



Independent School District No. 877
Buffalo, Minnesota

Financial Statements

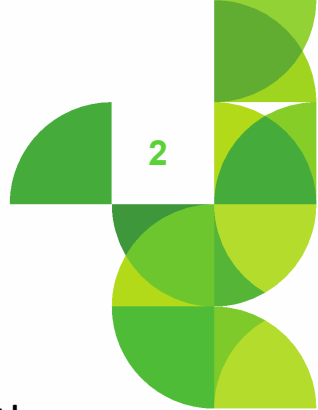
June 30, 2017



Independent Auditor 's Report



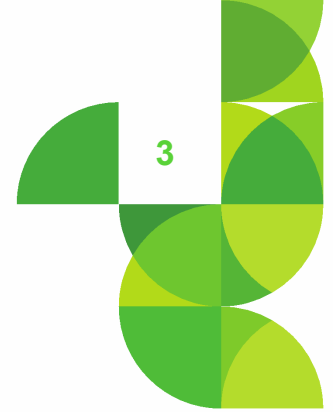
- Unmodified opinion on financial statements
- Financial statements present fairly in all material respects the financial position and changes in financial position of the governmental activities, each major fund and the aggregate remaining fund information



Other Reports

- Report on the results of an audit performed in accordance with *Government Auditing Standards* – no findings
- Uniform Guidance report on Internal Control and Compliance (Federal Single Audit) – no findings
- Report on the results of testing on *Minnesota Legal Compliance* - no findings
- Audit of the District's Student Activity Accounts

General Fund Budget Performance



- General Fund budgeted for a \$850 thousand use(decline) of fund balance
- Revenue was \$65 thousand over budget after factoring out pension in-kind activity
- Expenditures were \$1.2 million under budget after factoring out pension in-kind activity
- Fund balance actually increased \$414 thousand



General Education Aid Formula Allowance

Year	General Education Aid Formula Allowance	
	Amount	Percent Increase
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*	5,831	1.9%
2016	5,948	2.0%
2017	6,067	2.0%
2018	6,188	2.0%

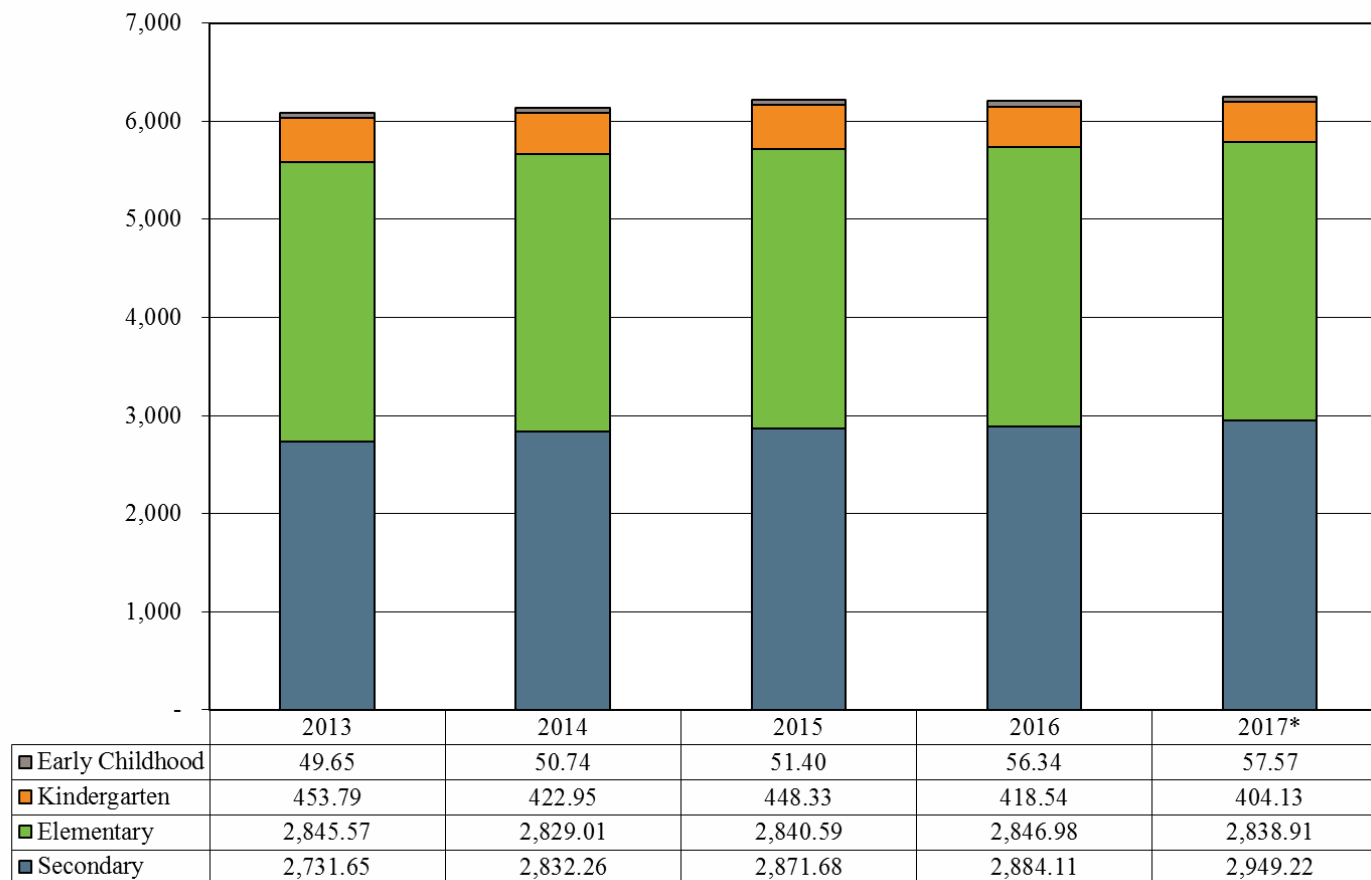
* General Education Aid - Of the \$529 increase over 2014, \$105 is for inflation at 1.9%; the remaining \$424 is a shifting of revenue to adjust for pupil weight changes, pension adjustments changes and other restructuring.

