



KDV

Independent School District  
No. 726  
Becker, Minnesota

Audited Financial Statements  
June 30, 2013



# Components of the Audit

KDV

- Opinion on the District's Basic Financial Statements – Unmodified Opinion
- Report on the results of an audit performed in accordance with *Government Auditing Standards* – Internal Control Findings
- Report on the results of an audit performed in accordance with OMB *Circular A-133* – Unmodified Opinion
- Report on the results of testing on *Minnesota Legal Compliance* – no findings
- Required Communication



## Pupil Unit Funding – General Education Aid

<u>Year</u>	<u>Formula Allowance</u>	
	<u>Amount</u>	<u>Percent Increase</u>
2004	\$ 4,601	0.0%
2005	4,601	0.0%
2006	4,782	4.0%
2007	4,974	4.0%
2008	5,074	2.0%
2009	5,124	1.0%
2010	5,124	0.0%
2011	5,124	0.0%
2012	5,174	1.0%
2013	5,224	1.0%
2014	5,302	1.5%
2015*	5,806	1.5%

\* Of the \$ 504 increase over 2014, \$ 80 is for inflation at 1.5%; the remaining \$ 424 is a shifting of revenue to adjust for pupil weight changes, pension adjustments changes and other restructuring.



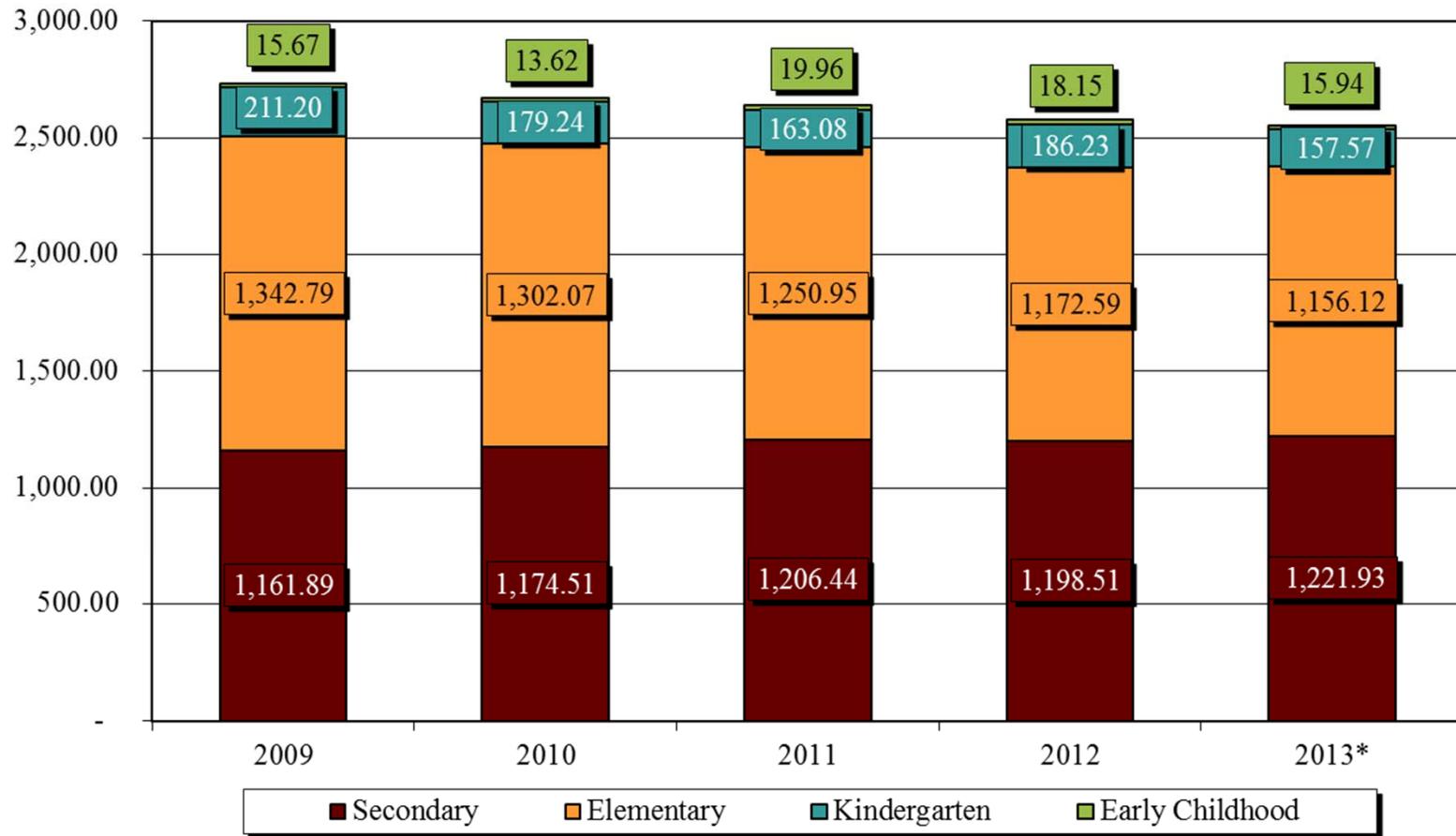
## Resident Average Daily Membership and Pupil Units

<b>ADM</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013*</b>
Early Childhood	15.67	13.62	19.96	18.15	15.94
Kindergarten	211.20	179.24	163.08	186.23	157.57
Elementary	1,342.79	1,302.07	1,250.95	1,172.59	1,156.12
Secondary	1,161.89	1,174.51	1,206.44	1,198.51	1,221.93
<b>Total Resident ADM</b>	<b>2,731.55</b>	<b>2,669.44</b>	<b>2,640.43</b>	<b>2,575.48</b>	<b>2,551.56</b>

