

ISD No. 656 Faribault, MN

Caroline Stutsman, CPA



The Audit

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 Findings
 - ❖ Lack of Segregation of Accounting Duties
- ◆ Report on Minnesota Legal Compliance
 - ◇ Findings on compliance with legal provisions contained in the Minnesota Legal Compliance Audit Guide for Local Government
 - ❖ No findings
- ◆ Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance - Preliminary
 - ◇ Single audit required when federal expenditures exceed \$750,000
 - ◇ Tested the Title I, Special Education Cluster and Comprehensive Literacy State Development Grant programs
 - ❖ No program findings

Financial Communications

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 and Pupil Units

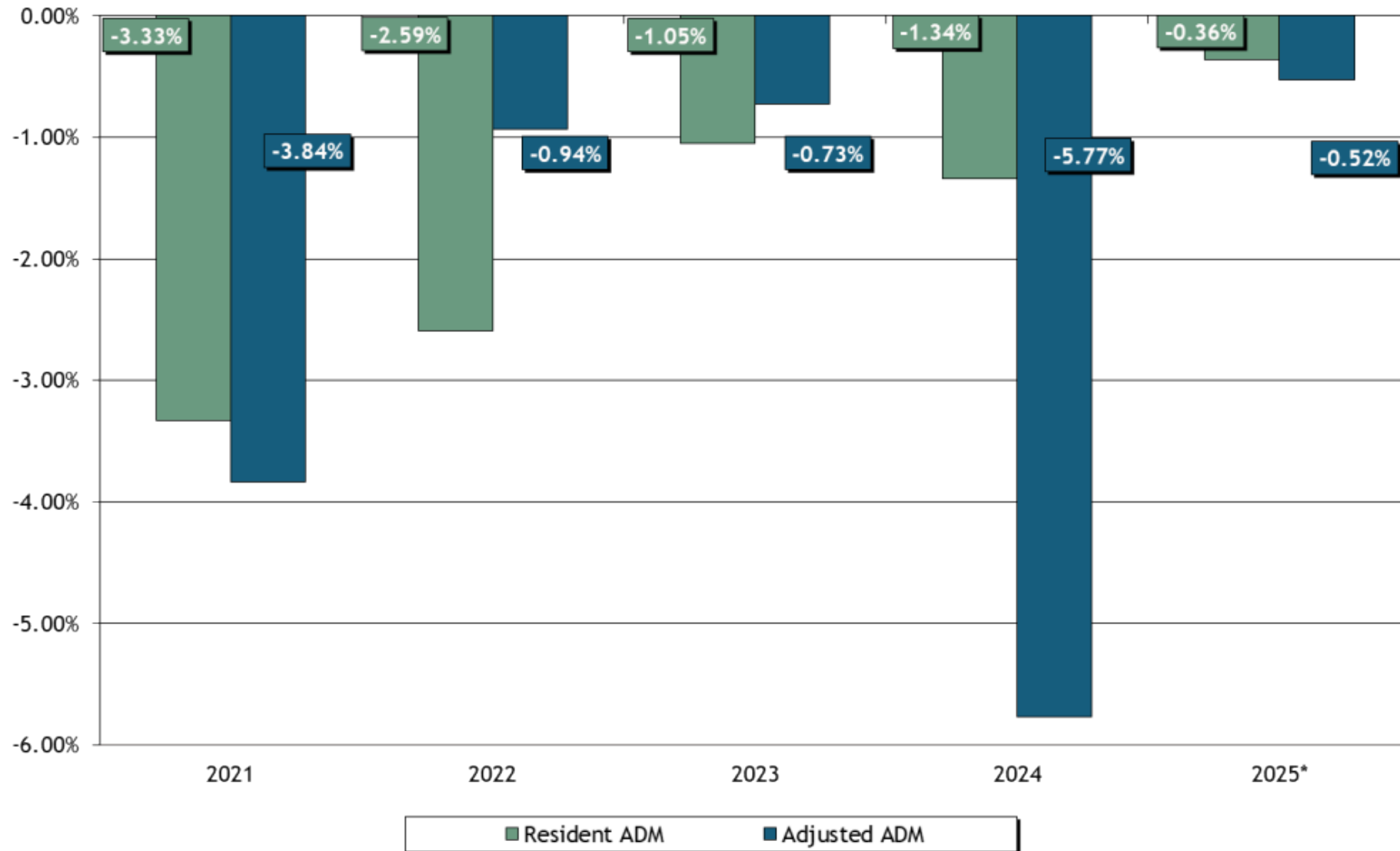
- Resident ADM

ADM	2021	2022	2023	2024	2025*
Other	127.38	127.09	133.22	113.11	127.16
Kindergarten	289.43	320.89	315.14	291.67	298.48
Elementary	1,875.70	1,758.87	1,737.39	1,778.85	1,761.11
Secondary	2,116.07	2,087.62	2,063.47	2,008.76	1,990.49
Total Resident ADM	4,408.58	4,294.47	4,249.22	4,192.39	4,177.24
Change from Prior Year	(151.76)	(114.11)	(45.25)	(56.83)	(15.15)

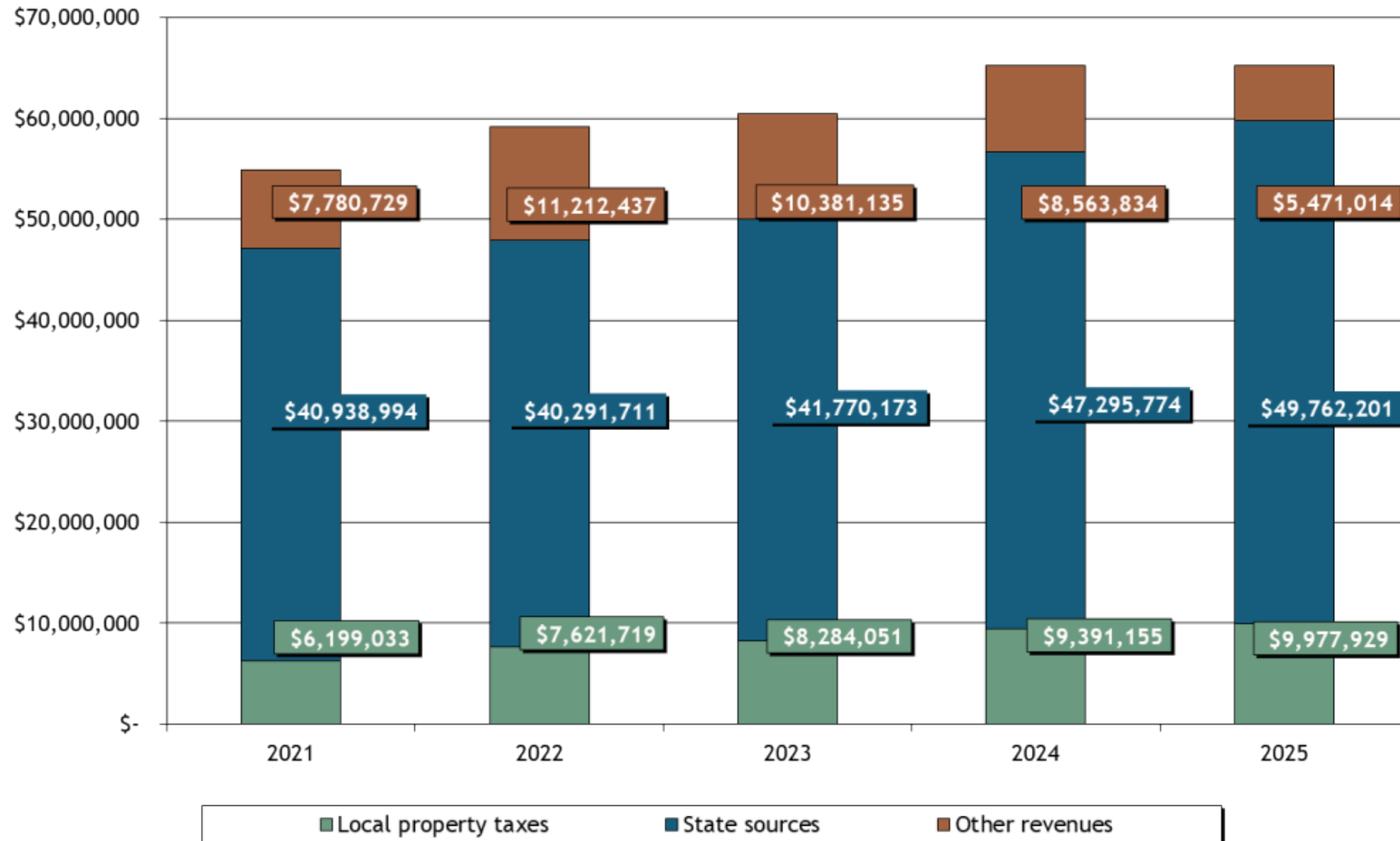
Average Daily Membership and Pupil Units - Weighting and Adjusted PUN