Resident Average Daily Membership and Pupil Units

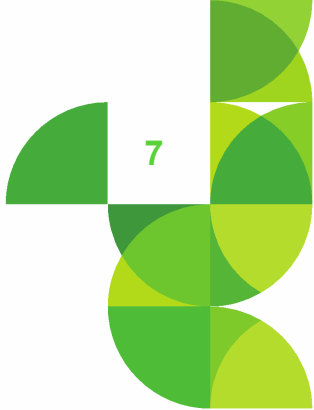


ADM	2013	2014	2015	2016	2017*
Early Childhood	49.65	50.74	51.40	56.34	57.57
Kindergarten	453.79	422.95	448.33	418.54	404.13
Elementary	2,845.57	2,829.01	2,840.59	2,846.98	2,838.91
Secondary	2,731.65	2,832.26	2,871.68	2,884.11	2,949.22
Total Resident ADM	6,080.66	6,134.96	6,212.00	6,205.97	6,249.83

Resident (ADM)



Pupil Units Weighting



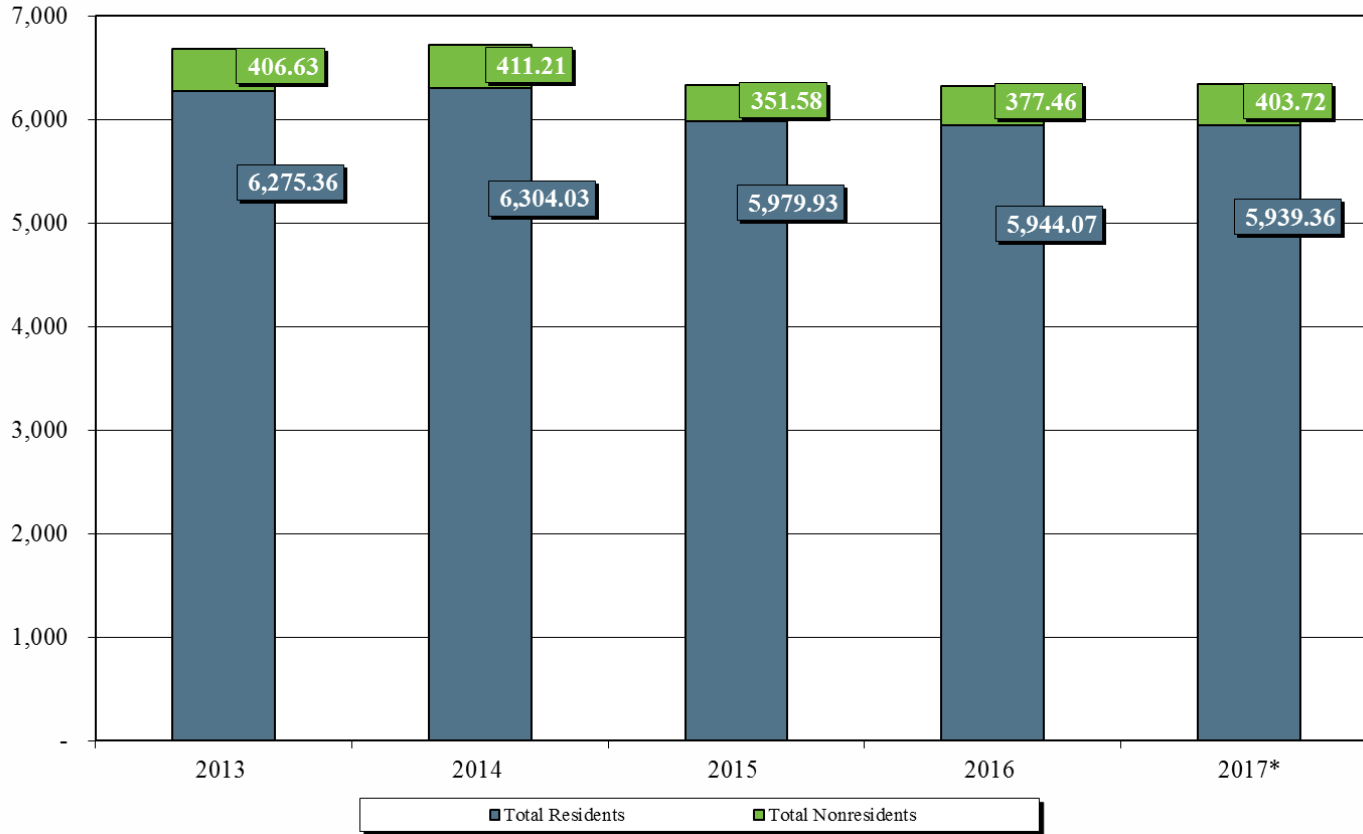
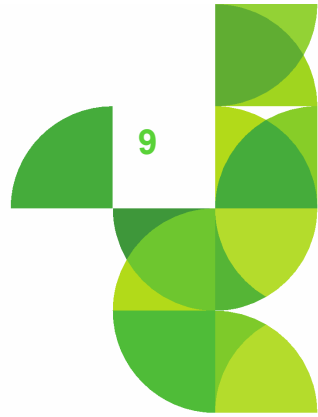
Pupil Units Weighting				
	Pre-Kindergarten and Handicapped Kindergarten	Part-time and All-Day Kindergarten	Elementary Grades 1-3/4-6	Secondary
2013-2014	1.250/1.000	0.612	1.115/1.060	1.300
2015-2017	1.000	0.612/1.000	1.000	1.200

