



## ***Independent School District No. 877 2022-2023 End of Year Financial Report School Board Workshop – Oct. 9, 2023***

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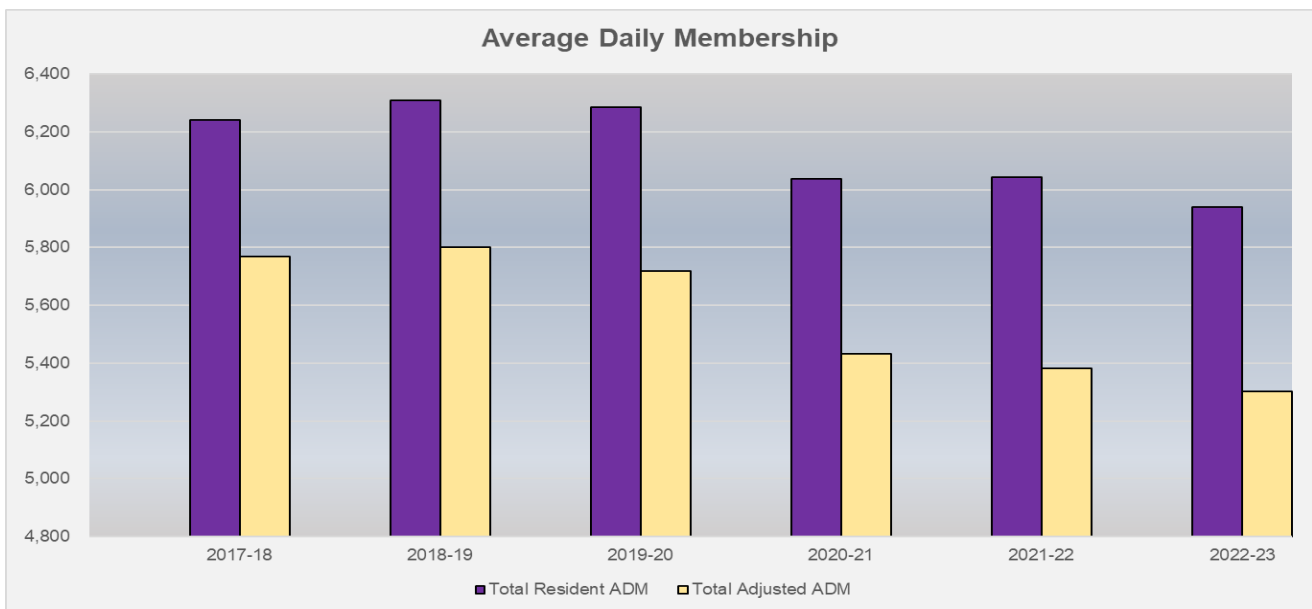
This document recaps the district's preliminary financial results for the year ended June 30, 2023. The main highlights by fund are as follows:

- General Fund
    - Total Average Daily Membership (ADM) was 80 students less than the 2021-22 school year. The final 2022-23 ADM was 3 more than budgeted.
    - Total extended time ADM was 1 less than budgeted.
    - Revenues were under budget by \$887,955.
    - Expenditures came in more favorably than anticipated. Total expenditures were under budget by \$461,060.
  - The Food Service fund balance increased by \$320,005.
  - The Community Service fund balance increased by \$408,980.
  - The Building Construction fund balance decreased by \$42,401.
  - The HRA Trust fund balance increased by \$402,589.
  - The OPEB Trust fund balance increased in value by \$275,891.
  - The Debt Service fund balance increased by \$421,473.
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Average Daily Membership

Resident Average Daily Membership (ADM) includes all resident students who are enrolled in the district, educated in another district for which tuition is paid, or attending another district under enrollment options. Adjusted ADM includes resident students attending the district, nonresident enrollment option students, and nonresident tuition students. History shows that we tend to serve fewer students than those who reside in our community. We saw our resident ADM totals decrease by 102. Our total adjusted ADM decreased by 80 from last year.

