

ISD No. 698 Floodwood, MN

Mark Stair, CPA



The Audit

Independent Auditor's Report

- ◆ Financial statements present fairly, in all material respects, the financial position and change in financial position of the governmental activities, each major fund and the aggregate remaining funds
- ◆ Unmodified opinion - best opinion auditor can issue

Other Communications

- ◆ Report in Accordance with *Government Auditing Standards*
 - ◊ One internal control finding - Lack of Segregation of Accounting Duties
 - ◊ No instances of noncompliance
- ◆ Report on Minnesota Legal Compliance
 - ◊ Two findings
 - ◊ Report of Outstanding Check as Unclaimed Property
 - ◊ Responsible Contractor Verification & Withholding Affidavits
- ◆ Communications Letter
 - ◊ Required communication, Legislative Summary, Emerging Issue and financial analysis

Financial Communications

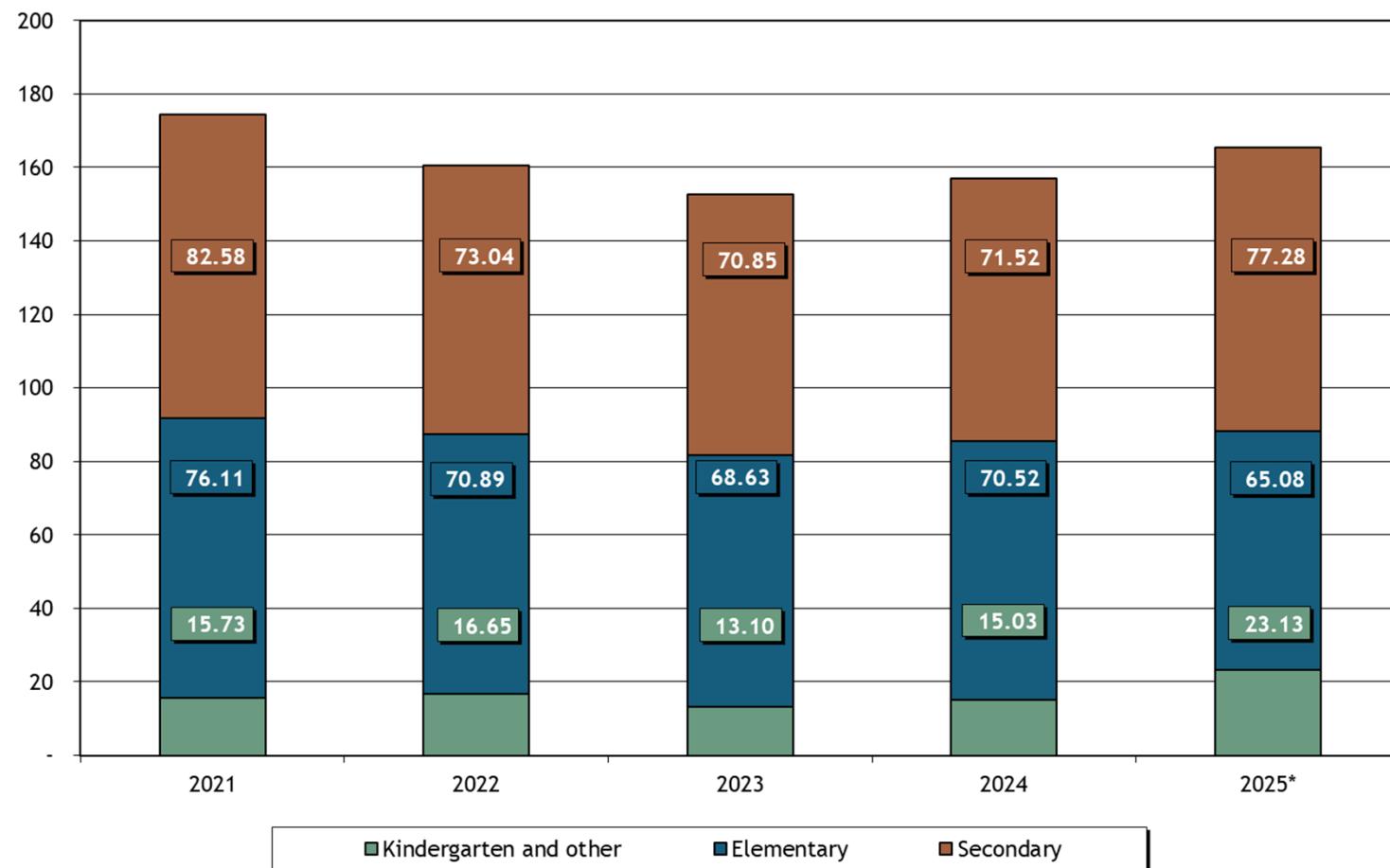
General Education Aid – Formula Allowance