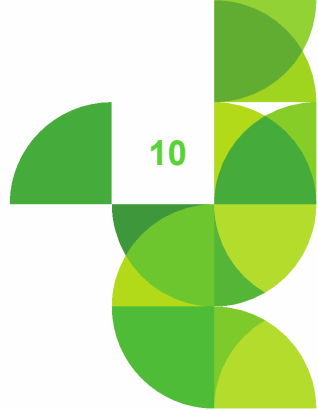
Pupil Units Weighting (Continued)



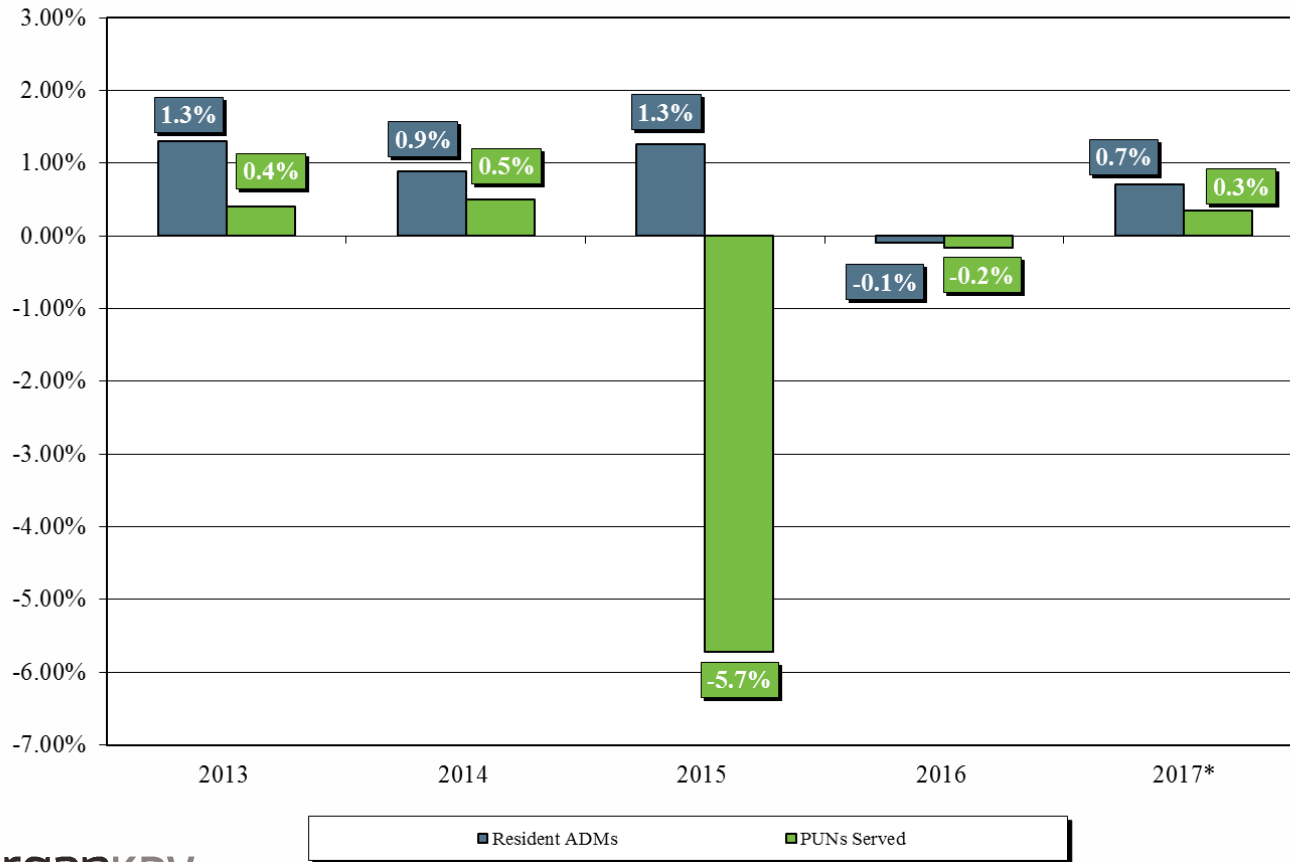
PUN	2013	2014	2015	2016	2017*
Residents	6,991.53	7,090.53	6,781.76	6,780.39	6,838.85
Resident PUN loss	(716.17)	(786.50)	(801.83)	(836.32)	(899.49)
Nonresident PUN gain	406.63	411.21	351.58	377.46	403.72
Total PUN Served	6,681.99	6,715.24	6,331.51	6,321.53	6,343.08