\* Estimate



# Resident ADM



\* Estimate



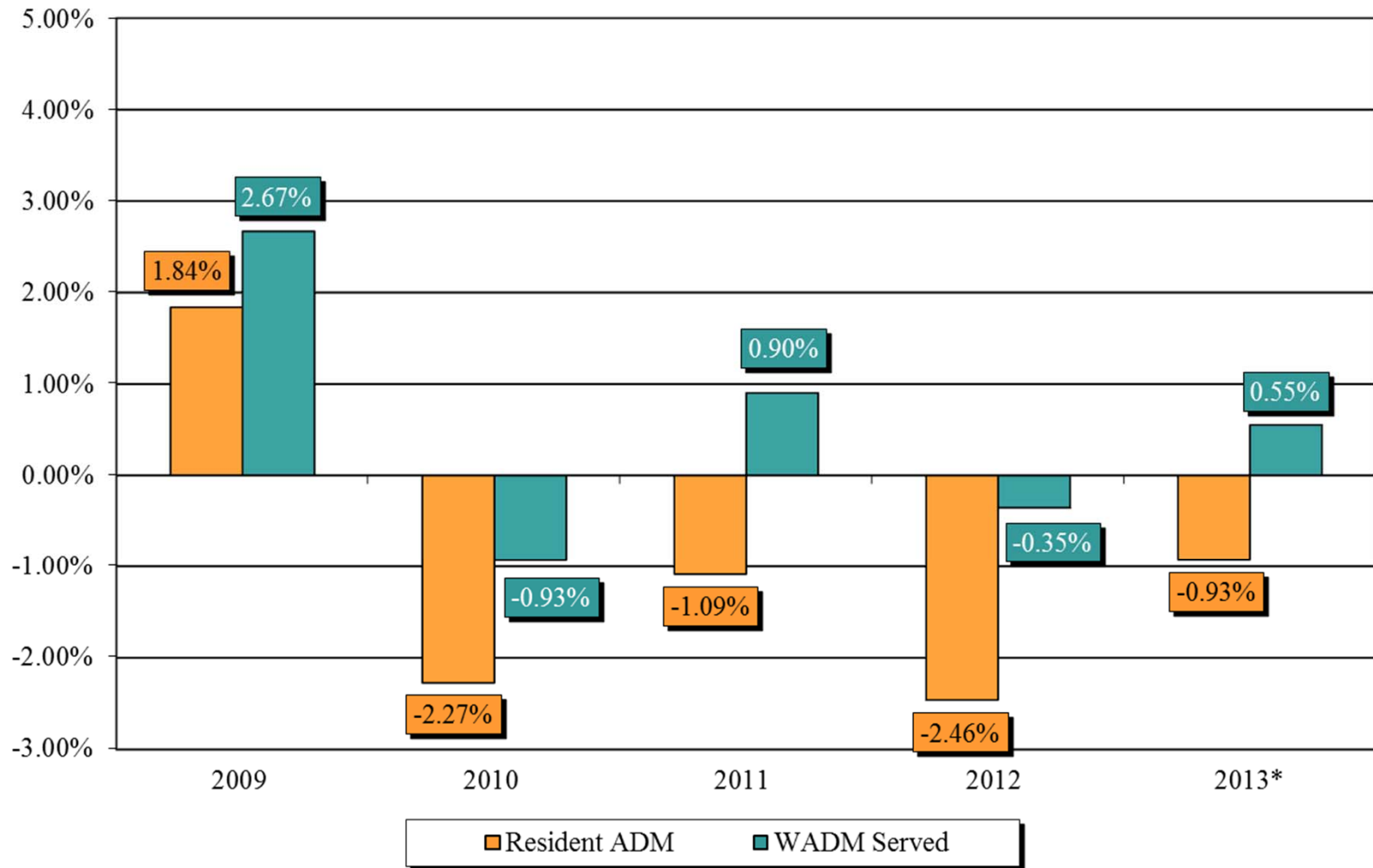
# Resident Average Daily Membership and Pupil Units

Pupil Units Weighting						
	Early Childhood	Handicapped Kindergarten	Kindergarten	Elementary Grades 1-3	Elementary Grades 4-6	Secondary
2009 - 2013	1.250	1.000	0.612	1.115	1.060	1.300

Weighted/Adjusted ADM	2009	2010	2011	2012	2013*
Residents	3,122.47	3,071.06	3,056.42	2,974.28	2,964.36
Resident Loss	(102.22)	(133.27)	(121.47)	(121.94)	(149.85)
Nonresident Gain	126.37	179.46	210.42	281.93	337.08
<b>Total Weighted/Adjusted ADM</b>	<b>3,146.62</b>	<b>3,117.25</b>	<b>3,145.37</b>	<b>3,134.27</b>	<b>3,151.59</b>