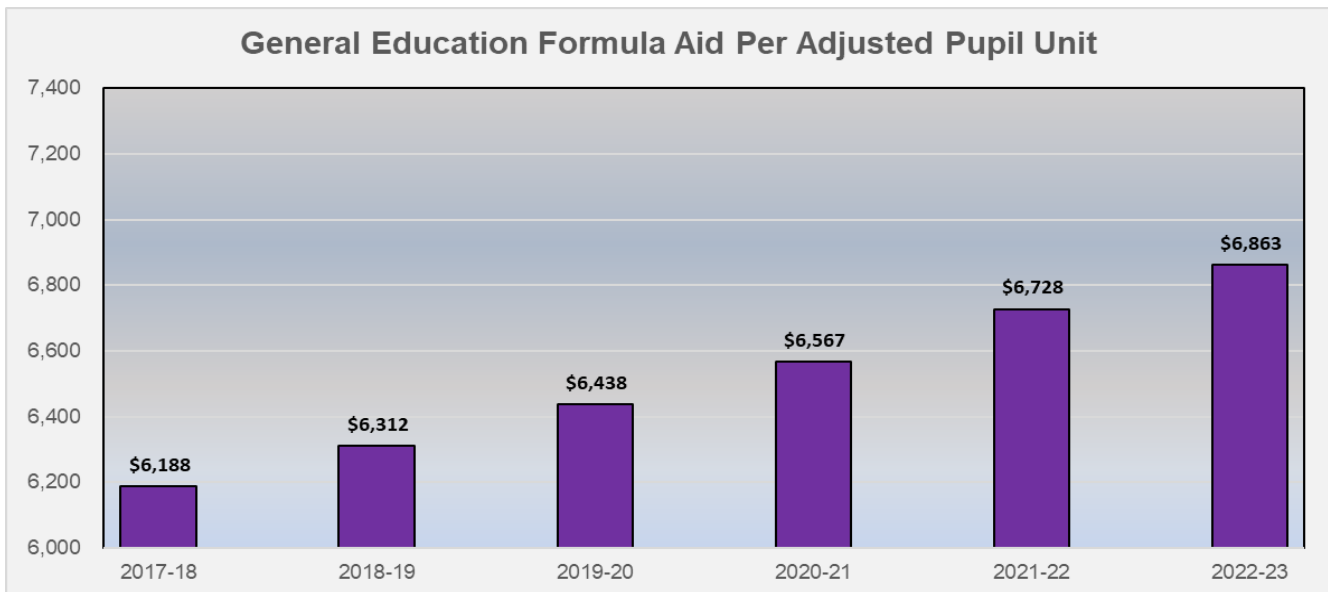
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Change from Prior Year
<b>Total Resident ADM</b>	6,241	6,308	6,285	6,036	6,042	5,940	(102)
<b>Residents Tuition Based</b>	76	68	72	64	82	88	6
<b>Residents Options Out</b>	856	917	935	948	993	980	(13)
<b>Residents Served Here</b>	5,309	5,323	5,278	5,024	4,967	4,872	(95)
<b>Non-Resident Options In</b>	382	410	368	343	334	343	9
<b>Resident Tuition Based</b>	76	68	72	64	82	88	6
<b>Total Adjusted ADM</b>	5,767	5,801	5,718	5,431	5,383	5,303	(80)
<b>Net Enrollment</b>	(550)	(575)	(639)	(669)	(741)	(725)	16
<b>Total Weighted Adjusted Pupil Units (APU)</b>	6,326	6,362	6,275	5,979	5,925	5,829	(96)



General Education Revenue

The largest source of revenue for the district is basic General Education Revenue. Total basic General Education Revenue is calculated by multiplying the formula allowance by the number of Pupil Unit Weights (PUN). PUN is calculated using a weighting system applied to the Adjusted ADMs. The legislature has increased the formula as shown in the chart and graph below.

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
<b>General Education Formula Allowance</b>	\$ 6,188	\$6,312	\$6,438	\$6,567	\$ 6,728	\$6,863
<b>Percent Increase From Prior Year</b>	2.00%	2.00%	2.00%	2.00%	2.45%	2.00%



### General Fund - Revenue

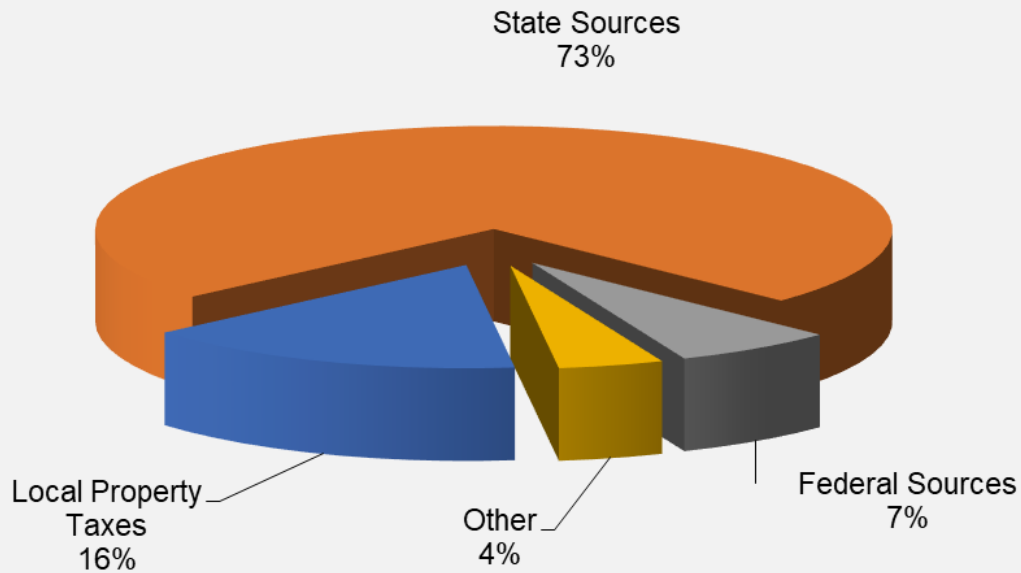
In the General Fund, revenues were under budget by \$887,955 or 1.19%. Property taxes were higher due to changes in county apportionment and disparity aid. Total revenue from state sources was \$1,290,154 less than budgeted. General education revenue was \$257,372 under budget mainly due to prior year adjustments and an offset of aid by county apportionment collection higher than expected. Special Education Aid came in \$747,846 less than budget due to changes in tuition costs and prior year adjustments. Total federal revenue was \$146,761 higher than budgeted. This is mainly due to the use of federal special education funds to offset tuition expenditures. Other local sources were \$112,429 higher than budgeted. Revenues from activities were higher than anticipated.