PUN Served





Change in Resident ADM and PUN Served

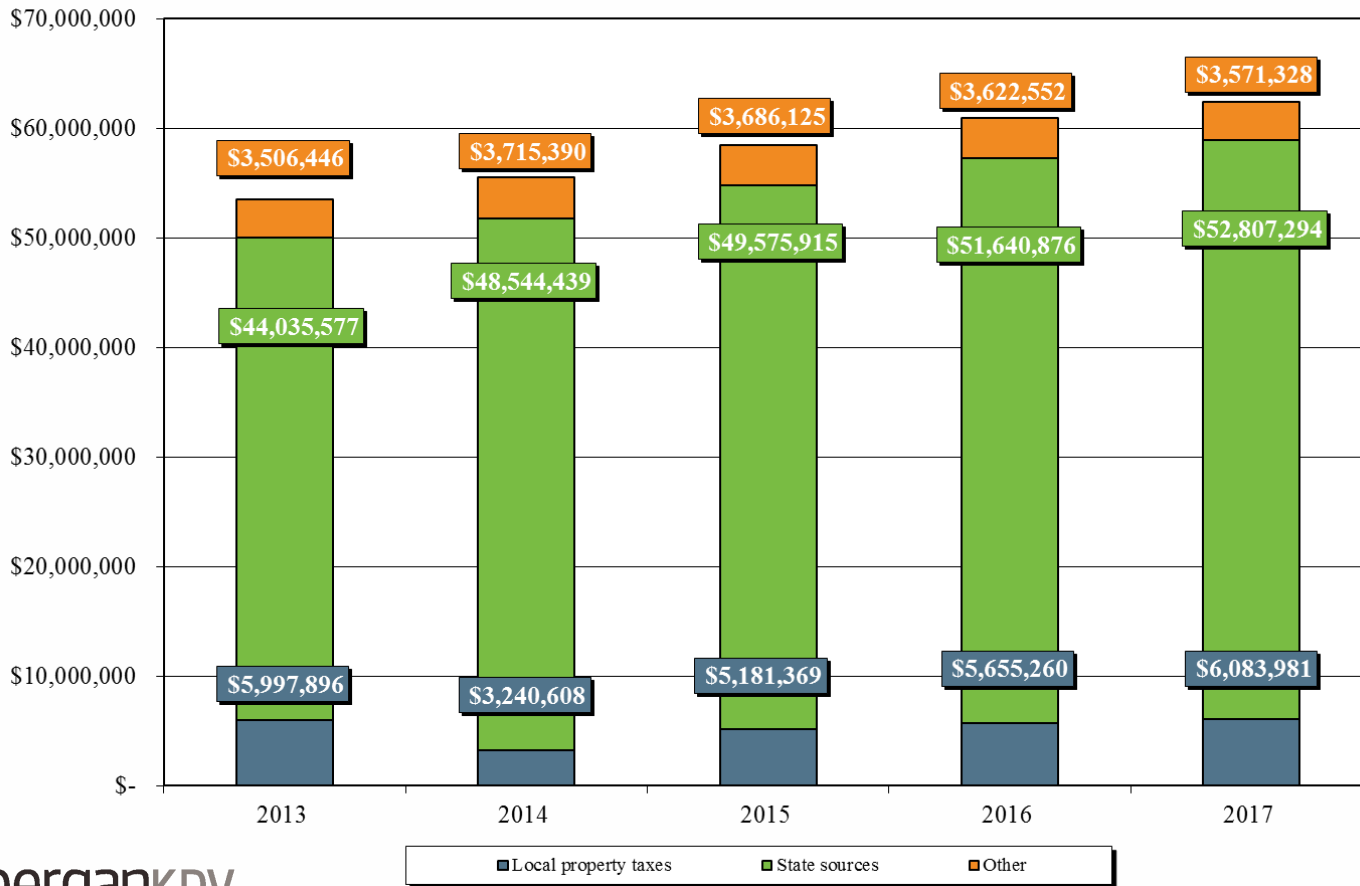
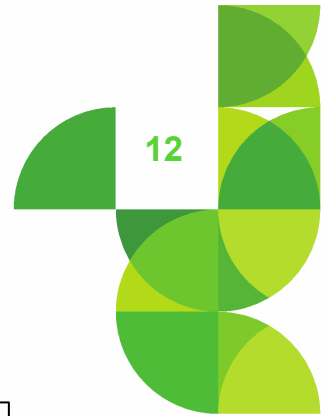


General Fund Sources of Revenue



	2013	2014	2015	2016	2017
Local property taxes	\$ 5,997,896	\$ 3,240,608	\$ 5,181,369	\$ 5,655,260	\$ 6,083,981
State sources	44,035,577	48,544,439	49,575,915	51,640,876	52,807,294
Other	3,506,446	3,715,390	3,686,125	3,622,552	3,571,328
Total	\$ 53,539,919	\$ 55,500,437	\$ 58,443,409	\$ 60,918,688	\$ 62,462,603

