

# ISD No. 877 Buffalo, MN

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Jackie Knowles, 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
  - ◇ Compliance with various laws, regulations, contracts and grants
    - ❖ No findings
- ◆ Report on Compliance in Accordance with The Uniform Guidance
  - ◇ Unmodified opinion on compliance with requirements of major federal programs
    - ❖ Special Education 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
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 adjustments changes and other restructuring.

# Average Daily Membership (ADM) and Pupil Units - Resident ADM

ADM	2020	2021	2022	2023	2024*
Early Childhood	59.92	51.72	63.51	72.07	86.86
Kindergarten	437.98	377.21	390.66	375.84	379.96
Elementary	2,736.87	2,570.59	2,530.69	2,521.94	2,481.00
Secondary	3,050.54	3,036.45	3,056.72	3,019.82	2,888.00
Total Resident ADM	6,285.31	6,035.97	6,041.58	5,989.67	5,835.82

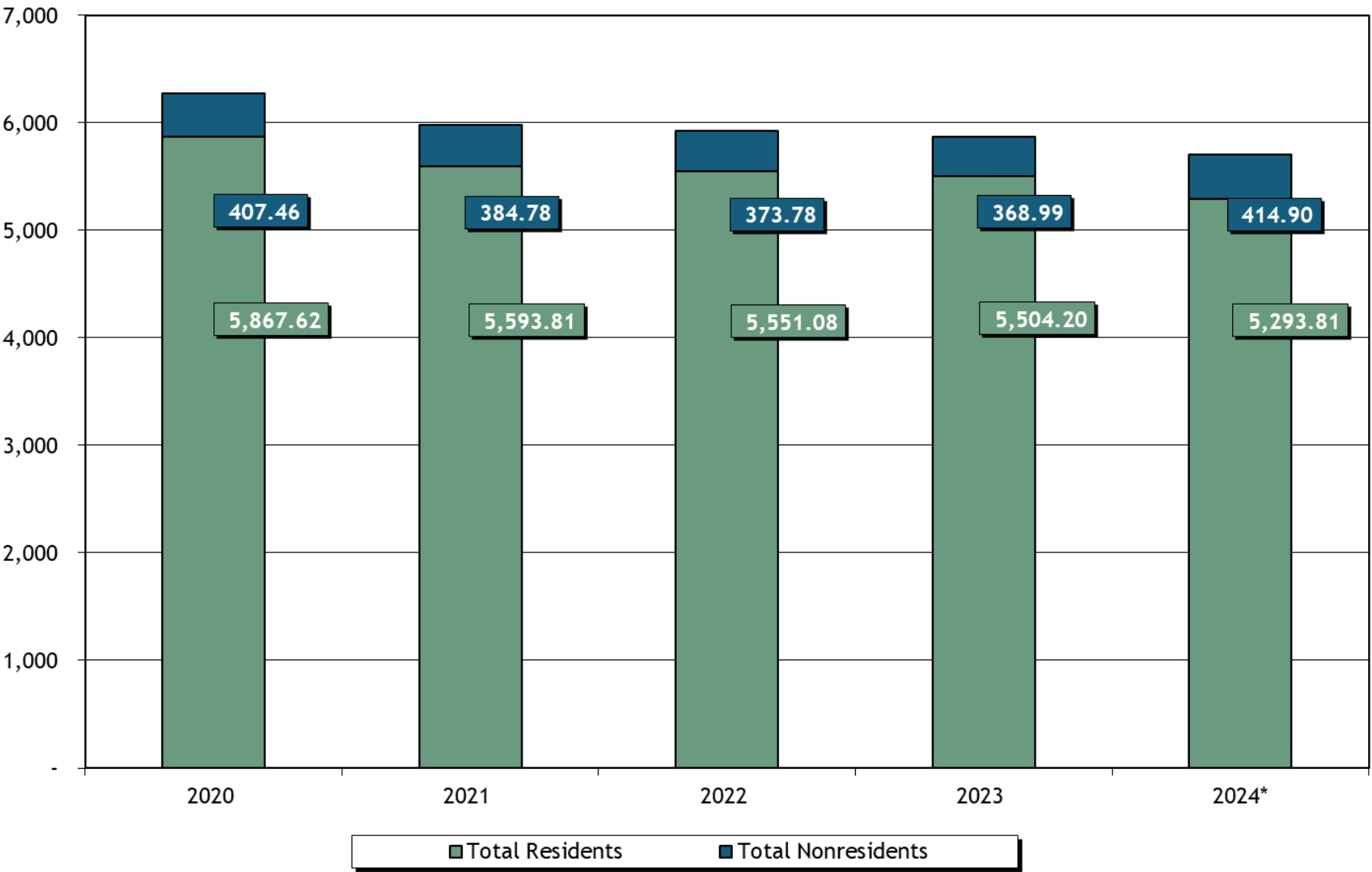
# Pupil Unit Numbers (PUN) - Weighting & PUN Served