In comparison to last year, total General Fund revenue increased by \$155,464. Revenue from local property taxes was lower by \$931,603 primarily due to decreases in formula revenue, changes in equalization aid, and prior-year adjustments. Revenue from state sources was lower by \$1,025,254 due to the combination of decreases in enrollment and prior-year adjustments to general education and special education aids. Revenue from federal sources increased by \$1,376,955 primarily due to increases in federal special education funding and utilization of federal pandemic relief funds. Revenue from other sources increased by \$735,366. The primary reason for the increase was interest income.

**GENERAL FUND 01 - REVENUE SUMMARY**

	2021-2022 Actual	2022-2023 Revised Budget	2022-2023 Actual	Budget Variance	% Budget Variance	Change from Prior Year	% Change from Prior Year
<b>Revenue</b>							
Local Property Taxes	\$12,456,765	\$11,382,153	\$11,525,162	\$143,009	1.26%	(\$931,603)	-7.48%
State Sources	\$55,452,982	\$55,717,882	\$54,427,728	(\$1,290,154)	-2.32%	(\$1,025,254)	-1.85%
Federal Sources	\$3,497,364	\$4,727,558	\$4,874,319	\$146,761	3.10%	\$1,376,955	39.37%
Other	\$2,422,255	\$3,045,192	\$3,157,621	\$112,429	3.69%	\$735,366	30.36%
<b>Total</b>	<b>\$73,829,366</b>	<b>\$74,872,785</b>	<b>\$73,984,830</b>	<b>(\$887,955)</b>	<b>-1.19%</b>	<b>\$155,464</b>	<b>0.21%</b>

**2022-2023**  
**General Fund Revenue By Source**



General Fund – Expenditures by Object

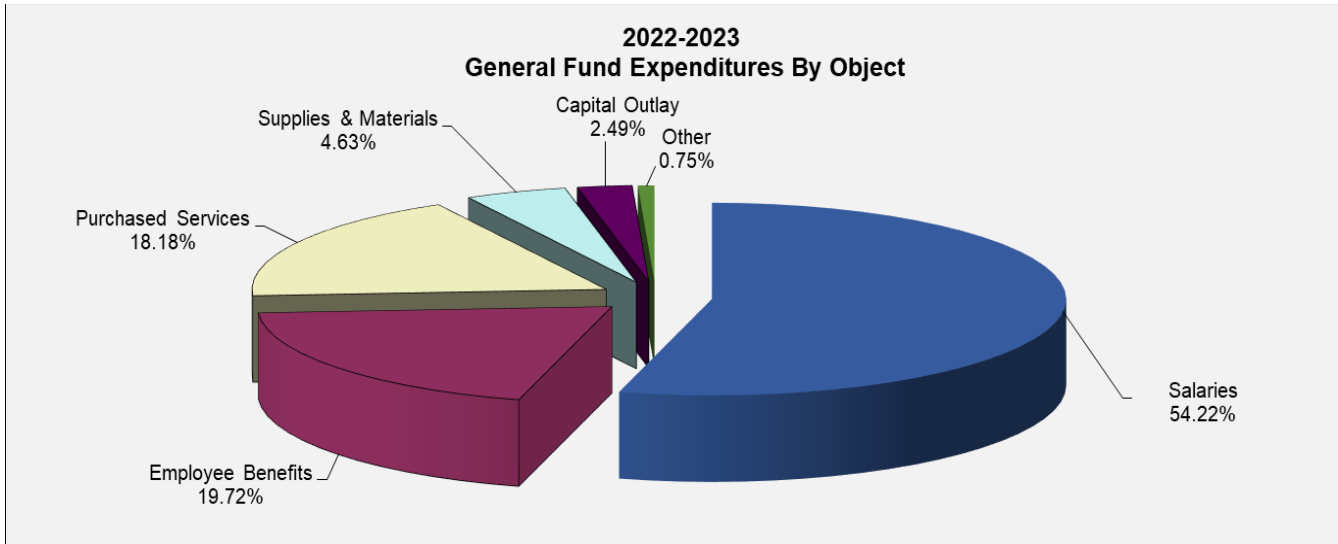
In the General Fund, expenditures were under budget by \$461,060 or .61%. The budget variances are primarily from the following areas:

- Higher than anticipated substitute costs by \$167,202.
- Salaries were lower than anticipated due to position openings not able to be filled and less extended time costs.
- Retiree health insurance costs were \$293,515 under budget due to lower than expected participation.
- Other benefits were under budget due to position openings and elections made by employees different than what was budgeted.
- Long-Term Facilities Maintenance Purchased Services were \$1,536,620 over budget due to project timelines.
- Repairs and maintenance were \$54,960 higher than expected.
- Utility costs were over budget by \$285,217.
- Snow removal was over budget by \$26,450.
- Office supplies were under budget by \$32,905.
- Curriculum purchases were under budget by \$109,522.
- Capital projects and LTFM underspent by \$901,057 due to project timing.
- Budgeted miscellaneous income was reclassified to other categories totaling \$128,226.