General Fund Sources of Revenue (Continued)





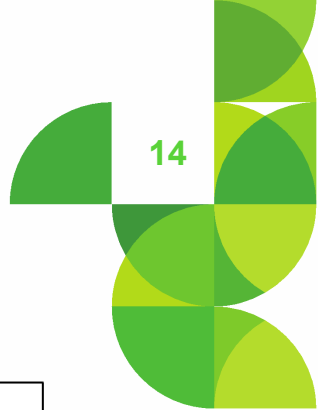
Revenue and Expenditures Per ADM Served

Revenue Per ADM Served

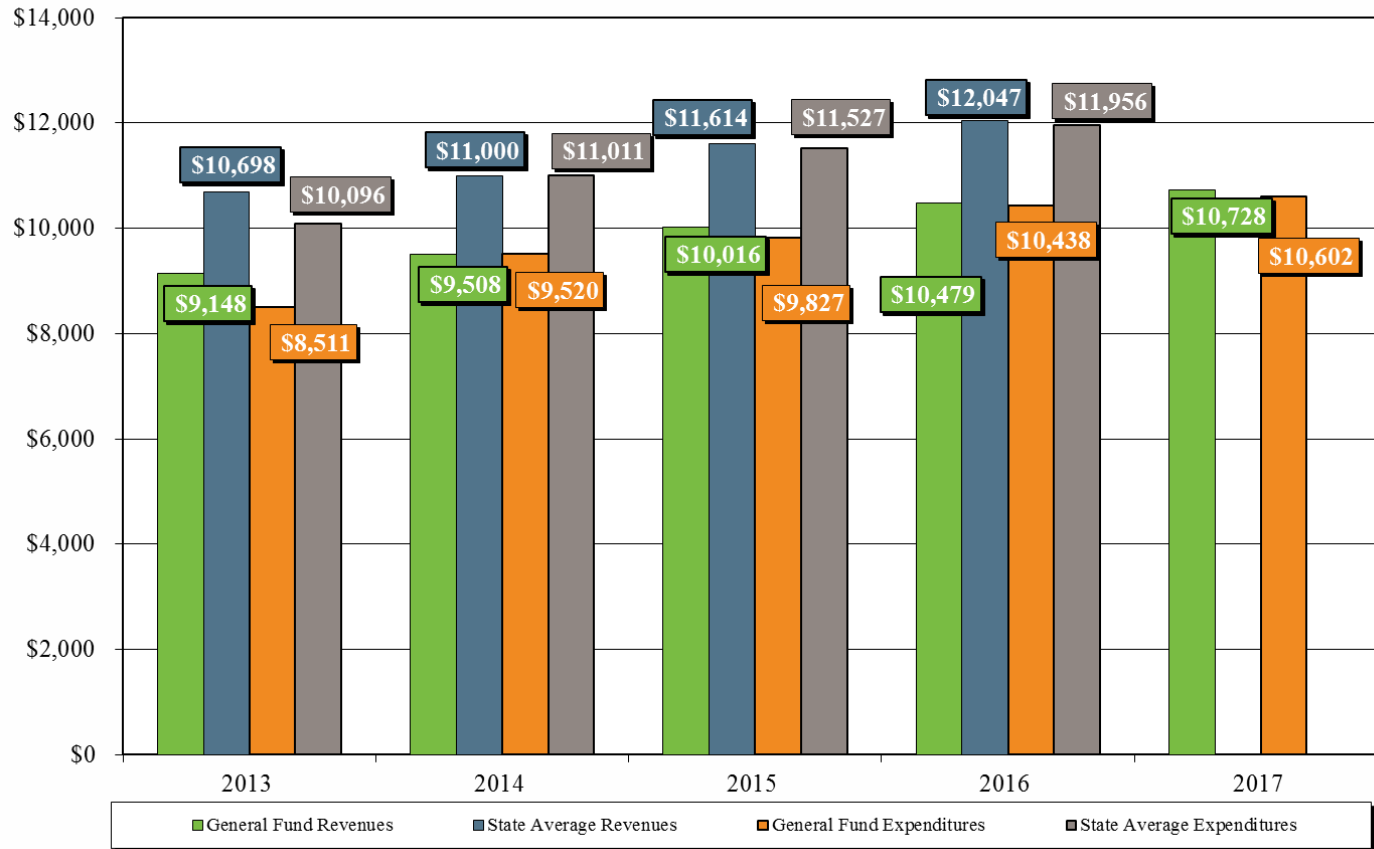
	2013	2014	2015	2016	2017
General Fund	\$ 9,148	\$ 9,508	\$ 10,016	\$ 10,479	\$ 10,728
General Fund state average	10,698	11,000	11,614	12,047	N/A