Pupil Units Weighting				
	Early Childhood	Kindergarten	Elementary Grades 1-6	Secondary Grades 7-12
2020-2024	1.000	1.000	1.000	1.200

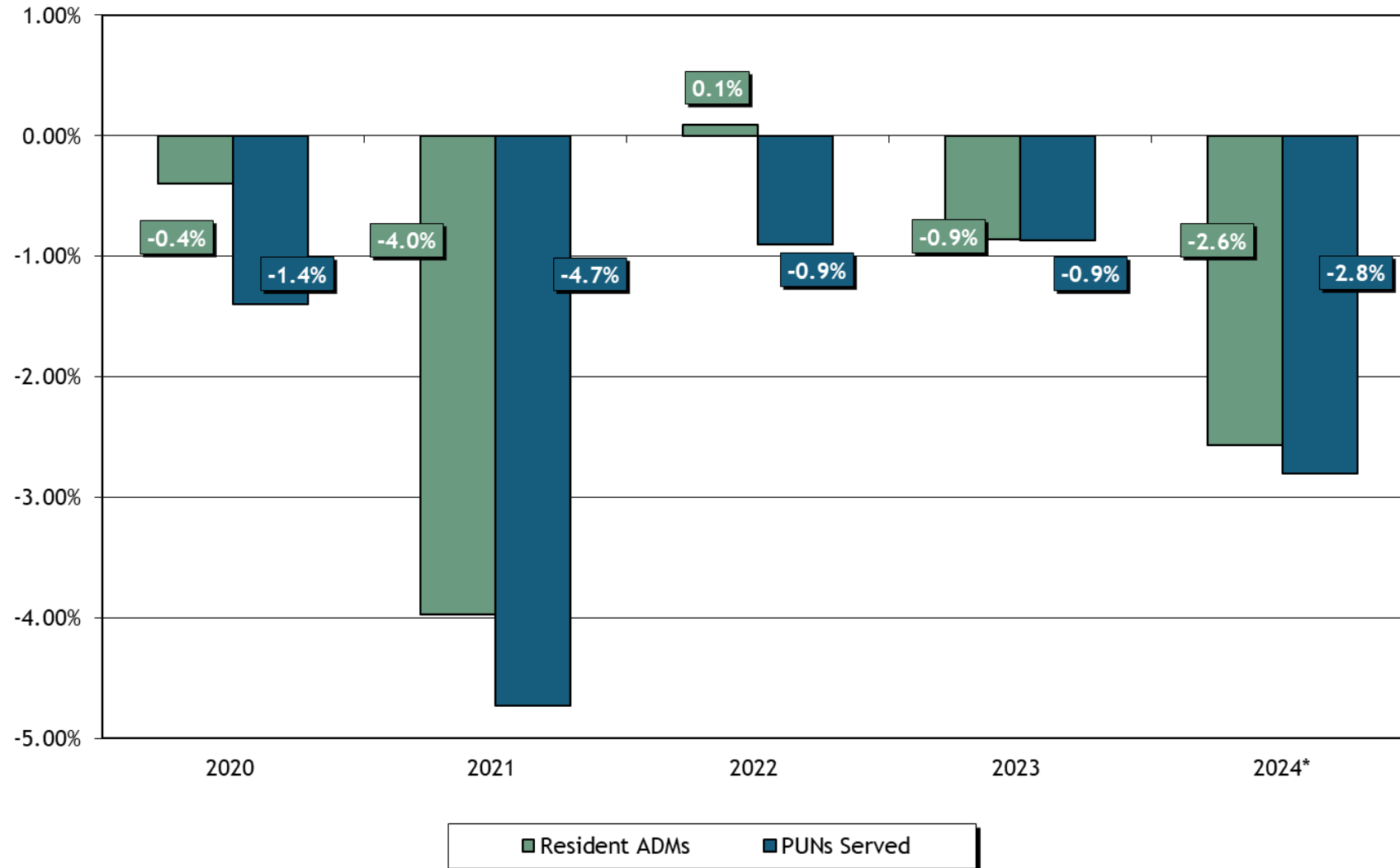
PUN	2020	2021	2022	2023	2024*
Residents	6,895.31	6,643.07	6,652.95	6,593.62	6,413.41
Resident PUN loss	(1,027.69)	(1,049.26)	(1,101.87)	(1,089.42)	(1,119.60)
Nonresident PUN gain	407.46	384.78	373.78	368.99	414.90
Total PUN Served	6,275.08	5,978.59	5,924.86	5,873.19	5,708.71



