

Independent School District No. 709
Audit Presentation
Year Ended June 30, 2022
Wipfli LLP



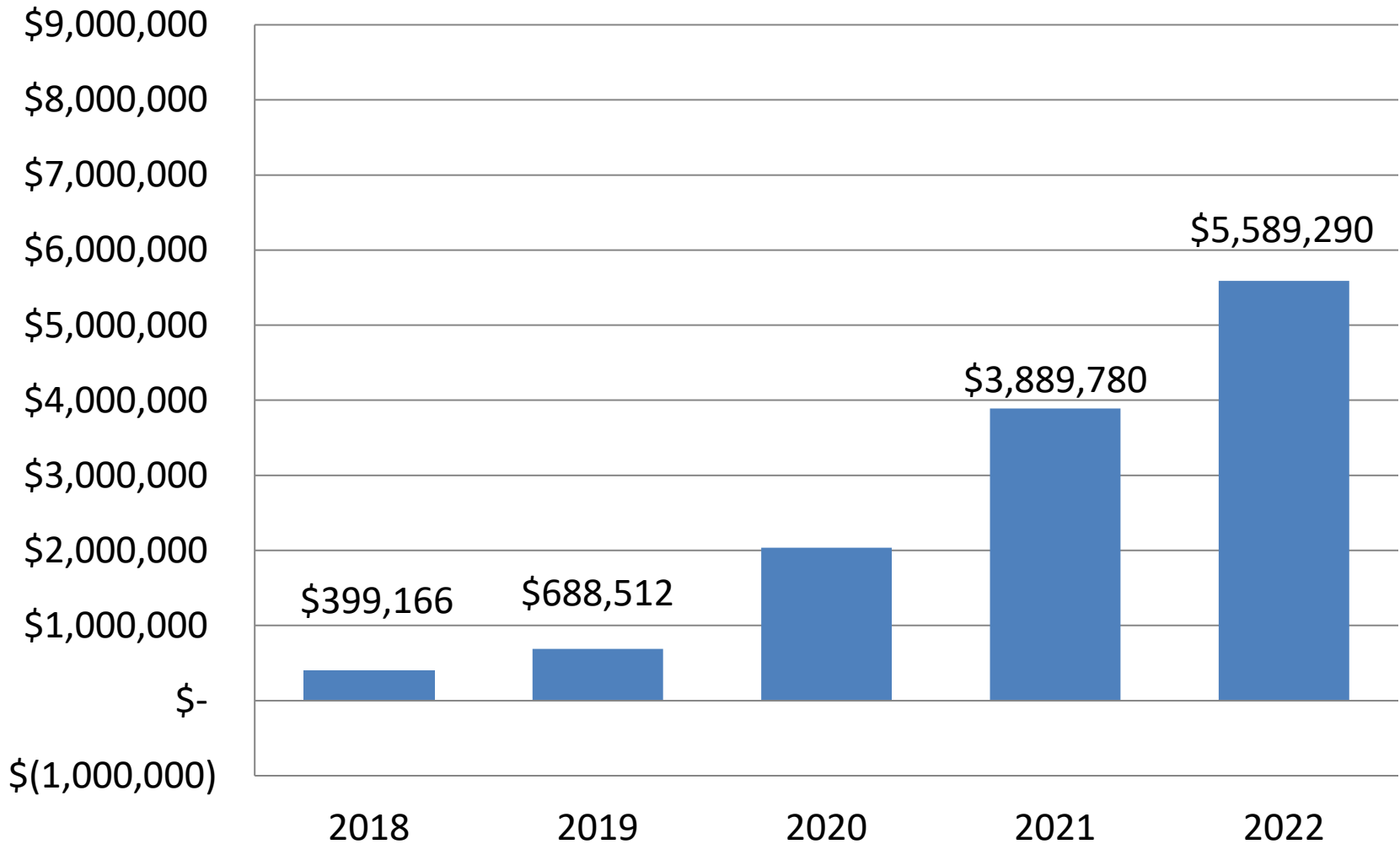
Auditor Responsibility

- Issue an opinion on the basic financial statements
- Report on compliance and internal controls over financial reporting
- Report on compliance and internal controls over federal programs – Uniform Guidance
- Report on compliance with Minnesota statutes tested

Auditor Results

- Unmodified opinion on the basic financial statements
- Internal controls findings over financial reporting (Material Weaknesses)
 - Audit adjustments/Reconciliation of Significant Accounts
 - Financial Statement Presentation and Disclosure
- No compliance or internal controls finding over federal programs
- No noncompliance with Minnesota statutes tested

General Fund - Unassigned Balance



General Fund – Fund Balances

	<u>June 30, 2021</u>	<u>Change</u>	<u>June 30, 2022</u>
Nonspendable			
Inventory	\$ 26,473	(2,180)	\$ 24,293
Prepayments	387,489	(387,489)	-
Restricted for:			
Student activities	325,387	38,159	363,546
Staff development	313,515	-	313,515
Teacher development & evaluation	16,729	-	16,729
Safe schools - crime levy	419,672	47,692	467,364
Operating capital	1,388,162	449,658	1,837,820
Basic skills	222,148	550,904	773,052
ALC	143,573	(132,206)	11,367
LTFM	1,993,595	(439,712)	1,553,883
Medical assistance	457,282	114,088	571,370
Assigned			
Textbooks	1,960,610	-	1,960,610
Equipment	1,059,000	-	1,059,000
Severance - insurance premiums	4,100,000	-	4,100,000
Instructional equipment	1,573,359	-	1,573,359
Special programs	510,000	-	510,000
Student activities	887,350	-	887,350
Unassigned	<u>3,889,780</u>	<u>1,699,510</u>	<u>5,589,290</u>
 Total	 <u>\$ 19,674,124</u>	 <u>\$ 1,938,424</u>	 <u>\$ 21,612,548</u>

Overview of General Fund Variances from Budget to Actual

Explanation:

Revenue over budget due to ESSER funding and spending other state and federal aid budgets.