\* Estimate

# Change in Resident ADM and Weighted/Adjusted ADM Served



\* Estimate



# General Fund Budget and Actual

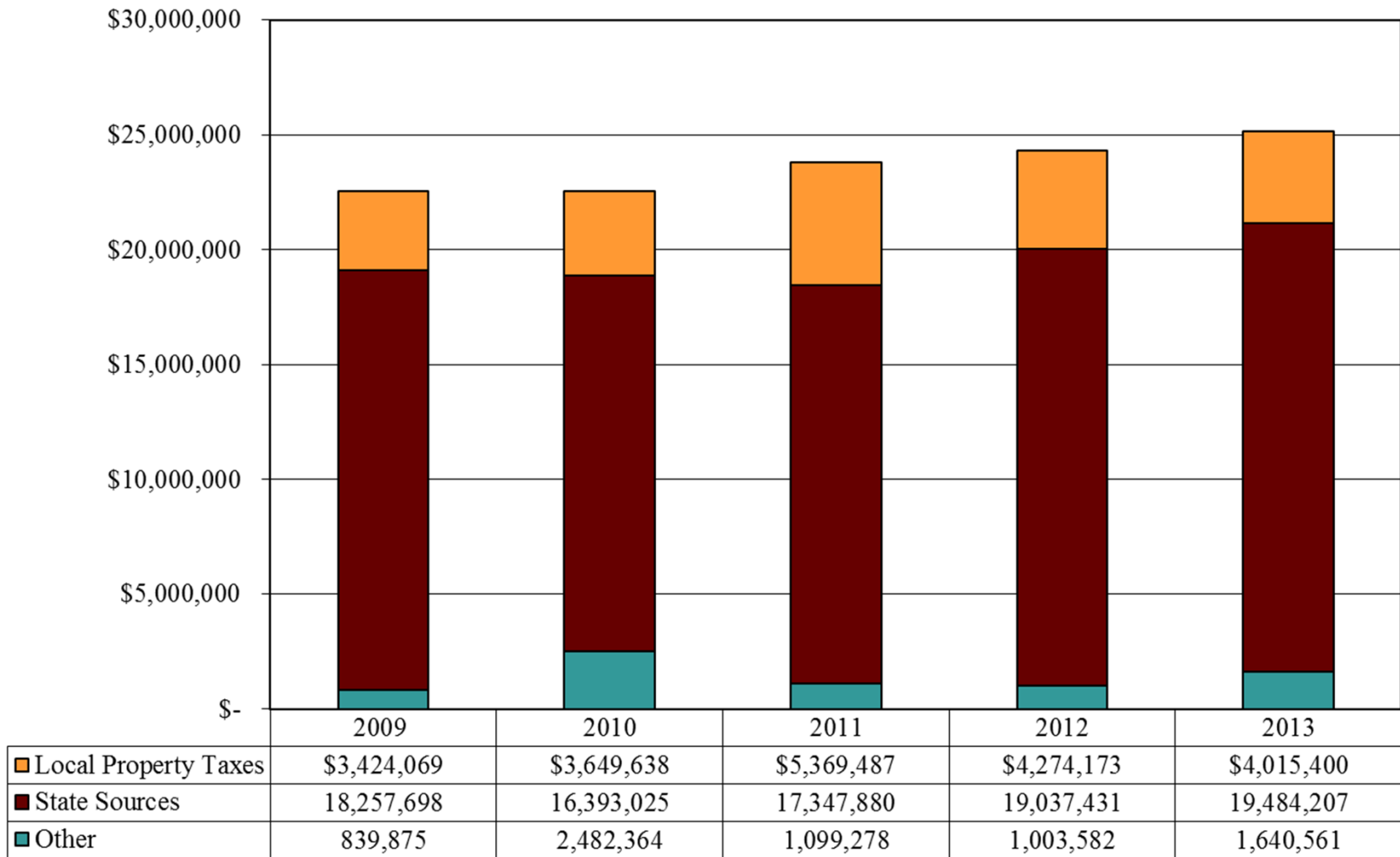
	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Over (Under)
<b>REVENUES</b>				
Local Property Taxes	\$ 5,160,985	\$ 4,586,985	\$ 4,015,400	\$ (571,585)
State Sources	17,820,349	18,572,542	19,484,207	911,665
Other	1,279,503	1,342,303	1,640,561	298,258
Total Revenues	<u>24,260,837</u>	<u>24,501,830</u>	<u>25,140,168</u>	<u>638,338</u>
<b>EXPENDITURES</b>				
Administration	1,281,214	1,281,013	1,244,661	(36,352)
District Support Services	584,120	628,521	596,728	(31,793)
Regular Instruction	12,971,684	12,706,319	12,843,899	137,580
Vocational Education Instruction	53,004	48,004	139,112	91,108
Special Education Instruction	3,386,188	3,709,087	3,969,592	260,505
Instructional Support Services	1,698,333	1,824,246	2,036,095	211,849
Pupil Support Services	1,704,731	1,705,084	1,859,629	154,545
Sites and Buildings	2,612,969	2,641,459	2,710,151	68,692
Fiscal and Other Fixed Costs	141,160	141,160	132,549	(8,611)
Total Expenditures	<u>24,433,403</u>	<u>24,684,893</u>	<u>25,532,416</u>	<u>847,523</u>
Excess of Revenues				
Under Expenditures	(172,566)	(183,063)	(392,248)	(209,185)
<b>OTHER FINANCING SOURCES</b>				
Proceeds from Capital Lease	108,000	106,737	306,351	199,614
Net Change in Fund Balances	<u>\$ (64,566)</u>	<u>\$ (76,326)</u>	<u>\$ (85,897)</u>	<u>\$ (9,571)</u>