Expenditures Per ADM Served

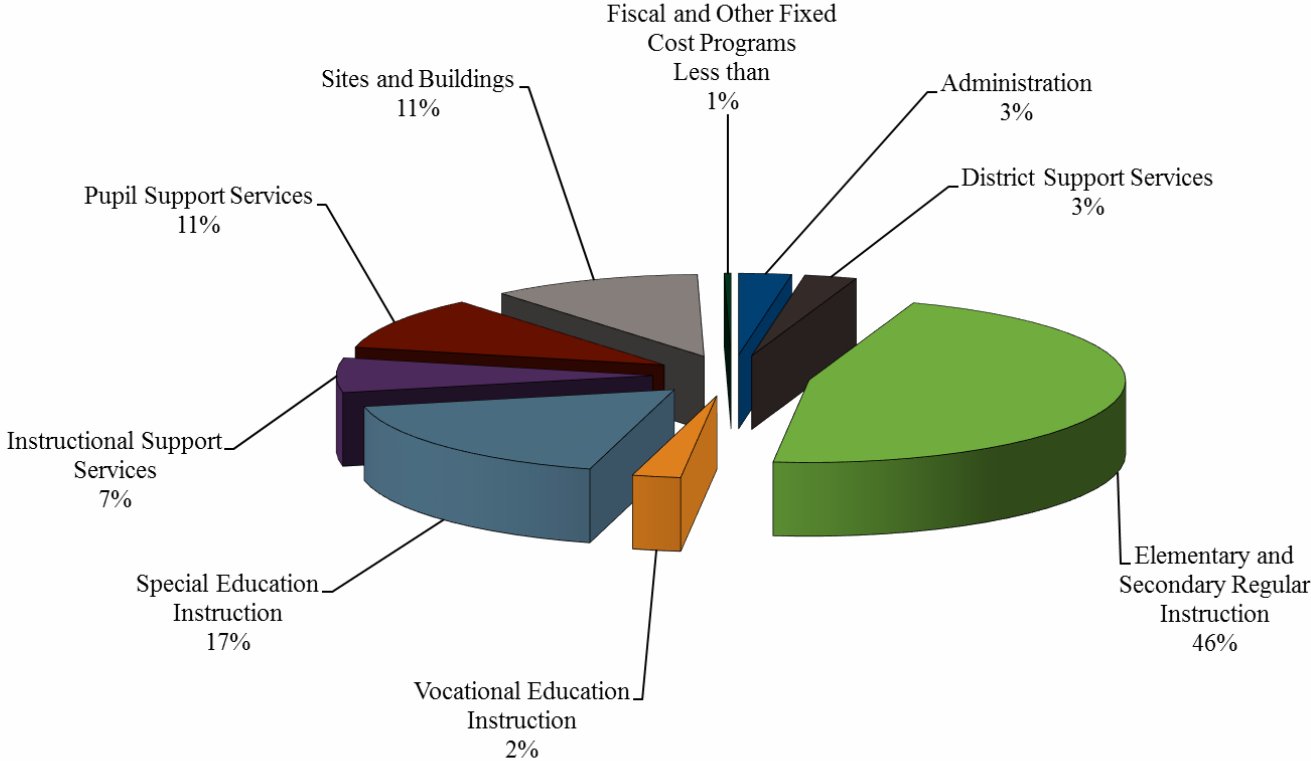
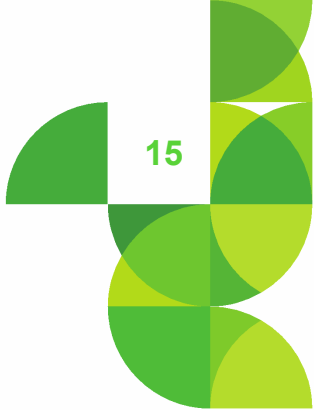
	2013	2014	2015	2016	2017
General Fund	\$ 8,511	\$ 9,520	\$ 9,827	\$ 10,438	\$ 10,602
General Fund state average	10,096	11,011	11,527	11,956	N/A



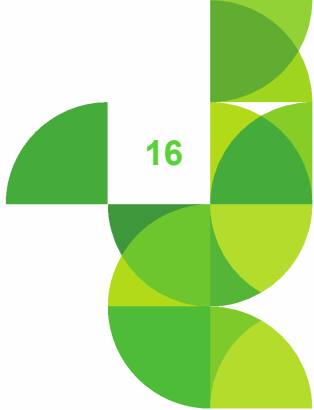
Revenues and Expenditures Per Student ADM Served