Expenditures over budget due to ESSER spending and capital projects that were put off in the prior fiscal year.

General Fund

Results of Operation

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 124,632,512	\$ 125,103,441	\$ 470,929
Total revenue	124,632,512	125,103,441	
Expenditures	127,252,446	127,704,843	452,397
Total expenditures	127,252,446	127,704,843	
Excess (deficiency) of revenues over expenditures	(2,619,934)	(2,601,402)	18,532
Other financing sources			
Transfers in	2,672,334	-	(2,672,334)
Transfers out	-	(229,833)	(229,833)
Sale of capital assets		2,857,686	2,857,686
Proceeds from leases	-	1,911,973	1,911,973
Net change in fund balance	\$ 52,400	1,938,424	\$ 1,886,024
Fund balance, June 30, 2021		19,674,124	
Fund balance, June 30, 2022		\$ 21,612,548	

Food Service Fund

Results of Operation and Fund Balances

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 3,945,850	\$ 5,164,660	\$ 1,218,810
Expenditures	4,243,340	4,151,190	(92,150)
Net change in fund balance	\$ (297,490)	1,013,470	\$ 1,126,660
Fund balance, June 30, 2021		1,054,047	
Fund balance, June 30, 2022		\$ 2,067,517	
 Fund Balance			
Nonspendable			
Inventory		\$ 128,223	
Restricted		1,939,294	
Total		\$ 2,067,517	

Community Service Fund

Results of Operation and Fund Balances

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 8,175,808	\$ 8,588,520	\$ 412,712
Expenditures	8,608,621	8,187,581	421,040
Net change in fund balance	\$ (432,813)	400,939	\$ 833,752
Fund balance, June 30, 2021		1,424,581	
Fund balance, June 30, 2022		\$ 1,825,520	
 Fund Balance			
Restricted			
Community education		\$ 1,488,219	
Community service		-	
Early childhood family education		104,934	
Adult basic education		242,342	
School readiness		43,105	
Unassigned		(53,080)	
Total		\$ 1,825,520	

Capital Projects Fund

Results of Operation and Fund Balance

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$	\$ 72,531	\$ 72,531
Expenditures	3,719,600	12,807,853	9,088,253
Excess (deficiency) of revenues over expenditures	<u>\$ (3,719,600)</u>	(12,735,322)	<u>\$ 9,160,784</u>
Issuance of bonds		41,532,602	41,532,602
Premium on issuance		159,849	159,849
Lease		2,970,156	2,970,156
Transfer in		229,833	229,833
Net change in fund balance	<u>\$ (3,719,600)</u>	32,157,118	<u>\$ 54,053,224</u>
Fund balance, June 30, 2021		(1,631,014)	
Fund balance, June 30, 2022		<u>\$ 30,526,104</u>	
Fund Balances			
Restricted			
Projects funded by COP		\$ 30,526,104	
Total		<u>\$ 30,526,104</u>	

Debt Service Fund

Results of Operation and Fund Balance

Results of Operation	Budget	Final	Over (Under) Budget
Revenues	\$ 22,660,834	\$ 25,069,332	\$ 2,408,498
Expenditures	23,166,651	25,062,402	(1,895,751)
Excess (deficiency) of revenues over expenditures	(505,817)	6,930	512,747
Net change in fund balance	\$ (505,817)	6,930	\$ 512,747
Fund balance, June 30, 2021		4,488,751	
Fund balance, June 30, 2022		\$ 4,495,681	
 Fund Balances			
Restricted			
Bond refunding		16,432	
Debt service		4,479,249	
Total		\$ 4,495,681	

Outstanding Debt

<u>G.O. Bonds</u>	<u>Balance</u> <u>06/30/21</u>	<u>New</u> <u>Debt</u>	<u>Refunded</u>	<u>Principal</u> <u>Paid</u>	<u>Balance</u> <u>06/30/22</u>
\$44,320,000 G.O. Refunding Bonds, Series 2015B	\$ 32,510,000			\$ 4,075,000	\$ 28,435,000
\$31,497,602 G.O. Capital Appreciation Bonds, Series 2021C		31,497,602.00			31,497,602
\$10,035,000 G.O. Facilities Maintenance Bonds, Series 2021D		10,035,000.00			10,035,000
\$3,640,000 G.O. Taxable Facilities Maintenance Bonds, Series 2017A	755,000			755,000	
\$615,000 G.O. Taxable Capital Facilities Bonds, Series 2017B	125,000			125,000	
Total G.O. Bonds	33,390,000	41,532,602		4,955,000	69,967,602
<u>Certificates of Participation</u>					
\$82,605,000 Certificates of Participation, Series 2016A	56,580,000			6,330,000	50,250,000
\$41,715,000 Full Term Refunding Certificates of Participation, Series 2019B	33,925,000			3,860,000	30,065,000
\$2,710,000 Full Term Refunding Certificates of Participation, Series 2019C	2,160,000			265,000	1,895,000
\$18,385,000 Full Term Refunding Certificates of Participation, Series 2021A	18,385,000			1,570,000	16,815,000
\$5,070,000 Refunding Certificates of Participation, Series 2021B	5,070,000			490,000	4,580,000
\$24,130,000 Refunding Certificates of Participation, Series 2019A	21,605,000			1,220,000	20,385,000
Total Certificates of Participation	137,725,000			13,735,000	123,990,000
Total Debt Outstanding	\$ 171,115,000	\$ 41,532,602	\$ -	\$ 18,690,000	\$ 193,957,602

Thank you for your time

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