Year	General Education Aid Formula Allowance	
	Amount	Percent Increase
2016	\$ 5,302	2.0%
2017	5,831	2.0%
2018	5,948	2.0%
2019	6,067	2.0%
2020	6,188	2.0%
2021	6,312	2.0%
2022	6,438	2.5%
2023	6,567	2.0%
2024	6,728	4.0%
2025	6,863	2.0%
2026	7,138	2.7%

Average Daily Membership and Pupil Units – ADM

ADM	2021	2022	2023	2024	2025*
Kindergarten and other	15.73	16.65	13.10	15.03	23.13
Elementary	76.11	70.89	68.63	70.52	65.08
Secondary	82.58	73.04	70.85	71.52	77.28
Total	174.42	160.58	152.58	157.07	165.49

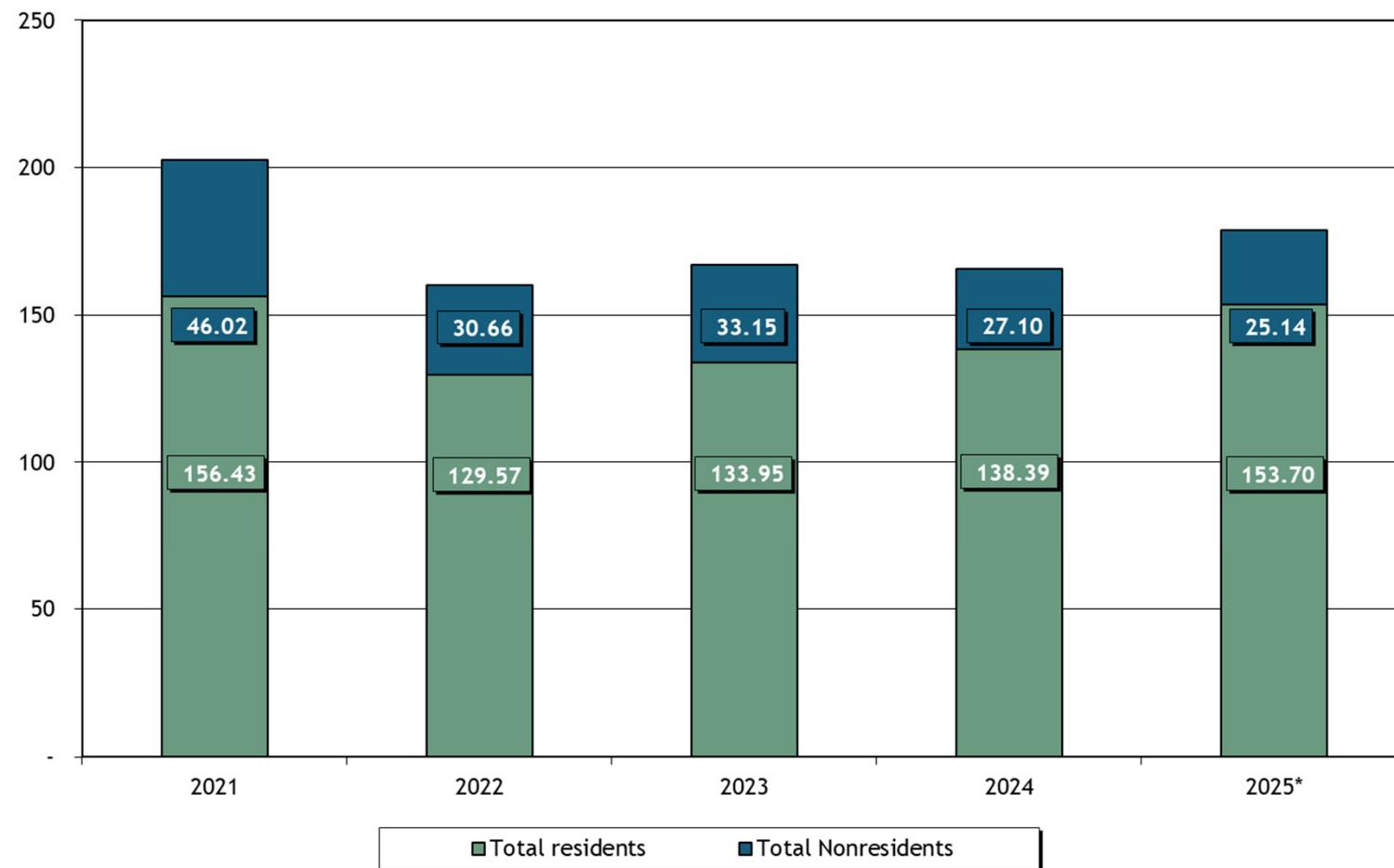
Students (ADM)