		Pre-kindergarten and Handicapped Kindergarten				Kindergarten	Elementary	Secondary
2021 through 2025		1.000				1.000	1.000	1.200
Pupil Units		2021	2022	2023	2024	2025*		
Residents		4,831.61	4,711.53	4,661.89	4,594.12	4,575.35		
Resident pupil units going elsewhere		(1,267.36)	(1,180.07)	(1,166.10)	(1,304.22)	(1,302.10)		
Nonresident pupil units coming in		68.03	73.24	80.65	87.22	84.03		
Total Pupil Units Served		3,632.28	3,604.70	3,576.44	3,377.12	3,357.28		
Change from the Prior Year		(137.85)	(27.58)	(28.26)	(199.32)	(19.84)		
Adjusted ADM		3,302.16	3,271.24	3,247.41	3,060.16	3,044.15		

Change in Resident ADM and ADM Served



General Fund - Sources of Revenue



General Fund – Revenues Per Student (ADM) Served

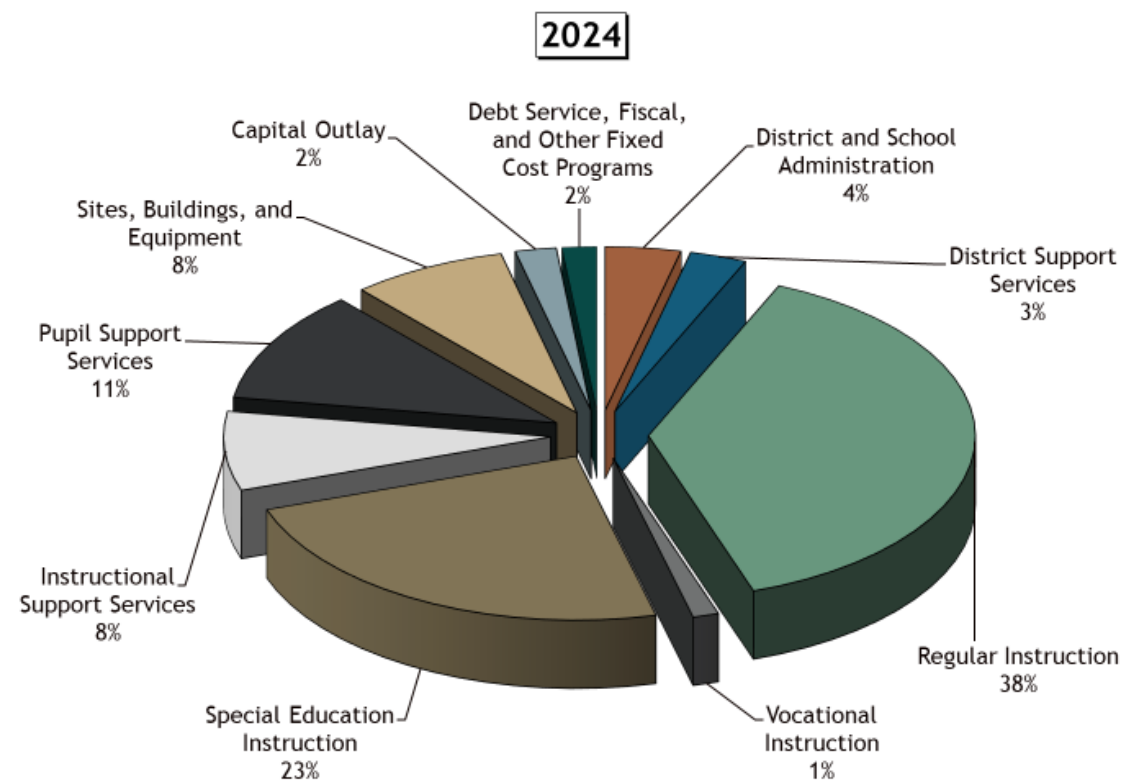
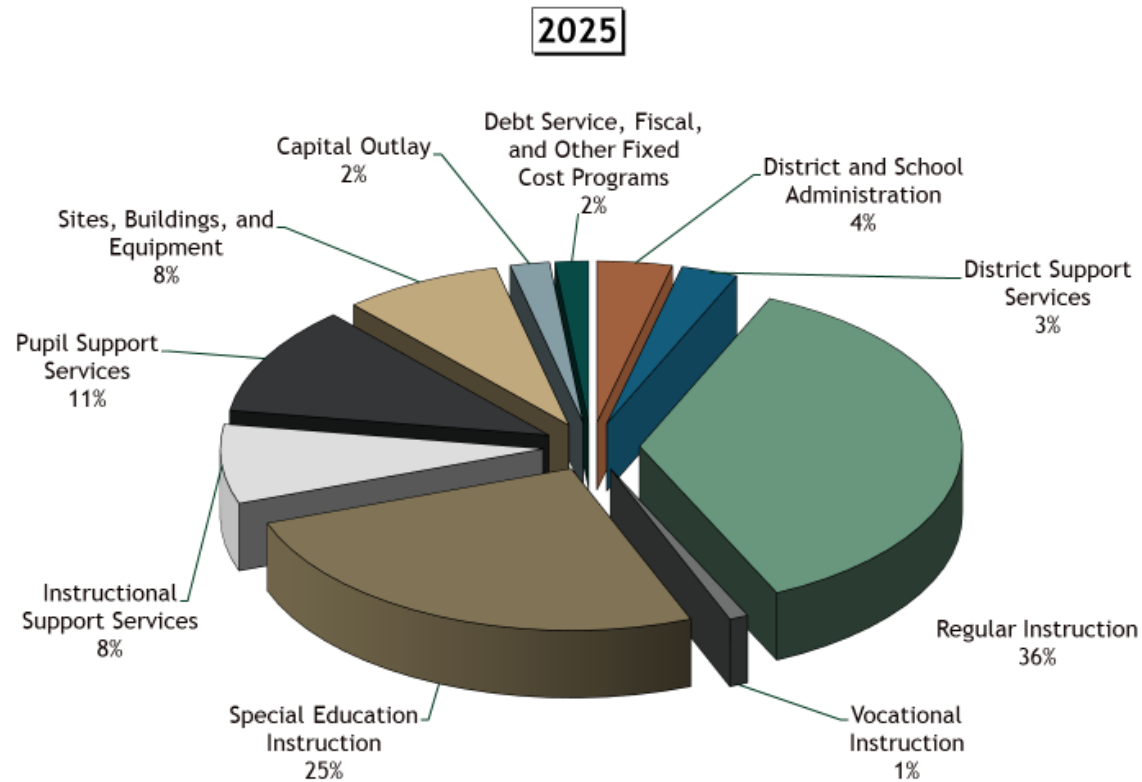
General Fund	2021*	2022*	2023*	2024*	2025**
Property taxes	\$ 1,828	\$ 2,171	\$ 2,394	\$ 2,868	\$ 3,126
Other local sources	447	506	626	837	750
State aid	12,198	11,815	12,358	14,781	15,591
Federal aid	1,907	2,871	2,526	1,926	964
Total General Fund Revenue	\$ 16,380	\$ 17,363	\$ 17,904	\$ 20,412	\$ 20,432

