

Independent School District No. 709
Audit Presentation
Year Ended June 30, 2018
Wipfli LLP



Auditor Responsibility

- Issue an opinion on the basic financial statements
- Report on compliance and internal controls over financial reporting
- Report on compliance and internal controls over federal programs – Uniform Guidance
- Report on compliance with Minnesota statutes tested

Auditor Results

- Unmodified opinion on the basic financial statements
- No internal controls finding over financial reporting
- No compliance or internal controls finding over federal programs
- No noncompliance with Minnesota statutes tested

General Fund

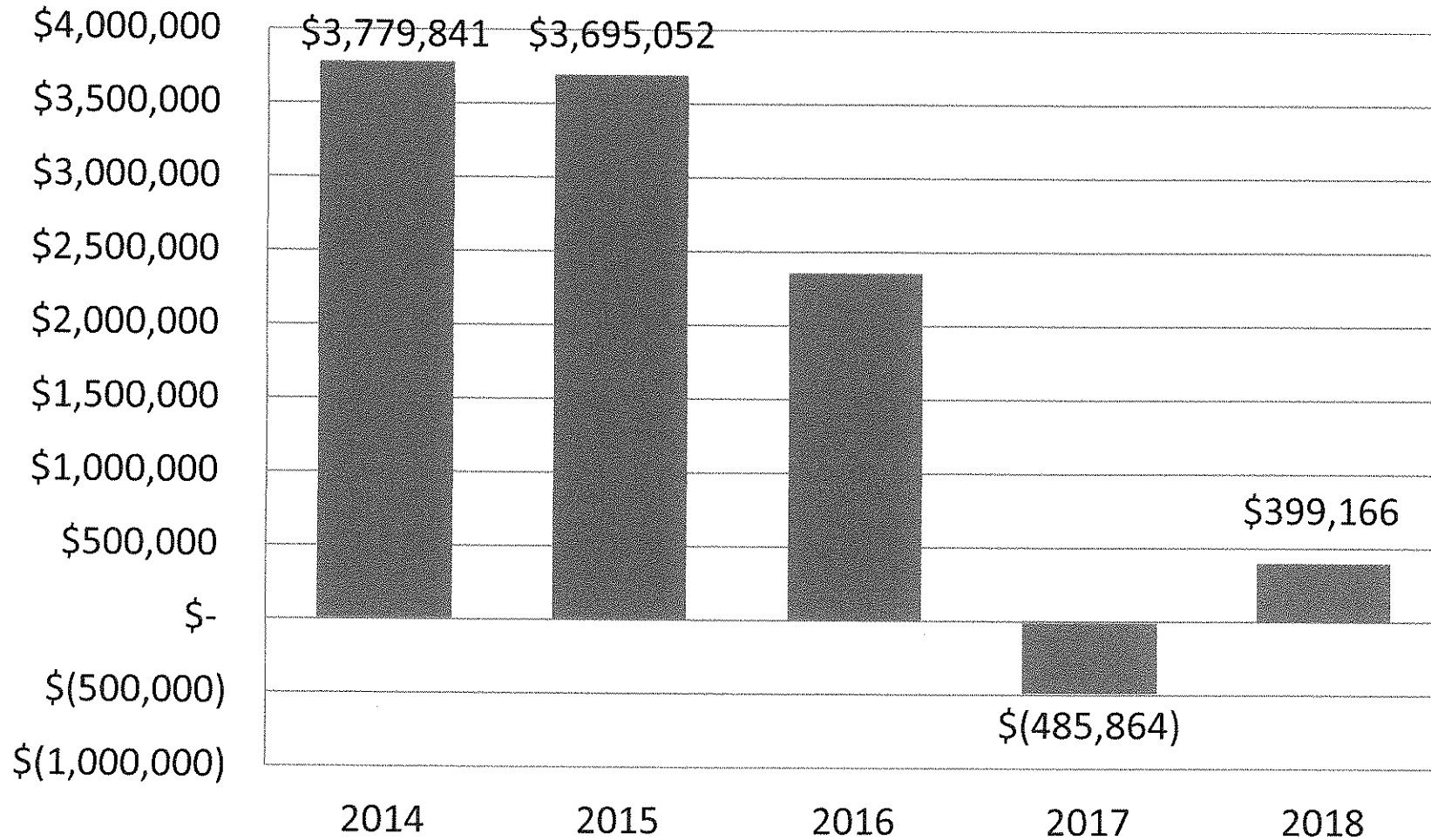
Results of Operation

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 105,101,758	\$ 104,927,847	\$ (173,911)
Expenditures	105,101,321	104,288,428	812,893
Deficiency of revenues over expenditures	437	639,419	638,982
Other financing sources		658,112	(658,112)
Net change in fund balance	\$ 437	1,297,531	\$ (19,130)
Fund balance, June 30, 2017		111,418	
Fund balance, June 30, 2018		\$ 1,408,949	