Resident Average Daily Membership and Pupil Units

PUN	2021	2022	2023	2024	2025*
Residents	190.94	175.19	166.75	171.39	180.95
Resident PUN going elsewhere	(34.51)	(45.62)	(32.80)	(33.00)	(27.25)
Total residents	156.43	129.57	133.95	138.39	153.70
Nonresident PUN coming in	46.02	30.66	33.15	27.10	25.14
Total PUN Served	202.45	160.23	167.10	165.49	178.84

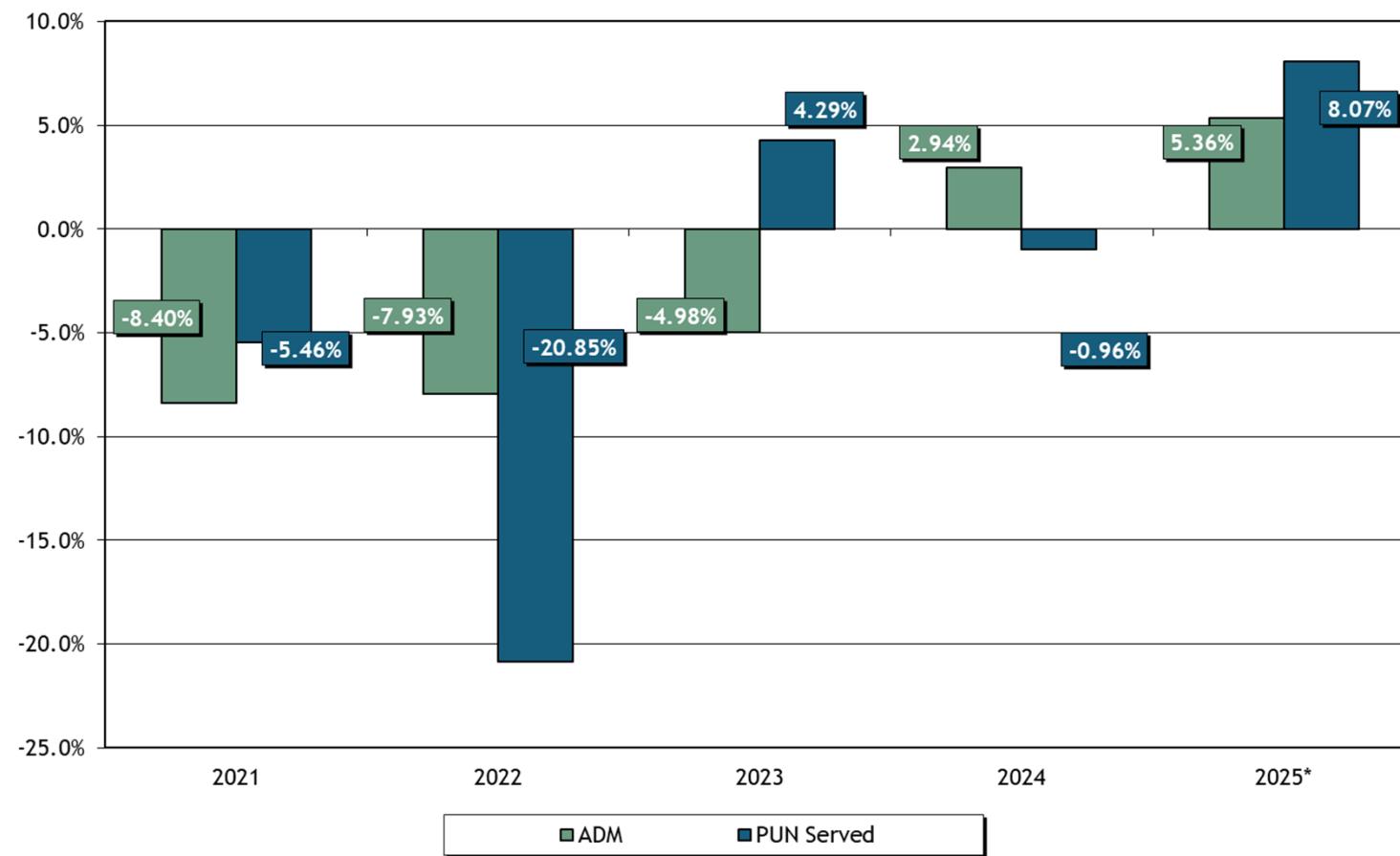
Students Served (PUN)



Pupil Units Weighting

	Pre-Kindergarten and Handicapped Kindergarten	Kindergarten	Elementary	Secondary
Fiscal Years 2021-2025	1.000	1.000	1.000	1.200