# PUN Served



# Change in Resident ADM and PUN Served



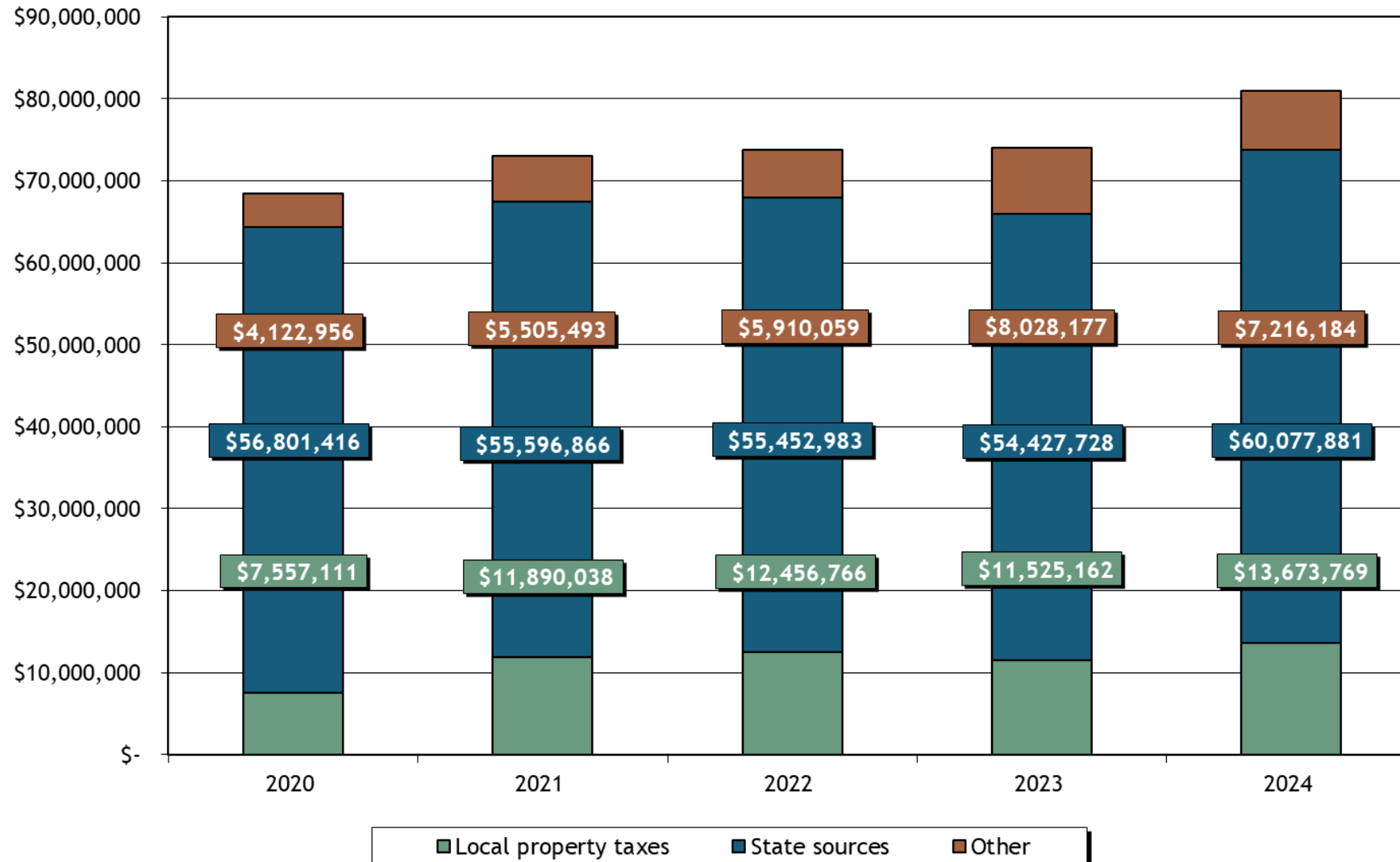
# General Fund – Budget and Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>Revenues</b>				
Local property taxes	\$ 13,318,373	\$ 13,634,498	\$ 13,673,769	\$ 39,271
Other local revenues	2,884,564	3,373,395	3,906,823	533,428
Revenue from state sources	59,481,830	59,862,463	60,077,881	215,418
Revenue from federal sources	2,464,307	3,400,429	3,280,688	(119,741)
Sales and other conversion of assets	22,000	22,000	28,673	6,673
Total revenues	78,171,074	80,292,785	80,967,834	675,049
<b>Expenditures</b>				
Administration	2,421,539	2,409,553	2,442,897	33,344
District support services	1,772,915	1,921,976	1,830,579	(91,397)
Regular instruction	33,994,386	35,797,860	35,337,846	(460,014)
Vocational instruction	1,923,816	2,027,365	1,977,946	(49,419)
Special education instruction	15,899,590	16,132,171	16,315,831	183,660
Instructional support services	4,727,088	5,211,452	5,651,205	439,753
Pupil support services	7,097,260	7,050,120	7,079,494	29,374
Sites and buildings	9,050,944	8,630,290	7,776,414	(853,876)
Fiscal and other fixed cost programs	356,863	346,161	319,147	(27,014)
Debt service	260,838	258,038	258,036	(2)
Total expenditures	77,505,239	79,784,986	78,989,395	(795,591)
Excess of revenues over expenditures	665,835	507,799	1,978,439	1,470,640
<b>Net Other Financing Sources</b>	1,500	1,500	12,211	10,711
Net Change in Fund Balance	\$ 667,335	\$ 509,299	\$ 1,990,650	\$ 1,481,351