The General Fund expenditures increased by \$3,101,784 or 4.29% from the previous year. The increase was due to a \$1,140,328 increase in salaries and benefits, a \$2,308,874 increase in purchased services, and reductions in supplies, materials, and capital outlay totaling \$347,418.

**GENERAL FUND 01 - EXPENDITURE SUMMARY**

	2021-2022 Actual	2022-2023 Revised Budget	2022-2023 Actual	Budget Variance	% Budget Variance	Change from Prior Year	% Change from Prior Year
<b>Expenditures</b>							
Salaries	\$39,479,604	\$41,267,244	\$40,868,518	(\$398,726)	-0.97%	\$1,388,914	3.52%
Employee Benefits	\$15,113,852	\$15,650,681	\$14,865,266	(\$785,415)	-5.02%	(\$248,586)	-1.64%
Purchased Services	\$11,392,180	\$11,799,675	\$13,701,054	\$1,901,379	16.11%	\$2,308,874	20.27%
Supplies & Materials	\$3,379,522	\$3,650,700	\$3,492,919	(\$157,781)	-4.32%	\$113,397	3.36%
Capital Outlay	\$2,219,174	\$2,805,620	\$1,877,113	(\$928,507)	-33.09%	(\$342,061)	-15.41%
Other	\$683,246	\$656,502	\$564,492	(\$92,010)	-14.02%	(\$118,754)	-17.38%
<b>Total</b>	<b>\$72,267,578</b>	<b>\$75,830,422</b>	<b>\$75,369,362</b>	<b>(\$461,060)</b>	<b>-0.61%</b>	<b>\$3,101,784</b>	<b>4.29%</b>



General Fund - Fund Balance

With total revenues ending at \$73,984,830 and total expenditures at \$75,369,362, the General Fund's overall fund balance decreased by \$1,384,532 to \$18,211,316 as of June 30, 2023. The Unassigned/Nonspendable fund balance decreased by \$427,211. For consistency, the district's fund balance policy is calculated with the Non-Spendable and Unassigned Fund Balance totals.

	<u>6/30/2020</u>	<u>6/30/2021</u>	<u>6/30/2022</u>	<u>6/30/2023</u>	<u>Change from Prior Year</u>
<b>Restricted Fund Balance</b>					
Operating Capital	\$ 1,015,094	\$ 1,182,367	\$ 1,497,207	\$ 1,749,715	\$ 252,508
Teacher Development	\$ 0	\$ -	\$ -	\$ -	\$ -
Long-term Facilities Maintenance	\$ (115,278)	\$ 347,494	\$ 624,421	\$ (198,063)	\$ (822,484)
Student Activities-Fund 51	\$ 26,151	\$ 21,121	\$ 38,012	\$ 42,337	\$ 4,325
Medical Assistance	\$ 308,929	\$ 482,065	\$ 488,888	\$ 320,329	\$ (168,559)
	<b>\$ 1,234,896</b>	<b>\$ 2,033,047</b>	<b>\$ 2,648,528</b>	<b>\$ 1,914,318</b>	<b>\$ (734,210)</b>
<b>Committed Fund Balance</b>					
Severance Insurance Premiums	\$ 2,615,036	\$ 2,187,804	\$ 2,374,820	\$ 2,576,411	\$ 201,591
<b>Assigned Fund Balance</b>					
Carryover	\$ 904,294	\$ 1,201,806	\$ 1,425,512	\$ 1,352,588	\$ (72,924)
Student Activities-Fund 9	\$ 403,589	\$ 383,104	\$ 346,873	\$ 428,932	\$ 82,059
Dental Insurance	\$ 261,023	\$ 184,725	\$ 77,302	\$ (70,774)	\$ (148,076)
Capital	\$ 1,833,715	\$ 1,385,317	\$ 1,030,697	\$ 853,208	\$ (177,489)
PPD	\$ 105,022	\$ 37,353	\$ 133,344	\$ 25,072	\$ (108,272)
Third Party Billing	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>\$ 3,507,642</b>	<b>\$ 3,192,305</b>	<b>\$ 3,013,728</b>	<b>\$ 2,589,026</b>	<b>\$ (424,702)</b>
<b>Non-Spendable Fund Balance</b>	\$ 559,231	\$ 607,009	\$ 808,200	\$ 706,309	\$ (101,891)
<b>Unassigned Fund Balance</b>	\$ 7,850,575	\$ 10,013,895	\$ 10,750,572	\$ 10,425,252	\$ (325,320)
	<b>\$ 8,409,807</b>	<b>\$ 10,620,904</b>	<b>\$ 11,558,772</b>	<b>\$ 11,131,561</b>	<b>\$ (427,211)</b>
<b>Total Fund Balance</b>	<b>\$ 15,767,381</b>	<b>\$ 18,034,060</b>	<b>\$ 19,595,848</b>	<b>\$ 18,211,316</b>	<b>\$ (1,384,532)</b>