\* Estimate





# General Fund Sources of Revenue

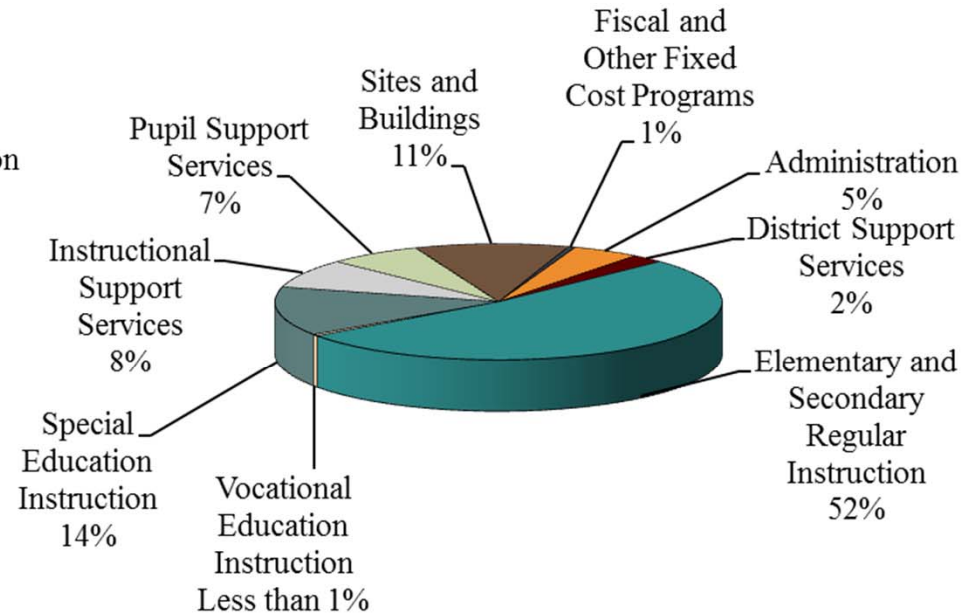
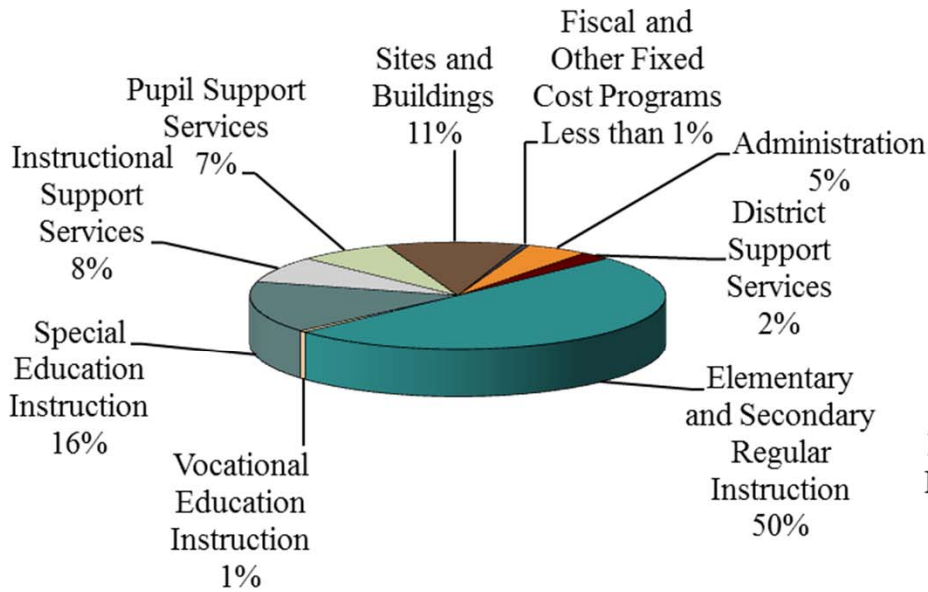