# General Fund - Sources of Revenue

	2020	2021	2022	2023	2024
Local property taxes	\$ 7,557,111	\$ 11,890,038	\$ 12,456,766	\$ 11,525,162	\$ 13,673,769
State sources	56,801,416	55,596,866	55,452,983	54,427,728	60,077,881
Other	4,122,956	5,505,493	5,910,059	8,028,177	7,216,184
Total	\$ 68,481,483	\$ 72,992,397	\$ 73,819,808	\$ 73,981,067	\$ 80,967,834

# General Fund - Sources of Revenue



# General Fund

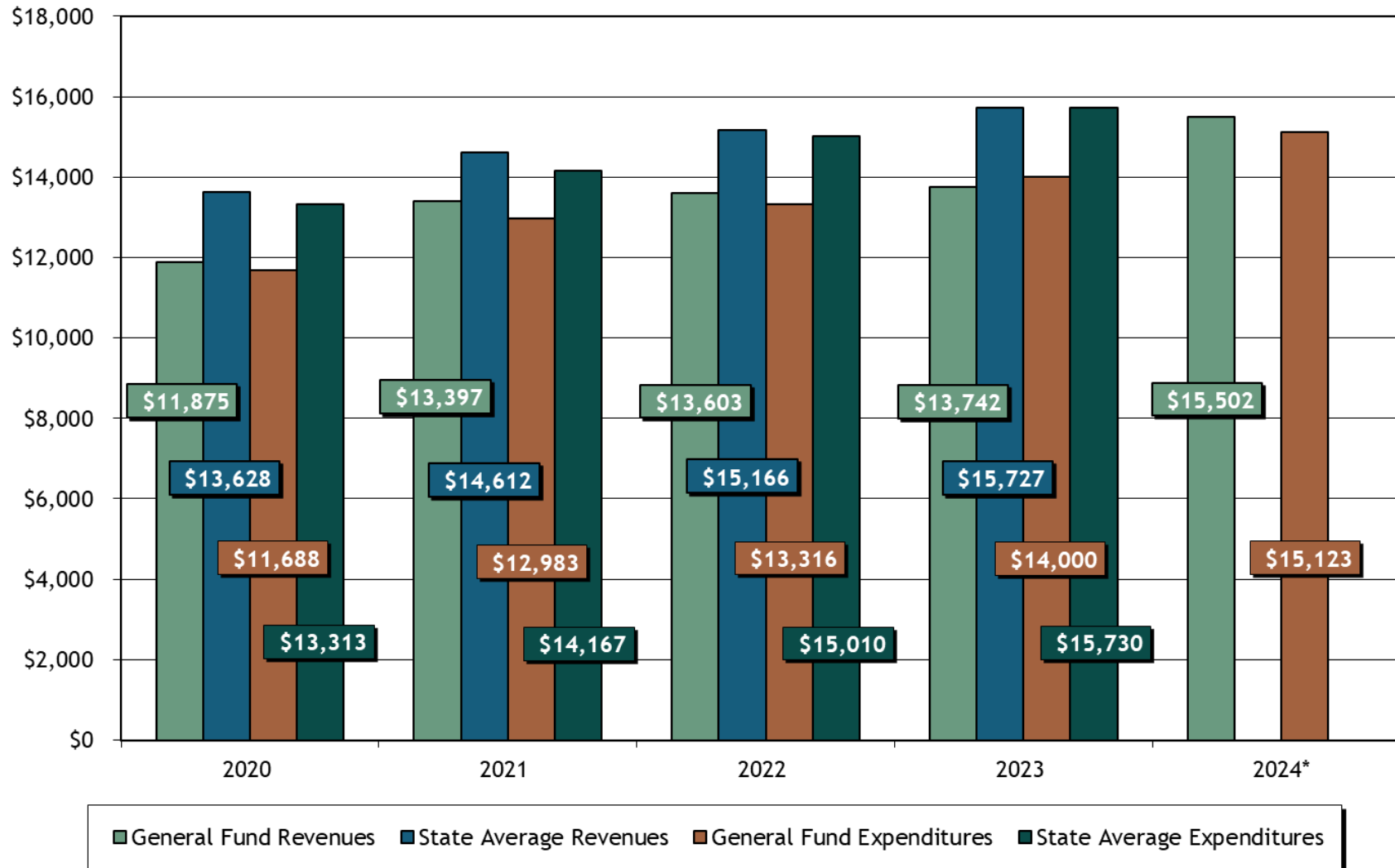
## - Revenues and Expenditures Per ADM Served

	2020	2021	2022	2023	2024*
General Fund	\$ 11,875	\$ 13,397	\$ 13,603	\$ 13,742	\$ 15,502
General Fund state average	13,628	14,612	15,166	15,727	N/A

	2020	2021	2022	2023	2024*
General Fund	\$ 11,688	\$ 12,983	\$ 13,316	\$ 14,000	\$ 15,123
General Fund state average	13,313	14,167	15,010	15,730	N/A