General Fund – Fund Balances

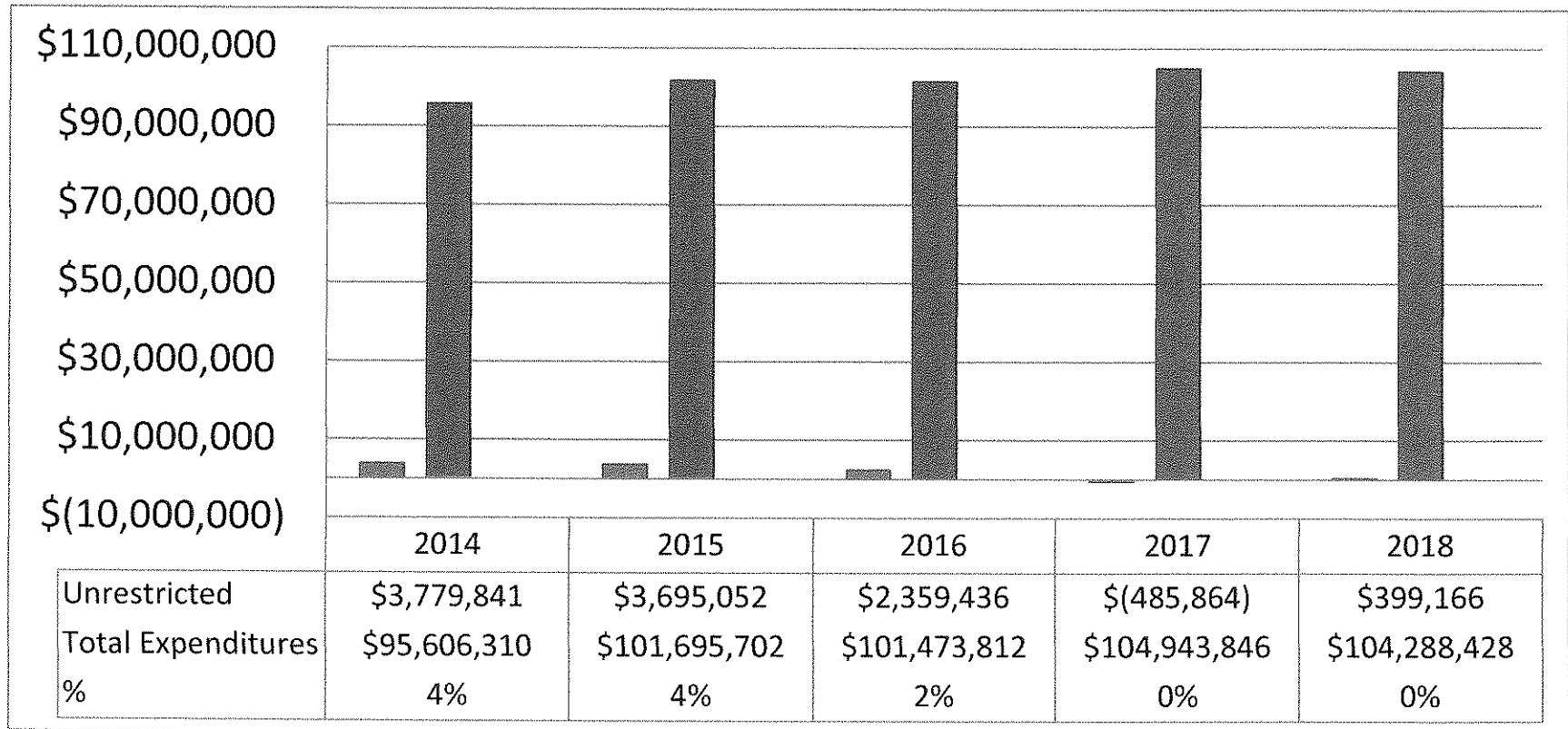
	<u>June 30, 2017</u>	<u>Change</u>	<u>June 30, 2018</u>
Nonspendable			
Inventory	\$ 65,202	\$ (7,550)	\$ 57,652
Prepayments	63,207	115,688	178,895
Restricted for:			
Staff development		12,479	12,479
Teacher development & evaluation	100,800	(25,164)	75,636
ALC	188,791	153,268	342,059
LTFM	179,282	163,780	343,062
Unassigned	<u>(485,864)</u>	<u>885,030</u>	<u>399,166</u>
 Total	 <u>\$ 111,418</u>	 <u>\$ 1,297,531</u>	 <u>\$ 1,408,949</u>