State-Wide*					
Property taxes	\$ 2,381	\$ 2,443	\$ 2,545	\$ 2,728	N/A
Other local sources	432	558	731	880	N/A
State aid	10,758	10,782	11,073	12,448	N/A
Federal aid	1,041	1,383	1,378	1,131	N/A
Total General Fund	\$ 14,612	\$ 15,166	\$ 15,727	\$ 17,187	N/A

General Fund –Expenditures Per Student (ADM) Served

	2021*		2022*		2023*		2024*		2025**	
General Fund	\$	16,537	\$	17,360	\$	17,810	\$	19,532	\$	20,063
Statewide Average - General Fund		14,167		15,010		15,730		16,649		Unavailable

General Fund – Expenditures



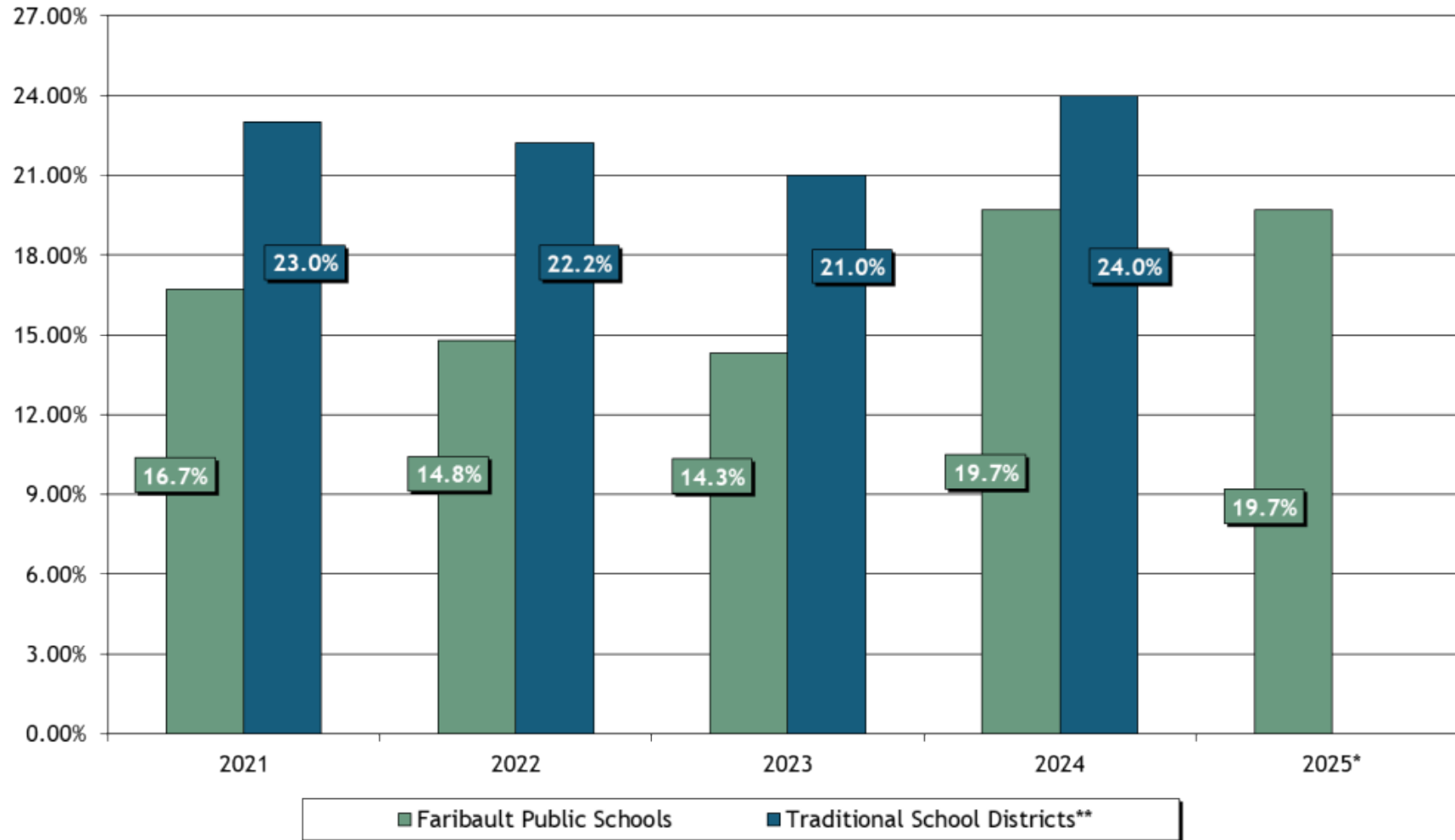
General Fund – Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Over (under)
	Original	Final		
Revenues				
Local property taxes	\$ 9,736,634	\$ 9,736,634	\$ 9,977,929	\$ 241,295
Other local and county revenues	1,682,358	1,852,881	2,381,877	528,996
Revenue from state sources	48,282,303	48,490,851	49,762,201	1,271,350
Revenue from federal sources	2,491,819	3,634,975	3,077,620	(557,355)
Sales and other conversion of assets	5,900	5,208	11,517	6,309
Total revenues	62,199,014	63,720,549	65,211,144	1,490,595
Expenditures				