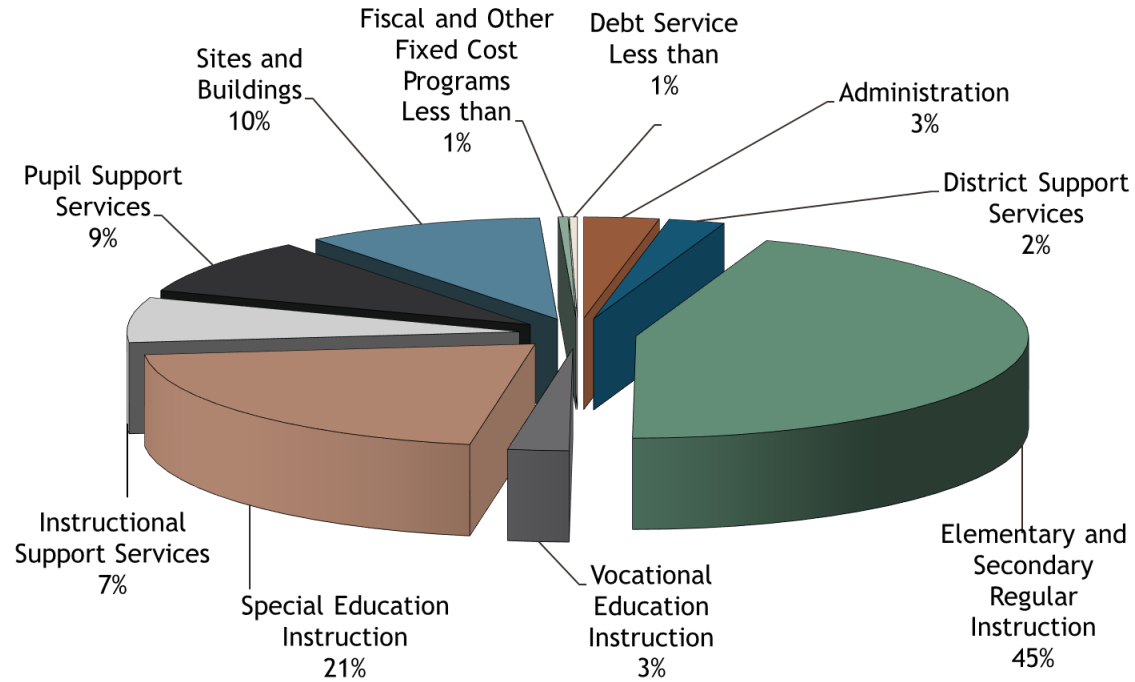
# General Fund

## - Revenues and Expenditures Per ADM Served

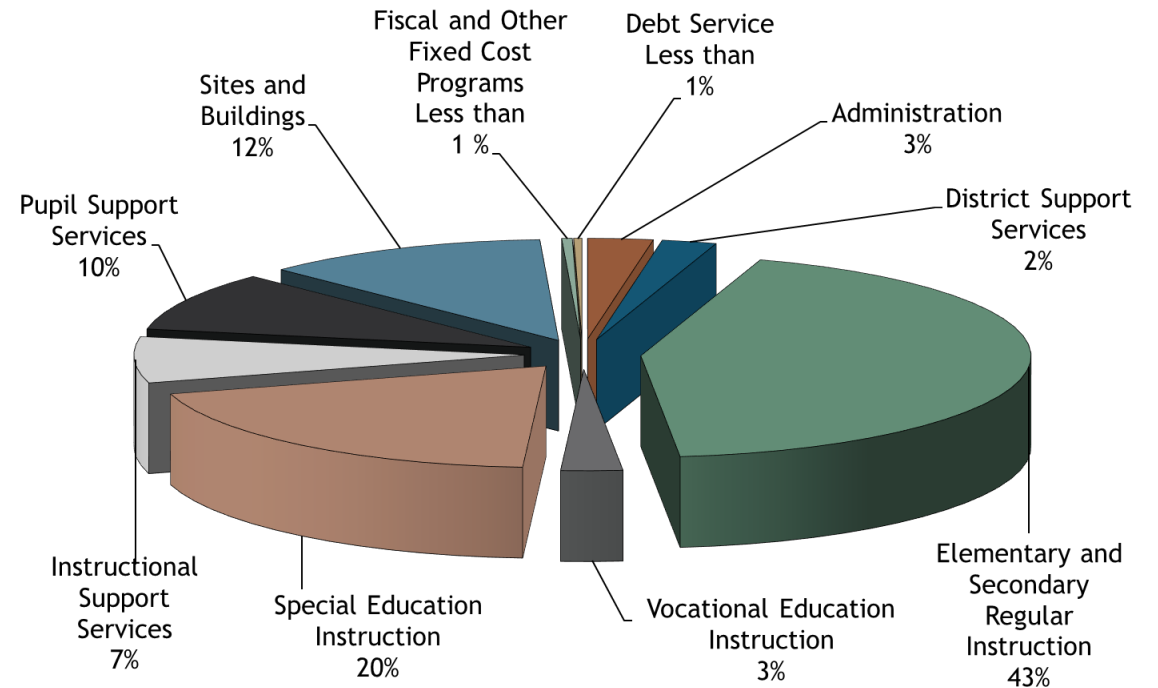


# General Fund – Expenditures

**General Fund Expenditures 2024**



**General Fund Expenditures 2023**

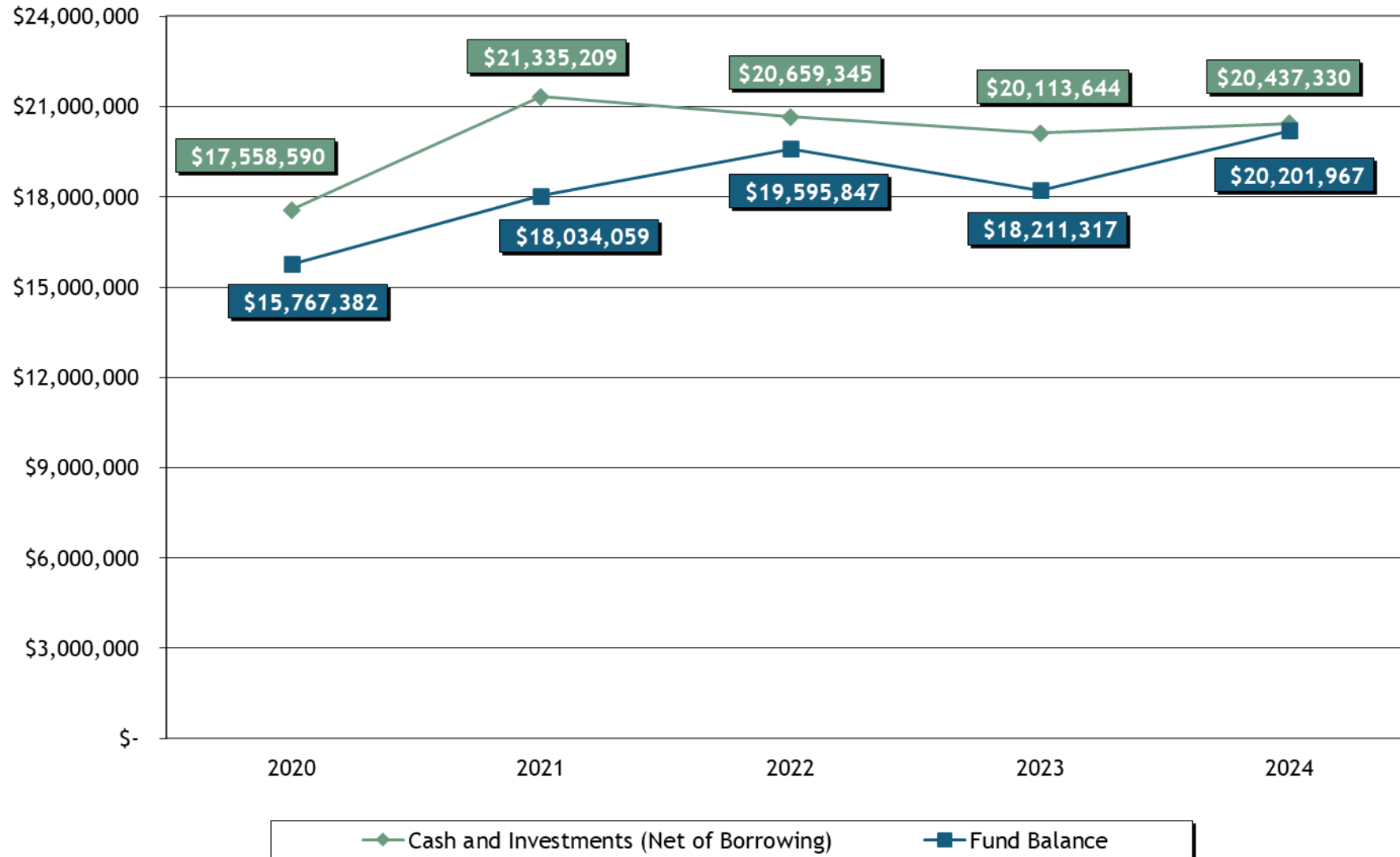




# General Fund – Operations

	2020	2021	2022	2023	2024
Revenues	\$ 68,481,483	\$ 72,992,397	\$ 73,819,808	\$ 73,981,067	\$ 80,967,834
Expenditures	67,409,717	70,812,639	72,394,748	75,442,218	78,989,395
Excess of revenues over (under) expenditures	1,071,766	2,179,758	1,425,060	(1,461,151)	1,978,439
Transfers/other financing sources and uses	616	86,919	136,728	76,621	12,211
Change in accounting principle	28,484	-	-	-	-
Fund balance, July 1	14,666,516	15,767,382	18,034,059	19,595,847	18,211,317
<b>Fund Balance, June 30</b>	<b>\$ 15,767,382</b>	<b>\$ 18,034,059</b>	<b>\$ 19,595,847</b>	<b>\$ 18,211,317</b>	<b>\$ 20,201,967</b>
<b>Components</b>					
Unassigned	\$ 7,850,572	\$ 10,013,894	\$ 10,750,570	\$ 10,418,889	\$ 11,803,666
Nonspendable	559,231	607,010	808,200	706,309	821,258
Reserved/restricted for					
Student activities	26,151	21,121	38,012	42,337	45,429
Operating capital	1,015,094	1,182,366	1,497,207	1,749,715	1,940,960
Literacy Incentive Aid	-	-	-	-	182,371