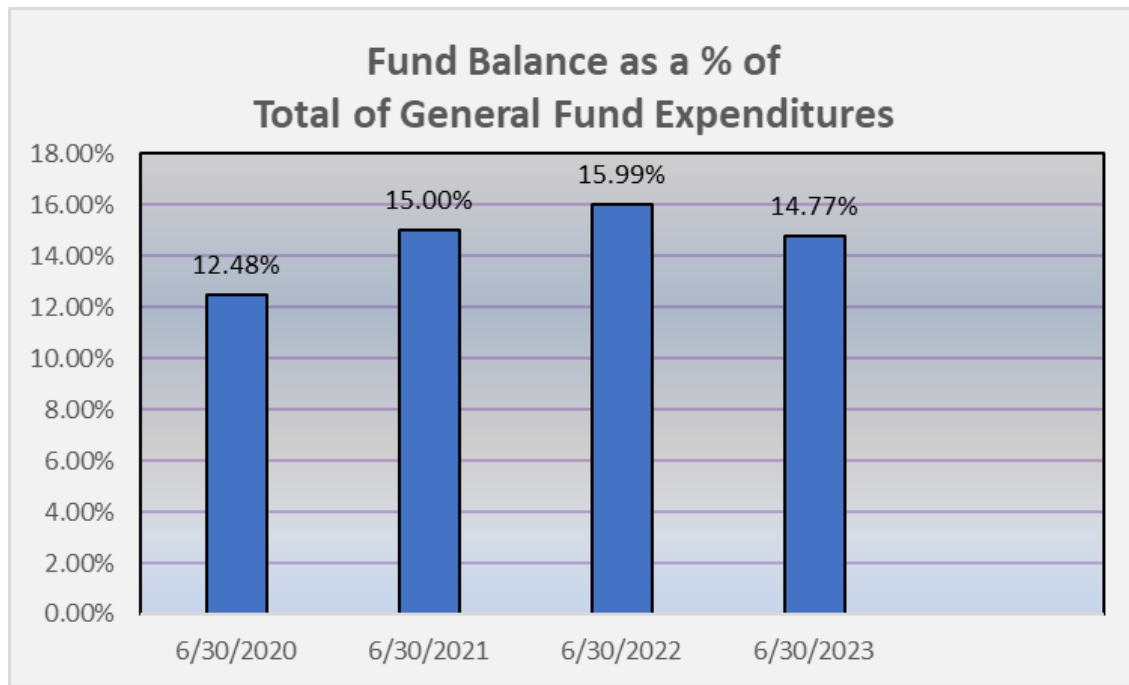
General Fund - Fund Balance

The Non-Spendable and Unassigned Fund Balances decreased by \$225,619 to \$11,558,772 as of June 30, 2023, which is 15.04% of total expenditures. This is a .96% decrease from the prior year. The fund balance percentage is slightly outside the parameters of our Fund Balance policy of 8-12% but the overage is planned for balancing the operating referendum and inflation over the next few years.

	6/30/2020	6/30/2021	6/30/2022	6/30/2023	Change from Prior Year
<b>Non-Spendable Fund Balance</b>	\$ 559,231	\$ 607,009	\$ 808,200	\$ 706,309	\$ (101,891)
<b>Unassigned Fund Balance</b>	\$ 7,850,575	\$ 10,013,895	\$ 10,750,572	\$ 10,425,252	\$ (325,320)
	<b>\$ 8,409,807</b>	<b>\$ 10,620,904</b>	<b>\$ 11,558,772</b>	<b>\$ 11,131,561</b>	<b>\$ (427,211)</b>

<b>Total General Fund Expenditures</b>	<b>\$ 67,409,717</b>	<b>\$ 70,812,639</b>	<b>\$ 72,267,578</b>	<b>\$ 75,369,362</b>	<b>\$ 3,101,784</b>
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<b>Fund Balance as a % of Total of General Fund Expenditures</b>	<b>12.48%</b>	<b>15.00%</b>	<b>15.99%</b>	<b>14.77%</b>
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Food Service – Fund 02

In the Food Service Fund, revenues exceeded expenditures causing the fund balance to increase by \$320,005. Food Service revenues were over budget by \$38,727 and the expenditures were under budget by \$344,339. Meal participation in 2022-23 decreased by 283,282 meals compared to 2021-22 when meals were free. The actual number of meals served was within 2% of the budget estimate.

Food Service revenues from all sources were down \$952,807 from the previous year. Expenditures were up \$52,338 from the previous year. Labor costs in total were \$33,060 less than the prior year due to increased absences and an inability to fill position openings. All other costs were \$85,398 higher than the prior year.