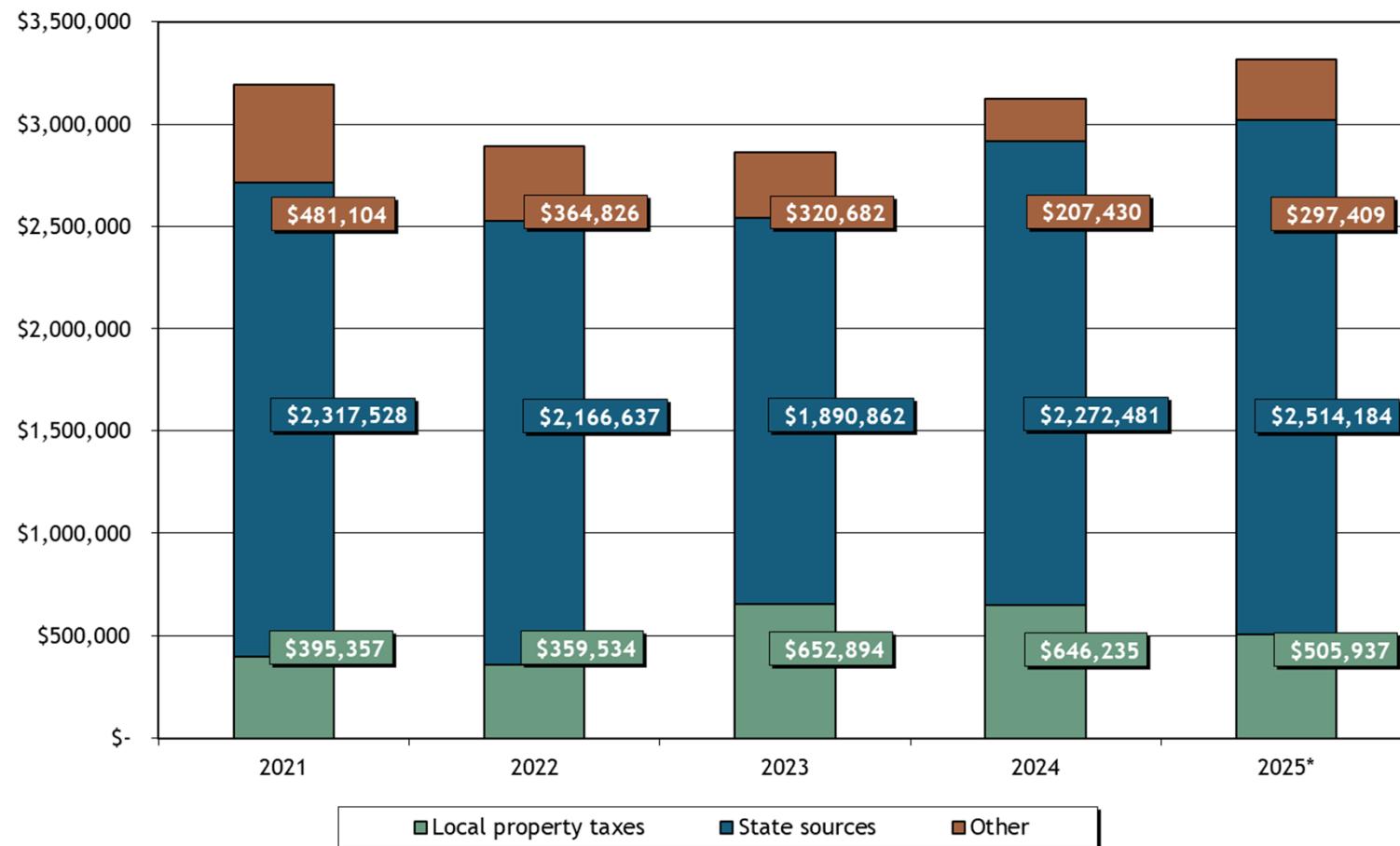
Change in ADM and PUN Served



General Fund – Sources of Revenue

	2021	2022	2023	2024	2025*
Local property taxes	\$ 395,357	\$ 359,534	\$ 652,894	\$ 646,235	\$ 505,937
State sources	2,317,528	2,166,637	1,890,862	2,272,481	2,514,184
Other	481,104	364,826	320,682	207,430	297,409
Total	\$ 3,193,989	\$ 2,890,997	\$ 2,864,438	\$ 3,126,146	\$ 3,317,530