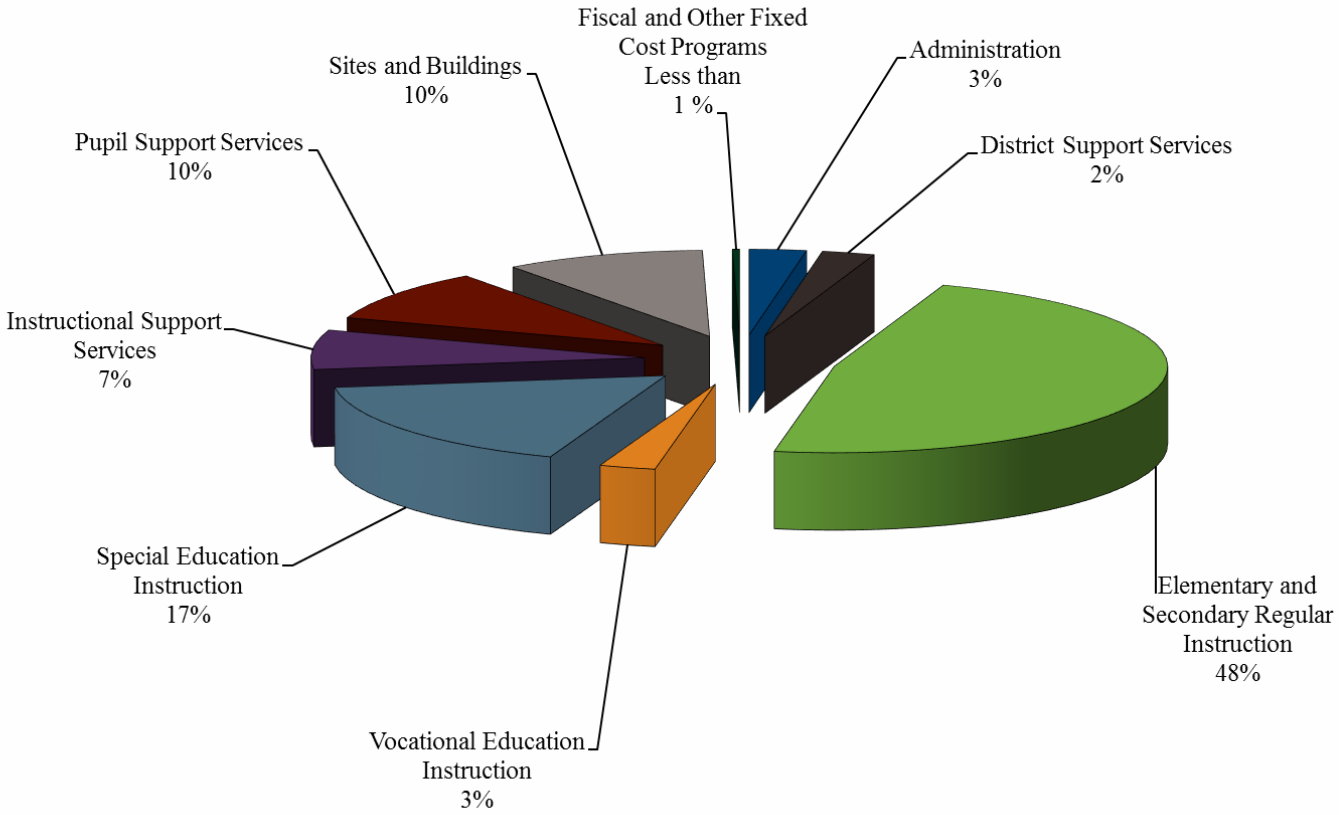
General Fund Expenditures 2017



General Fund Expenditures 2016



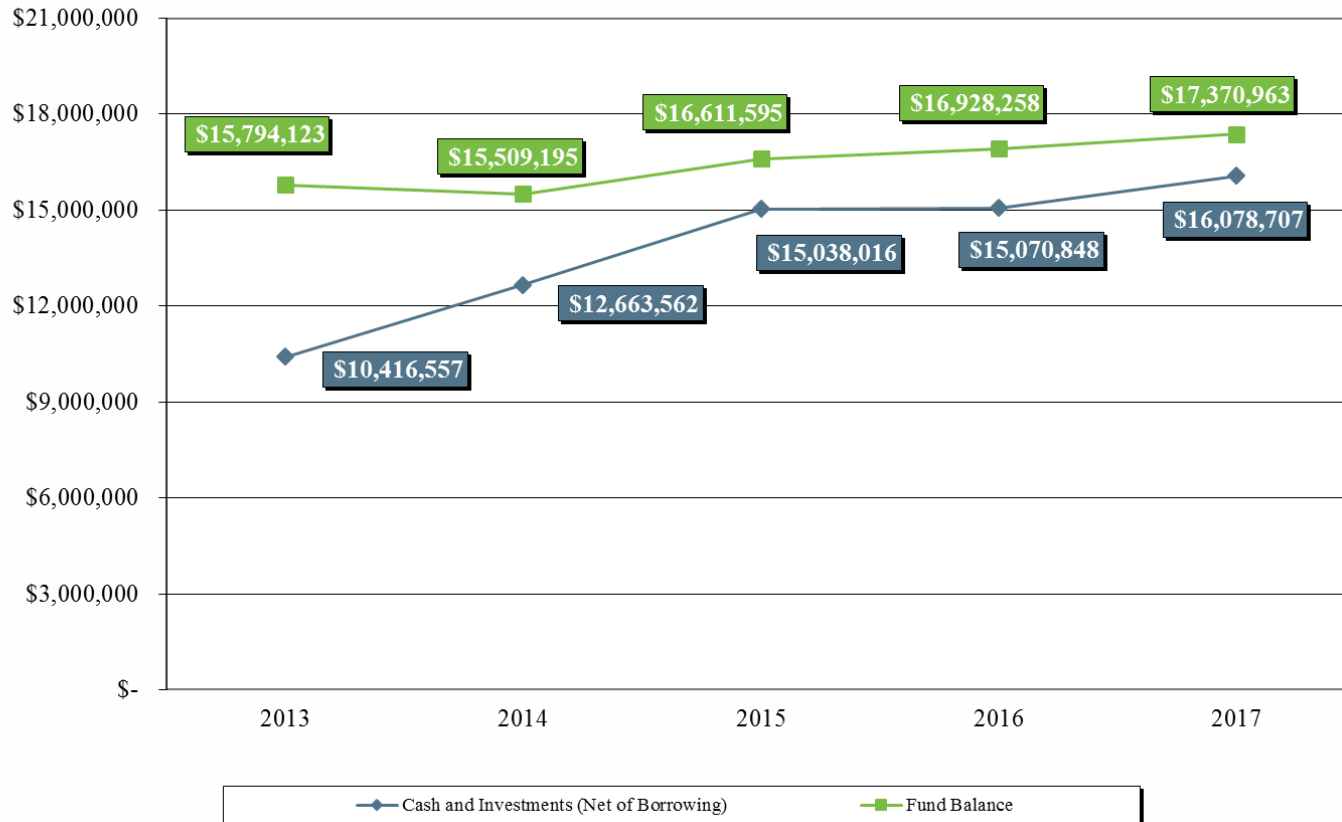
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General Fund Operations