**FOOD SERVICE FUND 02 - REVENUE SUMMARY**

	2021-2022 Actual	2022-2023 Revised Budget	2022-2023 Actual	Budget Variance	% Budget Variance	Change from Prior Year	% Change from Prior Year
<b>Revenue</b>							
State Sources	\$149,810	\$160,270	\$163,060	\$2,790	1.74%	\$13,250	8.84%
Federal Sources	\$4,173,768	\$1,726,068	\$1,856,614	\$130,546	7.56%	(\$2,317,154)	-55.52%
Other	\$534,974	\$1,980,680	\$1,886,071	(\$94,609)	-4.78%	\$1,351,097	252.55%
<b>Total Revenue</b>	<b>\$4,858,552</b>	<b>\$3,867,018</b>	<b>\$3,905,745</b>	<b>\$38,727</b>	<b>1.00%</b>	<b>(\$952,807)</b>	<b>-19.61%</b>
<b>Expenditures</b>							
Salaries	\$1,091,929	\$992,886	\$1,021,912	\$29,026	2.92%	(\$70,017)	-6.41%
Employee Benefits	\$470,917	\$563,038	\$507,874	(\$55,164)	-9.80%	\$36,957	7.85%
Purchased Services	\$135,361	\$175,808	\$173,447	(\$2,361)	-1.34%	\$38,086	28.14%
Supplies & Materials	\$1,725,132	\$1,851,047	\$1,602,784	(\$248,263)	-13.41%	(\$122,348)	-7.09%
Capital Outlay	\$102,336	\$326,300	\$260,894	(\$65,406)	-20.04%	\$158,558	154.94%
Other	\$7,727	\$21,000	\$18,829	(\$2,171)	-10.34%	\$11,102	143.68%
<b>Total Expenditures</b>	<b>\$3,533,402</b>	<b>\$3,930,079</b>	<b>\$3,585,740</b>	<b>(\$344,339)</b>	<b>-8.76%</b>	<b>\$52,338</b>	<b>1.48%</b>
<b>Fund Balance</b>	<b>\$2,697,528</b>	<b>\$2,634,467</b>	<b>\$3,017,533</b>	<b>\$383,066</b>	<b>14.54%</b>	<b>\$320,005</b>	<b>11.86%</b>

### Meal Counts

	2021-22 Actual	2022-23 Revised Budget	2022-23 Actual	Budget Variance	% Budget Variance	Change from Prior Year
<b>School Year Program</b>						
<b>School Days</b>	174	172	172	-	0.00%	(2)
Lunch	662,932	558,694	560,958	2,264	0.41%	(101,974)
Breakfast	281,492	178,017	156,992	(21,025)	-11.81%	(124,500)
<b>Total</b>	<b>944,424</b>	<b>736,711</b>	<b>717,950</b>	<b>(18,761)</b>	<b>-2.55%</b>	<b>(226,474)</b>
<b>Meals per Day</b>						
Lunch	3,810	3,248	3,261	13	0.41%	(549)
Breakfast	1,618	1,035	913	(122)	-	(705)
<b>Total</b>	<b>5,428</b>	<b>4,283</b>	<b>4,174</b>	<b>(109)</b>	<b>-2.55%</b>	<b>(1,254)</b>
<b>Summer Food Program</b>						
<b>Program Days</b>	42	38	38	-	0.00%	(4)
Lunch	36,760	5,728	8,615	2,887	50.40%	(28,145)
Breakfast	33,280	3,511	4,617	1,106	31.50%	(28,663)
<b>Total</b>	<b>70,040</b>	<b>9,239</b>	<b>13,232</b>	<b>3,993</b>	<b>43.22%</b>	<b>(56,808)</b>
<b>Meals per Day</b>						
Lunch	875	151	227	76	50.40%	(649)
Breakfast	792	92	122	29	31.50%	(671)
<b>Total</b>	<b>1,668</b>	<b>243</b>	<b>348</b>	<b>105</b>	<b>43.22%</b>	<b>(1,319)</b>

### Total Meal Counts - All Programs

	2020-2021	2021-2022	2022-2023	Change from Prior Year	% Change from Prior Year
<b>Lunch</b>	541,760	699,692	569,573	(130,119)	-18.60%
<b>Breakfast</b>	322,750	314,772	161,609	(153,163)	-48.66%
<b>Total</b>	<b>864,510</b>	<b>1,014,464</b>	<b>731,182</b>	<b>(283,282)</b>	<b>-27.92%</b>

Community Service – Fund 04

The Community Service Fund had increases in all fund balance categories except ECFE. Revenues were in excess of budget by \$251,300 or 6.44% while expenditures were over budget by \$86,315 or 2.35%. Revenue was down from the prior year in local property taxes and state sources but increased in other categories for a net increase of \$356,763. Other revenue sources continue to rebound increasing by \$261,388. Expenditures increased in all programs for a total increase of \$653,650 from last year. The overall Community Service fund balance increased by \$408,980 or 346% with a June 30, 2023 balance of \$527,323.