American Indian Education Aid	-	-	-	-	8,407
Long-term facility maintenance	(115,278)	347,494	624,421	(198,064)	377,945
Medical assistance	308,929	482,065	488,888	326,694	379,846
Committed/assigned for					
Separation benefits	2,615,036	2,187,804	2,374,820	2,576,411	2,890,038
Student activities - fund 9	403,592	383,104	351,218	428,932	584,869
Q Comp	105,022	37,353	133,344	25,072	-
Capital	1,833,715	1,385,317	1,030,697	853,208	428,147
Carryover	904,295	1,201,806	1,421,168	1,352,588	759,431
Dental insurance	261,023	184,725	77,302	(70,774)	(20,400)
<b>Total</b>	<b>\$ 15,767,382</b>	<b>\$ 18,034,059</b>	<b>\$ 19,595,847</b>	<b>\$ 18,211,317</b>	<b>\$ 20,201,967</b>

# General Fund – Financial Position



# Food Service Fund

For the Year Ended June 30,	2020	2021	2022	2023	2024
Revenues	\$ 3,431,084	\$ 3,574,635	\$ 4,844,434	\$ 3,905,749	\$ 4,987,106
Expenditures, excluding OPEB	3,122,854	3,133,990	3,533,402	3,585,741	4,376,501
Excess of revenues over expenditures	308,230	440,645	1,311,032	320,008	610,605
Transfers/other financing sources	453	1,310	14,116	-	-
Fund balance, July 1	621,742	930,425	1,372,380	2,697,528	3,017,536
<b>Fund Balance, June 30</b>	<b>\$ 930,425</b>	<b>\$ 1,372,380</b>	<b>\$ 2,697,528</b>	<b>\$ 3,017,536</b>	<b>\$ 3,628,141</b>