	2013	2014	2015	2016	2017
Revenues	\$ 53,539,919	\$ 55,500,437	\$ 58,443,409	\$ 60,918,688	\$ 62,462,603
Expenditures	52,105,504	55,968,551	57,341,009	60,679,186	62,888,607
Excess of revenues over (under) expenditures	1,434,415	(468,114)	1,102,400	239,502	(426,004)
Transfers/other financing sources and uses	(13,556)	183,186	-	105,637	840,233
Fund balance, July 1	14,373,264	15,794,123	15,509,195	16,611,595	16,956,734
Fund Balance, June 30	\$ 15,794,123	\$ 15,509,195	\$ 16,611,595	\$ 16,956,734	\$ 17,370,963
Components					
Unassigned	\$ 8,361,633	\$ 9,209,451	\$ 9,943,213	\$ 9,739,003	\$ 9,973,930
Nonspendable	312,765	335,791	331,689	262,877	369,130
Reserved/restricted for					
Staff development	74,801	74,801	67,063	62,695	10,569
Teacher development and evaluations	-	-	110,131	103,247	103,247
Deferred maintenance	13	883	730	-	-
Operating capital	368,212	233,458	624,963	614,500	698,826
Health and safety	(65,661)	14,272	(137,329)	(64,860)	(16,495)
Long-term facility maintenance	-	-	-	-	104,729
Medical assistance	-	-	-	-	89,096
Committed/assigned for					
Separation benefits	4,689,661	4,075,012	4,062,933	4,165,436	3,495,768
Student activities	143,576	211,361	317,704	356,604	399,325
3rd party special education	501,964	522,502	493,734	560,353	560,353
Stimulus	66,543	66,543	-	-	-
Capital	775,750	405,534	385,973	654,758	1,058,630
Carryover	341,646	144,006	211,124	355,597	342,530
Dental insurance	223,220	215,581	199,667	146,524	181,325
Total	\$ 15,794,123	\$ 15,509,195	\$ 16,611,595	\$ 16,956,734	\$ 17,370,963

General Fund Financial Position



Food Service Fund



For the Year Ended June 30,	2013	2014	2015	2016	2017
Revenues	\$ 2,842,939	\$ 2,758,656	\$ 2,886,080	\$ 3,073,403	\$ 3,160,305
Expenditures, excluding OPEB	2,887,006	2,974,079	2,860,520	2,841,565	2,860,199
Excess of revenues over (under) expenditures	(44,067)	(215,423)	25,560	231,838	300,106
Transfers/other financing sources	16,677	215,423	-	-	-
Fund balance, July 1	27,390	-	-	25,560	257,398
Fund Balance, June 30	\$ -	\$ -	\$ 25,560	\$ 257,398	\$ 557,504

Community Service Fund

For the Year Ended June 30,	2013	2014	2015	2016	2017
Revenues	\$ 3,600,629	\$ 3,722,968	\$ 3,558,973	\$ 3,700,202	\$ 3,830,996
Expenditures, excluding OPEB	3,757,184	3,772,546	3,757,423	3,836,358	3,955,606
Excess of revenues under expenditures	(156,555)	(49,578)	(198,450)	(136,156)	(124,610)
Transfers/other financing sources	-	2,276	500	-	-
Fund balance, July 1	345,898	189,343	142,041	(55,909)	(192,065)
Fund Balance, June 30	\$ 189,343	\$ 142,041	\$ (55,909)	\$ (192,065)	\$ (316,675)

Components					
Unreserved/unassigned	\$ -	\$ -	\$ (20,203)	\$ (22,059)	\$ (38,646)
Nonspendable	-	-	13,252	7,572	15,623
Restricted/reserved for					
Community service	2	-	-	-	-
ECFE	28,276	34,442	(3,303)	(27,519)	28,167
Community education	138,066	103,280	(5,750)	(124,082)	(325,599)
School readiness	10,494	(8,186)	(47,669)	(38,190)	(8,565)
Adult basic education	12,505	12,505	7,764	12,213	12,345
Total	\$ 189,343	\$ 142,041	\$ (55,909)	\$ (192,065)	\$ (316,675)

Questions?

Thank you!

Matt Mayer
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