# General Fund Expenditures

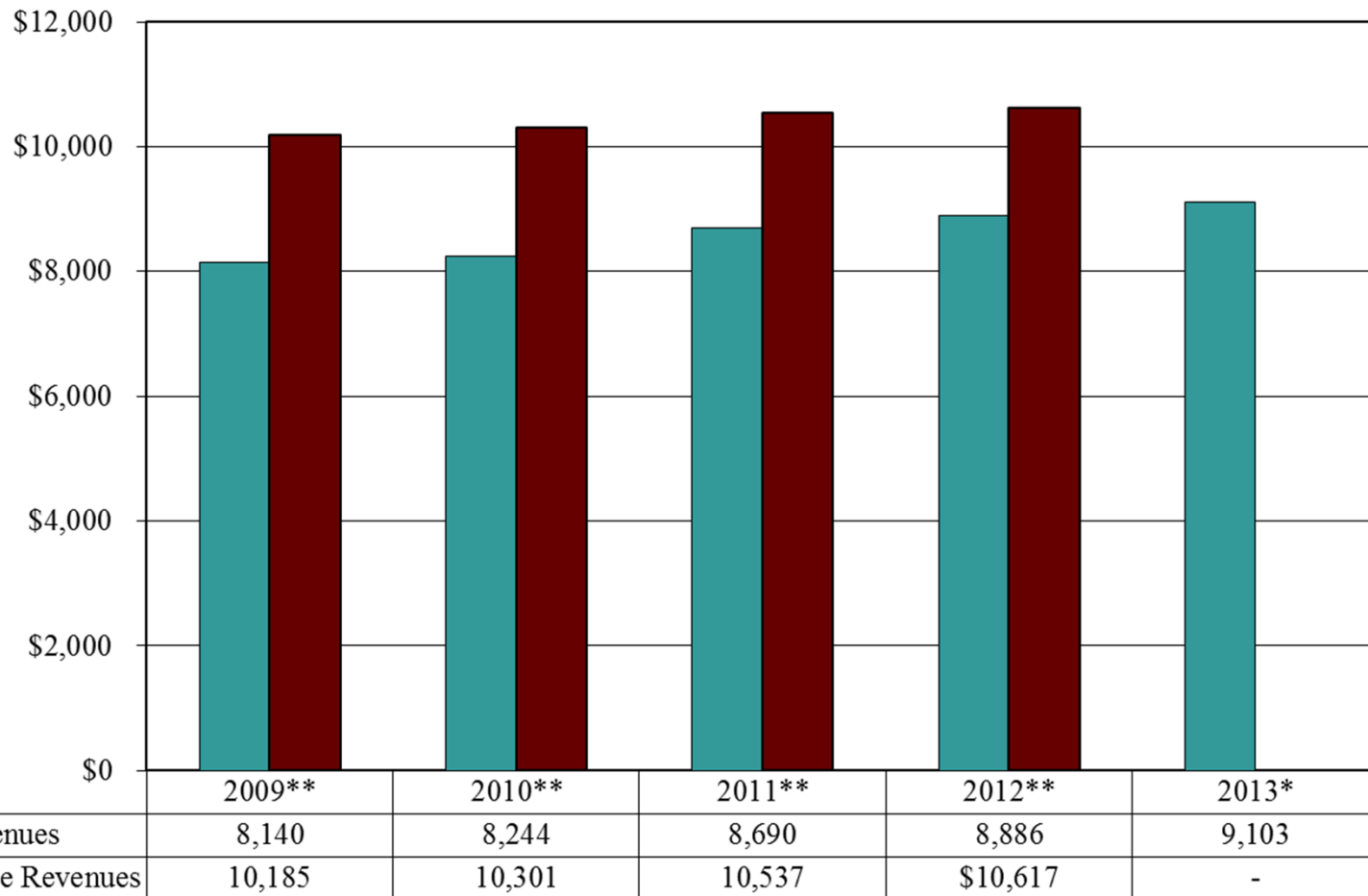


**2013**

**2012**



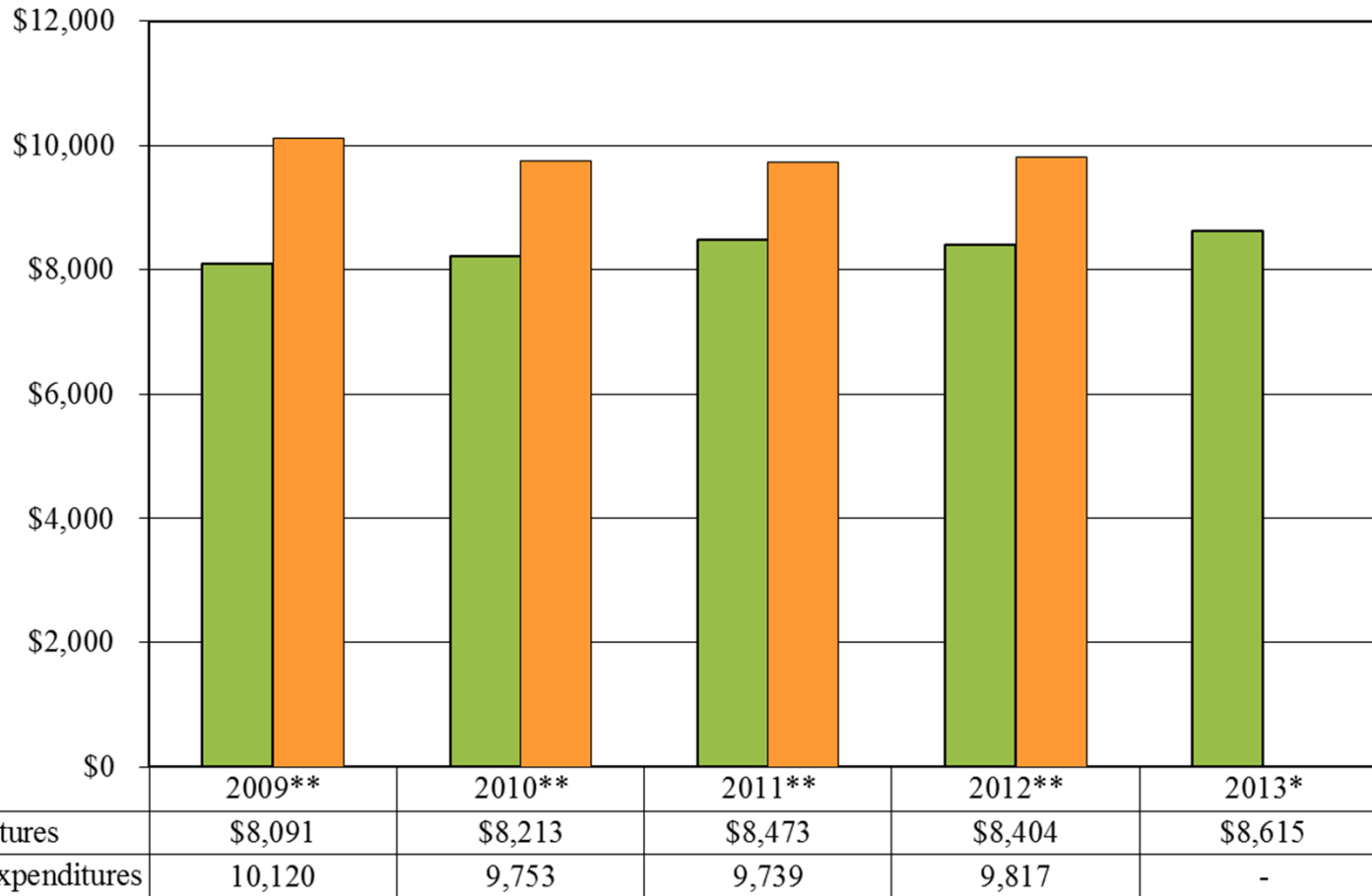
# Revenues Per ADM Served



\* Estimate

\*\* State averages obtained from the Minnesota Department of Education's (MDE) publication *School District Profiles*. Amounts for 2013 are not yet available.