Administration	2,362,574	2,387,441	2,408,281	20,840
District support services	1,798,608	1,850,172	1,822,829	(27,343)
Regular instruction	23,480,015	24,360,649	23,319,209	(1,041,440)
Vocational instruction	782,289	742,591	608,058	(134,533)
Special education instruction	15,240,767	15,692,201	16,362,078	669,877
Instructional support services	5,046,588	5,177,467	5,069,550	(107,917)
Pupil support services	6,746,542	6,752,230	6,996,416	244,186
Sites and buildings	5,200,369	5,252,412	5,119,141	(133,271)
Fiscal and other fixed cost programs	315,000	315,000	327,234	12,234
Capital outlay	864,245	1,219,220	1,259,434	40,214
Debt service	737,417	737,417	742,365	4,948
Total expenditures	62,574,414	64,486,800	64,034,595	(452,205)
Excess of revenues over expenditures	(375,400)	(766,251)	1,176,549	1,942,800
Other Financing Sources (Uses)				
Transfer out	-	-	(367)	(367)
Insurance Proceeds	-	-	2,149	2,149
Proceeds from the sale of capital assets	100,000	100,000	46,100	(53,900)
Total other financing sources (uses)	100,000	100,000	47,882	(52,118)
Net change in fund balance	\$ (275,400)	\$ (666,251)	\$ 1,224,431	\$ 1,890,682