General Fund - Unassigned Balance



General Fund

Unrestricted Fund Balance as a % of Expenditures



Food Service Fund

Results of Operation and Fund Balances

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 3,786,400	\$ 4,268,962	\$ 482,562
Expenditures	4,178,604	4,197,291	(18,687)
Net change in fund balance	\$ (392,204)	71,671	\$ 463,875
Fund balance, June 30, 2017		902,048	
Fund balance, June 30, 2018		\$ 973,719	
 Fund Balance			
Nonspendable			
Inventory		\$ 101,777	
Prepayments		1,815	
Restricted		870,127	
Total		\$ 973,719	

Community Service Fund

Results of Operation and Fund Balances

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 7,696,493	\$ 7,892,232	\$ 195,739
Expenditures	7,958,378	7,952,742	5,636
Net change in fund balance	\$ (261,885)	(60,510)	\$ 201,375
Fund balance, June 30, 2017		1,287,862	
Fund balance, June 30, 2018		\$ 1,227,352	
 Fund Balance			
Nonspendable			
Prepayments		\$ 13,473	
Restricted			
Community education		873,996	
Early childhood family education		100,048	
School readiness		124,391	
Adult basic education		85,439	
Community service		30,005	
Total		\$ 1,227,352	

Capital Projects Fund

Results of Operation and Fund Balance

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$	\$ 20,271	\$ 20,271
Expenditures	3,600,000	3,030,698	569,302
Excess (deficiency) of revenues over expenditures	\$ (3,600,000)	(3,010,427)	\$ 589,573
Other financing sources (uses)			
Issuance of bonds	\$ 3,600,000	3,640,000	\$ 40,000
Transfer out		(4,000)	(4,000)
Premium on bonds		16,955	16,955
Other financing sources (uses)	3,600,000	3,652,955	52,955
Net change in fund balance	\$	642,528	\$ 642,528

Debt Service Fund

Results of Operation and Fund Balance

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 22,686,699	\$ 20,922,753	\$ (1,763,946)
Expenditures	20,173,708	21,068,466	(894,758)
Excess (deficiency) of revenues over expenditures	2,512,991	(145,713)	(2,658,704)
Other financing sources (uses)			
Transfer in		143,467	143,467
Principal refunding payments from escrow	(48,305,000)	(48,305,000)	-
Interest refunding payments from escrow	(5,575,263)	(5,575,263)	-
Other financing sources (uses)	(53,880,263)	(53,736,796)	143,467
Net change in fund balance	\$ (51,367,272)	(53,882,509)	\$ (2,515,237)
Fund balance, June 30, 2017		138,597,855	
Fund balance, June 30, 2018		\$ 84,715,346	
 Fund Balances			
Restricted			
Bond refunding		80,069,866	
Debt service		4,645,480	
Total		\$ 84,715,346	



Outstanding Debt

<u>G.O. Bonds</u>	<u>Balance</u> <u>06/30/17</u>	<u>New</u> <u>Debt</u>	<u>Refunded</u>	<u>Principal</u> <u>Paid</u>	<u>Balance</u> <u>06/30/18</u>
\$59,235,000 G.O. Alternative Facilities Bonds, Series 2008A	\$ 46,680,000		\$ 43,245,000	\$ 3,435,000	\$
\$44,320,000 G.O. Refunding Bonds, Series 2015B	43,765,000			35,000	43,730,000
\$3,640,000 G.O. Taxable Facilities Maintenance Bonds, Series 2017A		3,640,000		755,000	2,885,000
\$615,000 G.O. Taxable Capital Facilities Bonds, Series 2017B		615,000		130,000	485,000
Total G.O. Bonds	90,445,000	4,255,000	43,245,000	4,355,000	47,100,000
<u>Certificates of Participation</u>					
\$111,440,000 Full Term Certificates of Participation, Series 2008B	82,225,000			5,060,000	77,165,000
\$71,170,000 Full Term Certificates of Participation, Series 2009A	53,010,000			3,610,000	49,400,000
\$5,000,000 Full Term Refunding Certificates of Participation, Series 2010C	3,490,000			275,000	3,215,000
\$12,800,424.50 Full Term Capital Appreciation C.O.P., Series 2012A	12,800,425				12,800,425
\$82,605,000 Certificates of Participation, Series 2016A	78,135,000			4,860,000	73,275,000
\$35,400,000 US Bank Lease Purchase funded by COP, Series 2009B	27,075,000			1,555,000	25,520,000
\$1,650,000 Full Term Refunding Certificates of Participation, Series 2010D	1,125,000			70,000	1,055,000
\$6,340,000 Certificates of Participation, Series 2012B	5,275,000			275,000	5,000,000
Total Certificates of Participation	263,135,425			15,705,000	247,430,425
Total Debt Outstanding	\$ 353,580,425	\$ 4,255,000	\$ 43,245,000	\$ 20,060,000	\$ 294,530,425

Thank you for your time

WIPFLIⁱ LLP

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