# Operating Expenditures Per ADM Served



\* Estimate

\*\* State averages obtained from the Minnesota Department of Education's (MDE) publication *School District Profiles*. Amounts for 2013 are not yet available.



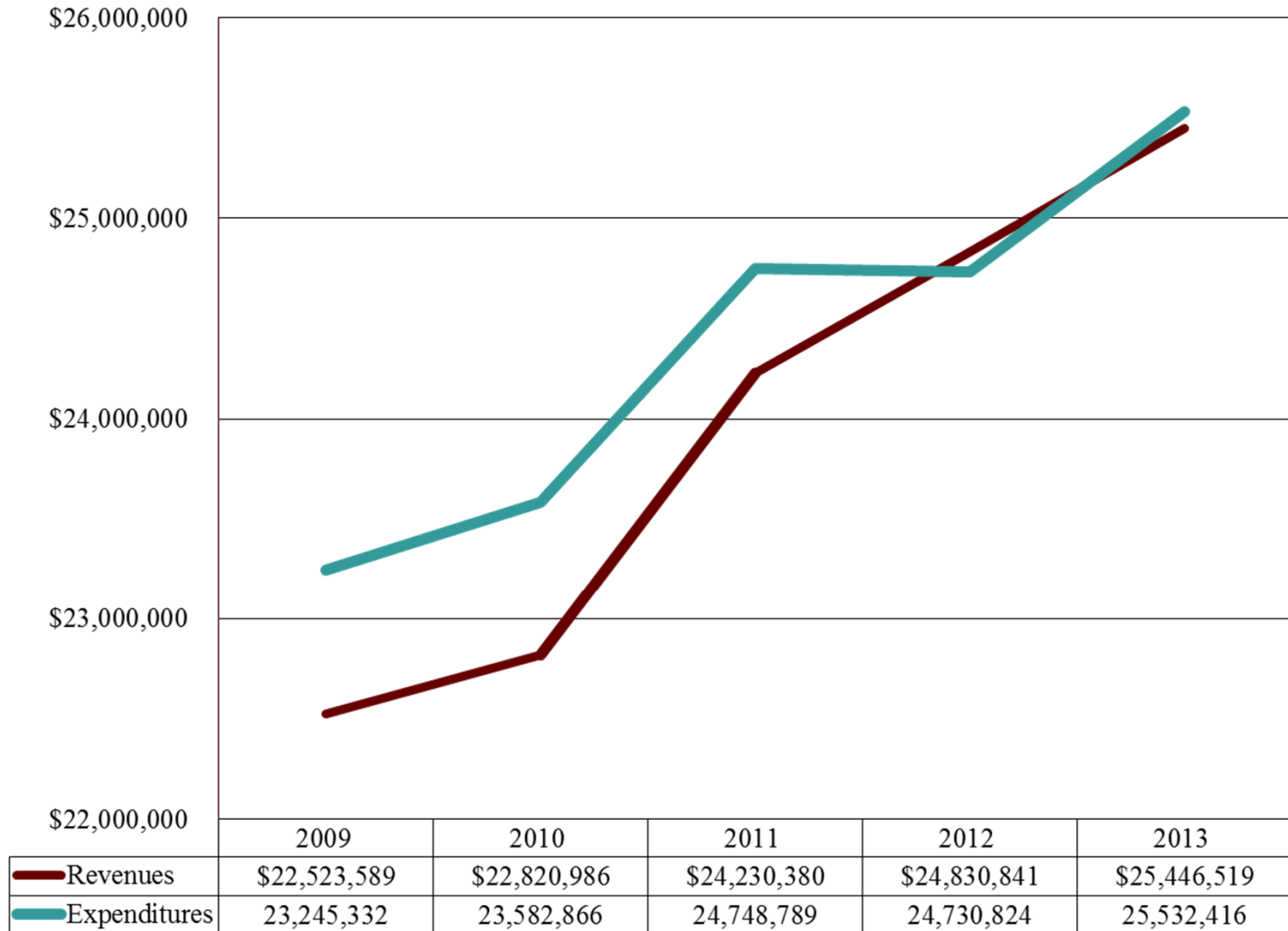
## Expenditures and Revenues per ADM served

	District	State	District	State
	2012**	Average	2013*	Average
	2012**	2012**	2013*	2013
District and School Administration	8.5%	8.3%	7.1%	NA
Regular Instruction	53.0%	46.9%	49.9%	NA
Vocational Instruction	0.4%	1.3%	0.5%	NA
Special Education Instruction	13.9%	17.9%	15.3%	NA
Instructional Support Services	3.8%	4.3%	5.1%	NA
Pupil Support Services	6.0%	8.6%	6.2%	NA
Sites, Buildings and Equipment	9.4%	7.7%	10.3%	NA
Capital Outlay	5.0%	5.0%	5.6%	NA
	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	

\* Estimate

\*\* State averages obtained from the Minnesota Department of Education's (MDE) publication *School District Profiles*. Amounts for 2013 are not yet available.

