

**School Board Workshop:**

**October 9, 2023**

**Subject:**

End of Year Financial Review  
2022-23

**Presenter:**

**Ryan L. Tangen, Director  
Finance and Operations**

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**SUGGESTED SCHOOL BOARD ACTION:**

For Board Review Only.

**DESCRIPTION:**

Attached is a preliminary look at the school district's financial results for the year ending June 30, 2023. A presentation from our auditors, BerganKDV, is scheduled for the October 23, 2023 School Board meeting.

The school district's main operating fund is the General Fund. General Fund revenues came in \$887,955 or 1.19% lower than budgeted, and expenditures were \$461,060 or 0.61% less than budgeted. Overall, including all other sources and uses, the general fund balance decreased by \$1,384,533. The unassigned/non-spendable fund balance decreased by \$427,211 or 3.70% ending the 2022-23 school year at \$11,131,561 or 14.77% of the General Fund's expenditures. Restricted, committed, and assigned fund balances decreased by a total of \$957,322. The End of Year Financial Report identifies the leading reasons for those changes.

1. General education revenue prior years' adjustments
2. Special Education Aid revisions and prior years' adjustments for tuition billing
3. Increased revenues from student activities
4. Increased utilization of federal special aid
5. Higher than anticipated substitute costs
6. Lower salaries and benefits due to positions unable to be filled due to the labor market
7. Long-Term Facilities Maintenance and other capital project timing.
8. Higher utilities, snow removal, and repairs

The Business office has three Dashboard Indicators for our department and all are in the area of Fiscal Responsibility/Accountability. The first is that the district will have an unqualified opinion and the results of the preliminary audit review are that the district will receive an unqualified opinion. The second Dashboard Indicator is that the district will spend at least 75% of the General Fund expenditures on instructional costs. The district fell just short of this target with 73.04% of all costs going into instruction. The final Dashboard Indicator category is to have the final results for revenues and expenditures be within 2% of the General Fund budget. The combined budget variance for revenues and expenditures is 0.90%, well within the target range.

**ATTACHMENTS:**

- End of Year Financial Review 2022-23
- End of Year Financial Review 2022-23 PowerPoint Presentation