**COMMUNITY SERVICE FUND 04 - SUMMARY**

	2021-2022 Actual	2022-2023 Revised Budget	2022-2023 Actual	Budget Variance	% Budget Variance	Change from Prior Year	% Change from Prior Year
<b>Revenue</b>							
Local Property Taxes	\$593,294	\$581,274	\$579,413	(\$1,861)	-0.32%	(\$13,881)	-2.34%
State Sources	\$545,315	\$538,685	\$530,458	(\$8,227)	-1.53%	(\$14,857)	-2.72%
Federal	\$36,421	\$0	\$0	\$0	0.00%	(\$36,421)	-100.00%
Other	\$2,619,634	\$2,780,168	\$3,041,556	\$261,388	9.40%	\$421,922	16.11%
<b>Total Revenue</b>	<b>\$3,794,664</b>	<b>\$3,900,127</b>	<b>\$4,151,427</b>	<b>\$251,300</b>	<b>6.44%</b>	<b>\$356,763</b>	<b>9.40%</b>
<b>Expenditures</b>							
Salaries	\$2,050,555	\$2,337,788	\$2,412,475	\$74,687	3.19%	\$361,920	17.65%
Employee Benefits	\$749,389	\$824,430	\$817,732	(\$6,698)	-0.81%	\$68,343	9.12%
Purchased Services	\$182,049	\$317,784	\$331,511	\$13,727	4.32%	\$149,462	82.10%
Supplies & Materials	\$113,175	\$169,279	\$175,845	\$6,566	3.88%	\$62,670	55.37%
Capital Outlay	\$45	\$12,500	\$9,995	(\$2,505)	-20.04%	\$9,950	22111.11%
Other	\$3,146	\$3,913	\$4,451	\$538	13.75%	\$1,305	41.48%
<b>Total Expenditures</b>	<b>\$3,098,359</b>	<b>\$3,665,694</b>	<b>\$3,752,009</b>	<b>\$86,315</b>	<b>2.35%</b>	<b>\$653,650</b>	<b>21.10%</b>
<b>Fund Balance</b>							
	<b>6/30/2022</b>	<b>6/30/2023</b>	<b>Change</b>	<b>% Change</b>			
Community Education	(122,940)	229,674	352,614	286.82%			
ECFE	225,808	195,493	(30,315)	-13.43%			
School Readiness	78,695	100,375	21,680	27.55%			
Adult Basic Education	-	-	-	0.00%			
Unassigned/Nonspendable	(63,220)	1,781	65,001	102.82%			
	<b>118,343</b>	<b>527,323</b>	<b>408,980</b>	<b>345.59%</b>			

Building Construction – Fund 6

The Building Construction Fund tracks the revenues and expenditures from bond issues and other restricted revenue sources. Activity includes expenditures from the high school tennis courts project. The high school tennis court project was started in 2020-21 and was completed in 2022-23. Expenditures for work completed as of the end of the year totaled \$42,401 leaving a balance of \$0 on June 30, 2023.

	2021-2022 Actual	2022-2023 Revised Budget	2022-2023 Actual	Budget Variance	% Budget Variance	Change from Prior Year	% Change from Prior Year
<b>Revenue</b>							
Interest Income	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Miscellaneous Income	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Erate Discount Revenue	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Miscellaneous Income	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Lease Purchase Agreement	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
<b>Total Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>0.00%</b>
<b>Expenditures</b>							
District Wide	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Phoenix LC	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Buffalo High School	\$468,779	\$42,401	\$42,401	\$0	0.00%	(\$426,378)	-90.96%
Buffalo Community Middle School	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Parkside Elementary	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Hanover Elementary	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Montrose Elementary	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Tatanka Elementary	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Discovery Elementary	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
Northwinds Elementary	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
<b>Total Expenditures</b>	<b>\$468,779</b>	<b>\$42,401</b>	<b>\$42,401</b>	<b>\$0</b>	<b>0.00%</b>	<b>(\$426,378)</b>	<b>-90.96%</b>
<b>Fund Balance</b>	<b>\$42,401</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>	<b>(\$468,779)</b>	<b>-91.71%</b>

Health Reimbursement Account Trust – Fund 18

The district created a sunset clause in the teachers’ contract and the administrators’ contract, and some individual contracts for recently hired positions. Individuals hired after the sunset date in their respective contracts are no longer eligible for the grandfathered post-retirement insurance benefits. The new provisions require the district to make an up-front contribution to the employee’s HRA account upon hire and an annual contribution to the employee’s HRA account for each year of service. Each contract has a contribution limit for the individual employee. These funds are held in an irrevocable trust with Mid-America through National Insurance Services. The employees have to meet certain vesting requirements before they can access these funds. As a result of these contract provisions, we are required to show the cumulative balance of contributions plus any accrued interest in these trust accounts for those individuals eligible for this new program. The actual payments to the trust are already included in the General Fund expenditures shown previously in this report. This will also be the case in future years. The balances shown represent cumulative contributions and interest earned on those individual accounts as of the end of the fiscal year. The balance in the accounts was \$4,403,212 on June 30, 2023, which was an increase of \$402,589.

	2021-2022 Actual	2022-2023 Revised Budget	2022-2023 Actual	Budget Variance	% Budget Variance	Change from Prior Year	% Change from Prior Year
<b>Revenue</b>							
Interest Income	\$45,280	\$35,000	\$43,730	\$8,730	24.94%	(\$1,550)	-3.42%
Miscellaneous Revenue	\$587,820	\$605,455	\$358,859	(\$246,596)	-40.73%	(\$228,961)	-38.95%
<b>Total Revenue</b>	<b>\$633,100</b>	<b>\$640,455</b>	<b>\$402,589</b>	<b>(\$237,866)</b>	<b>-37.14%</b>	<b>(\$230,511)</b>	<b>-36.41%</b>
<b>Expenditures</b>							
Transfers Out	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
<b>Total Expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>	<b>\$0</b>	<b>\$0</b>
<b>Fund Balance</b>	<b>\$3,403,212</b>	<b>\$4,043,667</b>	<b>\$3,805,801</b>	<b>(\$237,866)</b>	<b>-5.88%</b>	<b>\$402,589</b>	<b>11.83%</b>

OPEB Irrevocable Trust Fund – Fund 45

During the 2009-2010 school year, the district issued \$10.845 million in OPEB Bonds and at the same time, created an irrevocable trust with Bremer Bank to fund the district's post-employment benefits. The debt payments and property tax levy revenue were recorded in Debt Service Fund 47, and the trust activity is recorded in Fund 45.