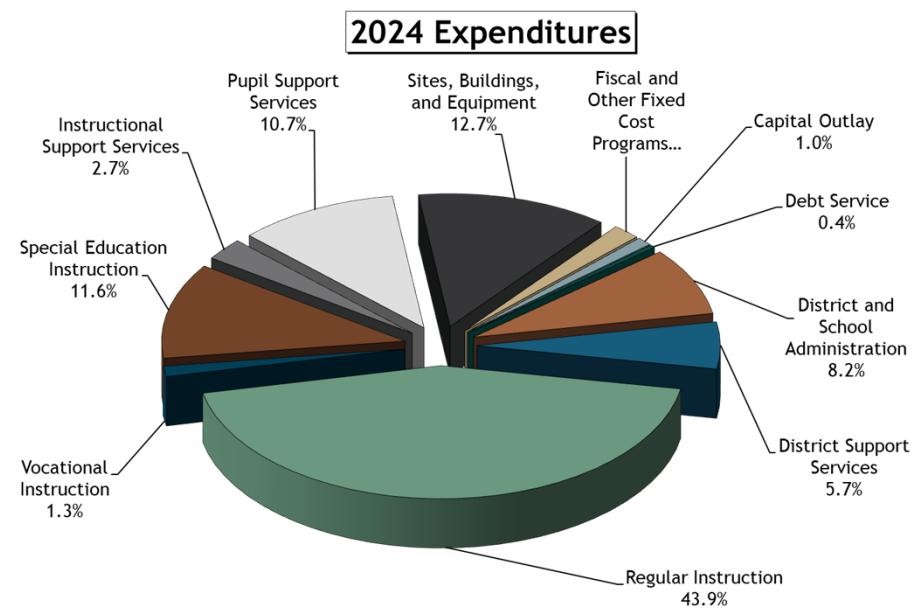
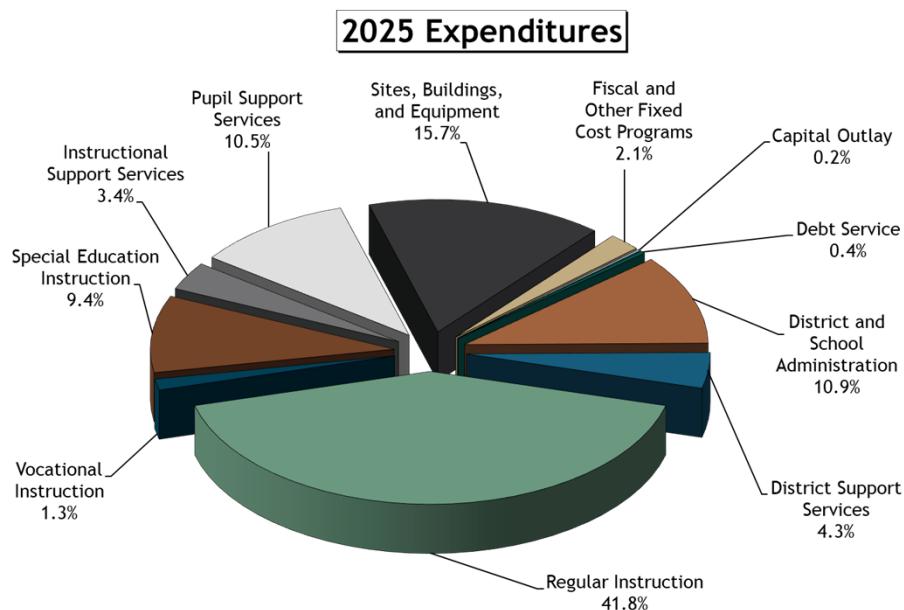
General Fund – Sources of Revenue



General Fund – Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local property taxes	\$ 518,800	\$ 518,800	\$ 505,937	\$ (12,863)
Other local and county revenues	62,538	62,538	209,464	146,926
Revenue from state sources	2,316,741	2,316,741	2,514,184	197,443
Revenue from federal sources	107,170	107,170	61,124	(46,046)
Interest earnings	45,000	45,000	26,821	(18,179)
Total revenues	3,050,249	3,050,249	3,317,530	267,281
Expenditures				
Administration	350,329	350,329	358,345	8,016
District support services	139,785	139,785	142,110	2,325
Regular instruction	1,392,781	1,392,781	1,366,409	(26,372)
Vocational education instruction	51,560	51,560	43,509	(8,051)
Special education instruction	249,846	249,846	307,403	57,557
Instructional support services	89,604	89,604	117,808	28,204
Pupil support services	316,124	316,124	343,231	27,107
Sites and buildings	414,326	414,326	516,646	102,320
Fiscal and other fixed cost programs	45,000	45,000	70,425	25,425
Debt service	14,000	14,000	11,925	(2,075)
Total expenditures	3,063,355	3,063,355	3,277,811	214,456
Excess of revenues over (under) expenditures	(13,106)	(13,106)	39,719	52,825
Other Financing Sources				
	2,700	2,700	150	(2,550)
Net change in fund balances	\$ (10,406)	\$ (10,406)	\$ 39,869	\$ 50,275