# General Fund Net Revenues and Expenditures



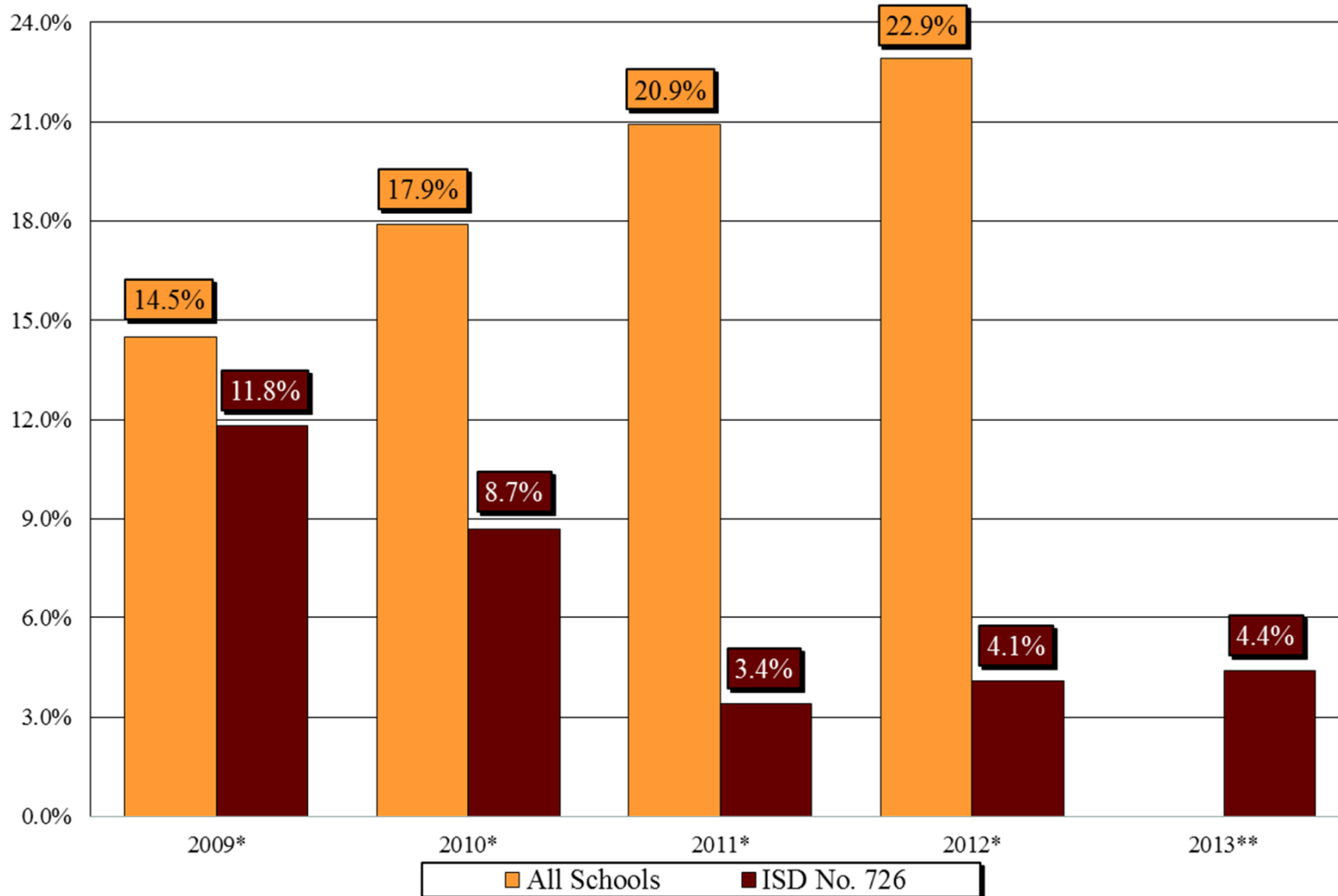


# General Fund Operations

<b>For the Year Ended June 30,</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Revenues	\$ 22,521,642	\$ 22,525,027	\$ 23,816,645	\$ 24,315,186	\$ 25,140,168
Expenditures	23,245,332	23,582,866	24,748,789	24,730,824	25,532,416
Excess of Revenues					
Under Expenditures	(723,690)	(1,057,839)	(932,144)	(415,638)	(392,248)
Other Financing Sources	1,947	295,959	413,735	515,655	306,351
Fund Balance, July 1	3,452,206	2,730,463	1,968,583	937,938	1,037,955
Prior Period Adjustment	-	-	(512,236)	-	-
<b>Fund Balance, June 30</b>	<b>\$ 2,730,463</b>	<b>\$ 1,968,583</b>	<b>\$ 937,938</b>	<b>\$ 1,037,955</b>	<b>\$ 952,058</b>

<b>Components</b>					
Nonspendable	\$ 735,600	\$ 615,632	\$ 53,346	\$ 151,879	\$ 173,023
Restricted/Reserved for:					
Staff Development	135,326	-	-	-	-
Operating Capital	273,662	137,445	141,882	26,608	-
Health and Safety*	(122,770)	9,287	27,910	118,140	(38,303)
Deferred Maintenance	4,333	7,141	20,810	6,796	6,006
Assigned for:					
Building Level Activity	165,721	125,685	120,396	139,616	188,814
Unassigned*	1,538,591	1,073,393	573,594	594,916	622,518
<b>Total</b>	<b>\$ 2,730,463</b>	<b>\$ 1,968,583</b>	<b>\$ 937,938</b>	<b>\$ 1,037,955</b>	<b>\$ 952,058</b>

