term Facilities Maintenance	1,393	(471)	28,685	47,631	4,291
Assigned for					
Elementary R.A.K.	3,426	3,271	3,271	3,271	3,271
Letter Club	-	-	2,479	2,479	2,479
Unassigned	1,006,534	1,010,663	1,137,624	377,948	821,736
<b>Total</b>	<b>\$ 1,203,115</b>	<b>\$ 1,242,755</b>	<b>\$ 1,294,117</b>	<b>\$ 560,641</b>	<b>\$ 990,559</b>

# Unrestricted Fund Balance as a Percentage of Unrestricted Expenditures



# Food Service Fund

For the Year Ended June 30,	2020	2021	2022	2023	2024
Revenues	\$ 689,107	\$ 901,293	\$ 1,220,477	\$ 1,031,878	\$ 1,408,261
Expenditures	708,239	746,052	920,462	1,149,793	1,327,195
Excess of revenues over (under) expenditures	(19,132)	155,241	300,015	(117,915)	81,066
Fund balance, July 1	76,923	57,791	213,032	513,047	395,132
<b>Fund Balance, June 30</b>	<b>\$ 57,791</b>	<b>\$ 213,032</b>	<b>\$ 513,047</b>	<b>\$ 395,132</b>	<b>\$ 476,198</b>

# Community Service Fund

For the Year Ended June 30,	2020	2021	2022	2023	2024
Revenues	\$ 621,943	\$ 569,547	\$ 601,943	\$ 775,793	\$ 1,028,671
Expenditures	638,802	593,261	686,132	823,801	973,406
Excess of revenues over (under) expenditures	(16,859)	(23,714)	(84,189)	(48,008)	55,265
Fund balance, July 1	92,669	75,810	52,096	(32,093)	(80,101)
<b>Fund Balance, June 30</b>	<b>\$ 75,810</b>	<b>\$ 52,096</b>	<b>\$ (32,093)</b>	<b>\$ (80,101)</b>	<b>\$ (24,836)</b>

Components					
Nonspendable	\$ -	\$ -	\$ -	\$ 1,357	\$ -
Restricted for					
ECFE	30,838	32,535	59,385	28,142	10,796
Community Education	39,873	3,099	(82,230)	(98,378)	(24,507)
School Readiness	314	4,563	(19,554)	(19,062)	(18,807)
Community Service	4,785	11,899	10,306	7,840	7,682
<b>Total</b>	<b>\$ 75,810</b>	<b>\$ 52,096</b>	<b>\$ (32,093)</b>	<b>\$ (80,101)</b>	<b>\$ (24,836)</b>

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# Auditor

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**Thank You**

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