General Fund – Operations

For the year ended June 30,	2021	2022	2023	2024	2025
Revenues	\$54,918,756	\$59,125,867	\$60,435,359	\$65,250,763	\$ 65,211,144
Expenditures	56,012,561	59,422,617	60,117,720	62,446,882	64,034,595
Excess of revenues over (under) expenditures	(1,093,805)	(296,750)	317,639	2,803,881	1,176,549
Lease Proceeds	567,965	305,547	-	-	-
Insurance Recovery	-	-	-	-	2,149
Less transfers out	-	-	-	(285)	(367)
Sale of Equipment	-	93,432	99,929	99,754	46,100
Fund balance, July 1	7,991,557	7,465,717	7,567,946	7,985,514	10,888,864
Fund Balance, June 30	7,465,717	7,567,946	7,985,514	10,888,864	12,113,295
Nonspendable for					
Prepaid items	55,575	43,056	8,411	20,370	394,206
Inventory	-	-	-	24,372	-
CVSEC Long-term receivable	-	-	318,827	318,827	318,827
Restricted for					
Student Activities	92,785	105,172	108,719	114,528	115,101
Staff Development	45,387	54,917	44,539	45,895	32,751
Literacy Incentive Aid	-	-	-	67,403	4,171
American Indian Education Aid	-	-	-	-	33,857
Operating Capital	423,872	300,670	306,646	386,910	569,367
Safe Schools Levy	27,665	39,716	149,335	139,182	72,330
Area Learning Center/Targeted Servi	-	-	481,722	753,842	967,929
Gfited and Talented	-	-	-	15,244	28,293
School Library Aid	-	-	-	52,666	72,602
LTFM	(419,131)	(6,473)	9,156	-	173,896
Basic Skills Programs	-	-	-	-	263,010
Teacher Comp Read Act	-	-	-	-	112,038
Literacy Aid	-	-	-	-	124,094
Assigned for					
Athletic Equipment	112,186	-	-	-	-
CVSEC Long-term receivable	318,827	318,827	-	-	-
Unassigned	6,808,551	6,712,061	6,558,159	8,949,625	8,830,823
Fund Balance, June 30	\$ 7,465,717	\$ 7,567,946	\$ 7,985,514	\$ 10,888,864	\$ 12,113,295

Unrestricted Fund Balance as a Percent of Unrestricted Expenditures



Food Service Fund

For the year ended June 30,	2021	2022	2023	2024	2025
Revenues	\$ 2,075,549	\$ 3,235,257	\$ 2,528,956	\$ 2,952,905	\$ 2,759,550
Expenditures	2,092,370	2,255,456	2,272,035	2,697,514	2,948,395
Excess of revenues over (under) expenditures	(16,821)	979,801	256,921	255,391	(188,845)
Plus transfers in	-	-	-	285	367
Fund balance, July 1	643,460	626,639	1,606,440	1,863,361	2,119,037
Fund Balance, June 30	\$ 626,639	\$ 1,606,440	\$ 1,863,361	\$ 2,119,037	\$ 1,930,559

Community Service Fund

For the year ended June 30,	2021	2022	2023	2024	2025
Revenues	\$ 3,135,596	\$ 3,348,689	\$ 3,507,903	\$ 4,391,006	\$ 5,844,562
Expenditures	2,831,777	3,478,617	3,559,265	4,193,235	5,570,102
Excess of revenues over (under) expenditures	303,819	(129,928)	(51,362)	197,771	274,460
Fund balance, July 1	849,602	1,153,421	1,023,493	972,131	1,169,902
Fund Balance, June 30	\$ 1,153,421	\$ 1,023,493	\$ 972,131	\$ 1,169,902	\$ 1,444,362
Components of fund balance					
Restricted					
Community education	\$ 581,686	\$ 466,731	\$ 417,422	\$ 550,245	\$ 759,595
Early childhood and family education	117,084	186,111	192,083	197,824	165,157
School readiness	220,169	220,703	205,966	225,781	248,949
Adult basic education	222,639	148,314	147,101	156,476	208,450
Community service	11,843	1,634	9,559	39,576	62,211
Total Fund Balance, June 30	\$ 1,153,421	\$ 1,023,493	\$ 972,131	\$ 1,169,902	\$ 1,444,362

Auditor



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Thank You



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