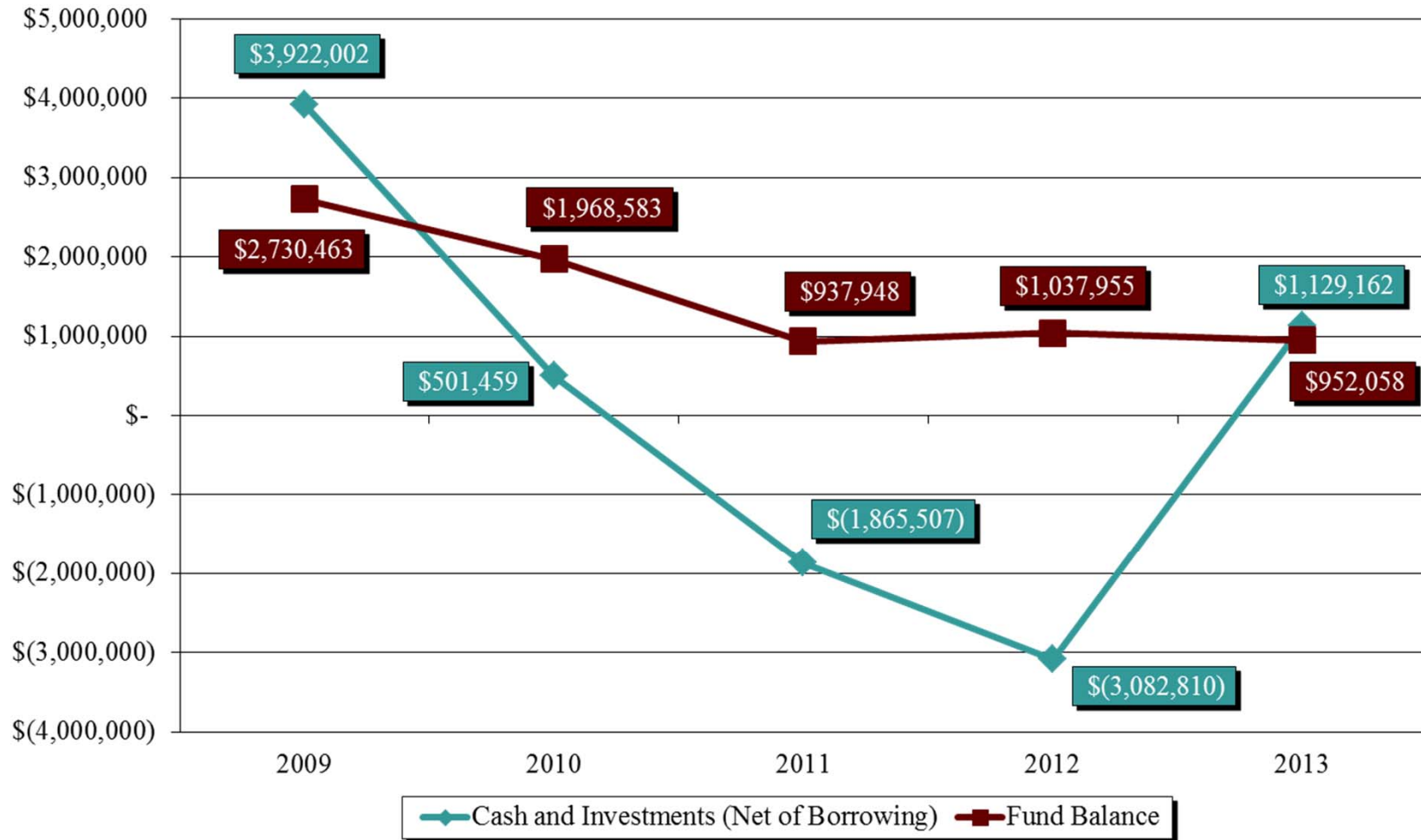
# General Fund Expenditures of Fund Balance







# General Fund Financial Position





# Food Service Fund



<b>For the Year Ended June 30,</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Revenues	\$ 1,094,334	\$ 1,079,841	\$ 1,107,995	\$ 1,146,550	\$ 1,219,513
Expenditures	1,071,560	1,069,893	1,063,971	1,161,995	1,218,295
Excess of Revenues Over (Under) Expenditures	22,774	9,948	44,024	(15,445)	1,218
Fund Balance, July 1	219,386	242,160	252,108	296,132	280,687
<b>Fund Balance, June 30</b>	<b>\$ 242,160</b>	<b>\$ 252,108</b>	<b>\$ 296,132</b>	<b>\$ 280,687</b>	<b>\$ 281,905</b>



# Community Service Fund



<b>For the Year Ended June 30,</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Revenues	\$ 664,724	\$ 630,974	\$ 704,538	\$ 876,179	\$ 1,010,430
Expenditures	667,594	632,289	690,188	849,905	918,340
Excess of Revenues Over (Under) Expenditures	(2,870)	(1,315)	14,350	26,274	92,090
Other Financing Sources	20,793	-	-	-	-
Fund Balance, July 1	(120,023)	(102,100)	(103,415)	(89,065)	(62,791)
<b>Fund Balance, June 30</b>	<b>\$ (102,100)</b>	<b>\$ (103,415)</b>	<b>\$ (89,065)</b>	<b>\$ (62,791)</b>	<b>\$ 29,299</b>
<b>Components</b>					
Nonspendable	\$ 309	\$ 400	\$ 623	\$ 6,236	\$ 400
Restricted/Reserved for:					
Community Education*	(159,930)	(151,726)	(145,108)	(129,147)	(36,885)
Early Childhood and Family Education	40,267	36,149	32,108	37,467	47,679
School Readiness	17,254	11,762	23,312	22,653	18,105
<b>Total</b>	<b>\$ (102,100)</b>	<b>\$ (103,415)</b>	<b>\$ (89,065)</b>	<b>\$ (62,791)</b>	<b>\$ 29,299</b>



## Questions

Nancy Schulzetenberg  
320-650-0219

Thank you!