# Community Service Fund

For the Year Ended June 30,	2020	2021	2022	2023	2024
Revenues	\$ 3,380,387	\$ 3,014,480	\$ 3,794,664	\$ 4,160,988	\$ 4,684,255
Expenditures, excluding OPEB	3,472,360	3,098,360	3,467,083	3,752,012	4,099,179
Excess of revenues over (under) expenditures	(91,973)	(83,880)	327,581	408,976	585,076
Transfers/other financing sources	-	-	-	-	266
Fund balance, July 1	(33,383)	(125,356)	(209,236)	118,345	527,321
<b>Fund Balance, June 30</b>	<b>\$ (125,356)</b>	<b>\$ (209,236)</b>	<b>\$ 118,345</b>	<b>\$ 527,321</b>	<b>\$ 1,112,663</b>

Components					
Unassigned	\$ (50,506)	\$ (50,687)	\$ (73,462)	\$ (78,301)	\$ (93,675)
Nonspendable	5,168	2,037	10,244	1,781	2,967
Restricted/reserved for					
ECFE	114,542	196,617	225,808	195,493	206,487
Community education	(226,840)	(438,776)	(122,940)	307,973	875,192
School readiness	19,935	44,612	78,695	100,375	121,692
Adult basic education	12,345	36,961	-	-	-
<b>Total</b>	<b>\$ (125,356)</b>	<b>\$ (209,236)</b>	<b>\$ 118,345</b>	<b>\$ 527,321</b>	<b>\$ 1,112,663</b>

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# Auditor

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# Jackie Knowles

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# Thank You

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