The district started using the Trust in the 2012-2013 year to cover post-employment obligations and has done so each year since. The interest earnings and dividends recognized each year represent the change in the financial markets and any distributions out of the Trust. Retiree contributions represent the employee's share of retiree insurance costs. During the fiscal year, the market stabilized and produced returns sufficient to cover the annual expenditures and add to the trust balance. This is the ninth year of using the OPEB Trust and in 2022-2023 the trust paid for a net cost of \$826,292 that would have otherwise been in the General Fund. The amount held in trust for OPEB as of June 30, 2023, increased by \$275,891 to \$12,777,310.

	2021-2022 Actual	2022-2023 Revised Budget	2022-2023 Actual	Budget Variance	% Budget Variance	Change from Prior Year	% Change from Prior Year
<b>Revenue</b>							
Interest Income/Change in Market Value	(\$1,820,165)	\$625,000	\$942,589	\$317,589	50.81%	\$2,762,754	-151.79%
Retiree Contributions	\$281,719	\$295,805	\$267,826	(\$27,979)	-9.46%	(\$13,893)	-4.93%
Sale of Bonds Proceeds	\$0	\$0	\$0	\$0	0.00%	\$0	0.00%
<b>Total Revenue</b>	<b>(\$1,538,446)</b>	<b>\$920,805</b>	<b>\$1,210,415</b>	<b>\$289,610</b>	<b>31.45%</b>	<b>\$2,748,861</b>	<b>-178.68%</b>
<b>Expenditures</b>							
Health Insurance	\$591,724	\$479,930	\$501,313	\$21,383	4.46%	(\$90,411)	-15.28%
Life Insurance	\$18,382	\$16,650	\$17,998	\$1,348	8.10%	(\$384)	-2.09%
Dental Insurance	\$49,379	\$50,400	\$52,985	\$2,585	5.13%	\$3,606	7.30%
Contributions to H.S.A.	\$635,071	\$456,750	\$362,228	(\$94,522)	-20.69%	(\$272,843)	-42.96%
<b>Total Expenditures</b>	<b>\$1,294,556</b>	<b>\$1,003,730</b>	<b>\$934,524</b>	<b>(\$69,206)</b>	<b>-6.89%</b>	<b>(\$360,032)</b>	<b>-27.81%</b>
<b>Net Assets</b>	<b>\$12,501,419</b>	<b>\$12,418,494</b>	<b>\$12,777,310</b>	<b>\$358,816</b>	<b>2.89%</b>	<b>\$275,891</b>	<b>2.21%</b>

Debt Service – Funds 07 & 47

The Debt Service Fund balances for Funds 07 and 47 increased \$421,473 to an overall fund balance of \$1,691,280 as of June 30, 2023. Revenues were lower than the prior year by \$8,005,686 due to the bond refunding. Expenditures were also lower than the prior year by \$8,522,176 due to the bond refunding.

School districts are required to levy 105% of their annual debt payments to cover possible delinquent property taxes. When the fund balance reaches a certain point, the State calculates a debt excess fund balance figure and reduces the tax levy by that amount on the next year's property tax levy. All of the funds in the Restricted Fund Balance total are restricted to meet future debt obligations of the district.

<b>Fund 7 &amp; 47</b>	<b>2021-2022 Actual</b>	<b>2022-2023 Revised Budget</b>	<b>2022-2023 Actual</b>	<b>Budget Variance</b>	<b>% Budget Variance</b>	<b>Change from Prior Year</b>	<b>% Change from Prior Year</b>
<b>Revenue</b>							
Local Property Taxes	\$7,182,671	\$7,612,101	\$7,628,990	\$16,889	0.22%	\$446,319	6.21%
State Sources	\$278,494	\$304,162	\$304,029	(\$133)	-0.04%	\$25,535	9.17%
Interest Revenue	(\$6,929)	\$63,416	\$122,845	\$59,429	93.71%	\$129,774	-1872.91%
Bond Proceeds	\$8,607,314	\$0	\$0	\$0	0.00%	(\$8,607,314)	0.00%
<b>Total Revenue</b>	<b>\$16,061,550</b>	<b>\$7,979,679</b>	<b>\$8,055,864</b>	<b>\$76,185</b>	<b>0.95%</b>	<b>(\$8,005,686)</b>	<b>-49.84%</b>
<b>Expenditures</b>							
Principal & Interest	\$7,545,958	\$7,628,841	\$7,628,841	\$0	0.00%	\$82,883	1.10%
Other	\$75,609	\$5,550	\$5,550	\$0	0.00%	(\$70,059)	100.00%
Bond Refunding Payments	\$8,535,000	\$0	\$0	\$0	0.00%	(\$8,535,000)	0.00%
<b>Total Expenditures</b>	<b>\$16,156,567</b>	<b>\$7,634,391</b>	<b>\$7,634,391</b>	<b>\$0</b>	<b>0.00%</b>	<b>(\$8,522,176)</b>	<b>-52.75%</b>
<b>Fund Balance</b>	<b>\$1,269,807</b>	<b>\$1,615,095</b>	<b>\$1,691,280</b>	<b>\$76,185</b>	<b>6.00%</b>	<b>\$421,473</b>	<b>33.19%</b>