General Fund - Expenditures



General Fund - Operations

For the Year Ended June 30,	2021	2022	2023	2024	2025*
Revenues	\$ 3,193,989	\$ 2,890,997	\$ 2,864,438	\$ 3,126,146	\$ 3,317,530
Expenditures	3,256,159	3,138,513	3,022,506	3,111,038	3,277,811
Excess of revenues over (under) expenditures	(62,170)	(247,516)	(158,068)	15,108	39,719
Other financing sources (uses)	(4,499)	2,776	6,325	750	150
Other Financing Uses	-	-	-	-	-
Fund balance, July 1	875,823	809,154	564,414	412,671	428,529
Change in accounting principle	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Fund Balance, June 30	\$ 809,154	\$ 564,414	\$ 412,671	\$ 428,529	\$ 468,398
Components of Fund Balance	2021	2022	2023	2024	2025*
Restricted for					
Student Activities	\$ 16,397	\$ 16,848	\$ 18,071	\$ 31,171	\$ 31,285
Staff Development	-	17,057	38,159	54,530	64,565
Literacy Incentive Aid	-	-	-	6,289	13,966
Safe Schools Revenue	-	(6,381)	(17,552)	(17,552)	(14,018)
Operating Capital	53,421	46,973	61,901	77,447	92,040
Basic Skills	-	-	-	2	4,207
Literacy Aid	-	-	-	-	6,311
Teacher Comp for Read Act Training	-	-	-	-	4,432
Other	3,986	4,028	5,038	4,639	4,438
Learning and Development	-	403	-	-	-
Gifted and Talented	-	68	1,577	646	2,818
School Library Aid	-	-	-	11,595	10,127
Long-Term Facilities Maintenance	(53,421)	(64,317)	(69,413)	(29,854)	(87,184)
Student Support Personnel	-	-	-	40,000	53,929
Medical Assistance	42,103	47,515	48,167	16,434	1,927
Assigned -technology	155,000	155,000	155,000	155,000	55,000
Unassigned fund balance	591,668	347,220	171,723	78,182	224,555
Total Fund Balance	\$ 809,154	\$ 564,414	\$ 412,671	\$ 428,529	\$ 468,398

Food Service Fund

For the Year Ended June 30,	2021	2022	2023	2024	2025*
Revenues	\$ 86,512	\$ 113,656	\$ 100,128	\$ 133,464	\$ 145,138
Expenditures	98,833	112,923	87,097	127,734	140,139
Excess of revenues over (under) expenditures	(12,321)	733	13,031	5,730	4,999
Transfer in (out)	4,499	-	-	-	-
Fund balance, July 1	7,822	-	733	13,764	19,494
Fund Balance, June 30	\$ -	\$ 733	\$ 13,764	\$ 19,494	\$ 24,493

Community Service Fund

For the Year Ended June 30,	2021	2022	2023	2024	2025*
Revenues	\$ 67,278	\$ 51,556	\$ 72,675	\$ 51,860	\$ 71,684
Expenditures	53,066	33,254	44,447	27,834	70,189
Excess of revenues over (under) expenditures	14,212	18,302	28,228	24,026	1,495
Transfer out	-	-	-	-	-
Fund balance, July 1	82,877	97,089	115,391	143,619	167,645
Fund Balance, June 30	\$ 97,089	\$ 115,391	\$ 143,619	\$ 167,645	\$ 169,140

Auditor



Mark Stair

AUDIT MANAGER

MARK.STAIR@CREATIVEPLANNING.COM

Thank You



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