

Independent School District No. 318
Audit Presentation
Year Ended June 30, 2021
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 control over financial reporting
 - Significant deficiency for bank reconciliations not being performed timely
- No significant deficiencies or material weaknesses over compliance or internal controls over federal programs
- Minnesota statutes legal compliance findings
 - None

General Fund

Results of Operation

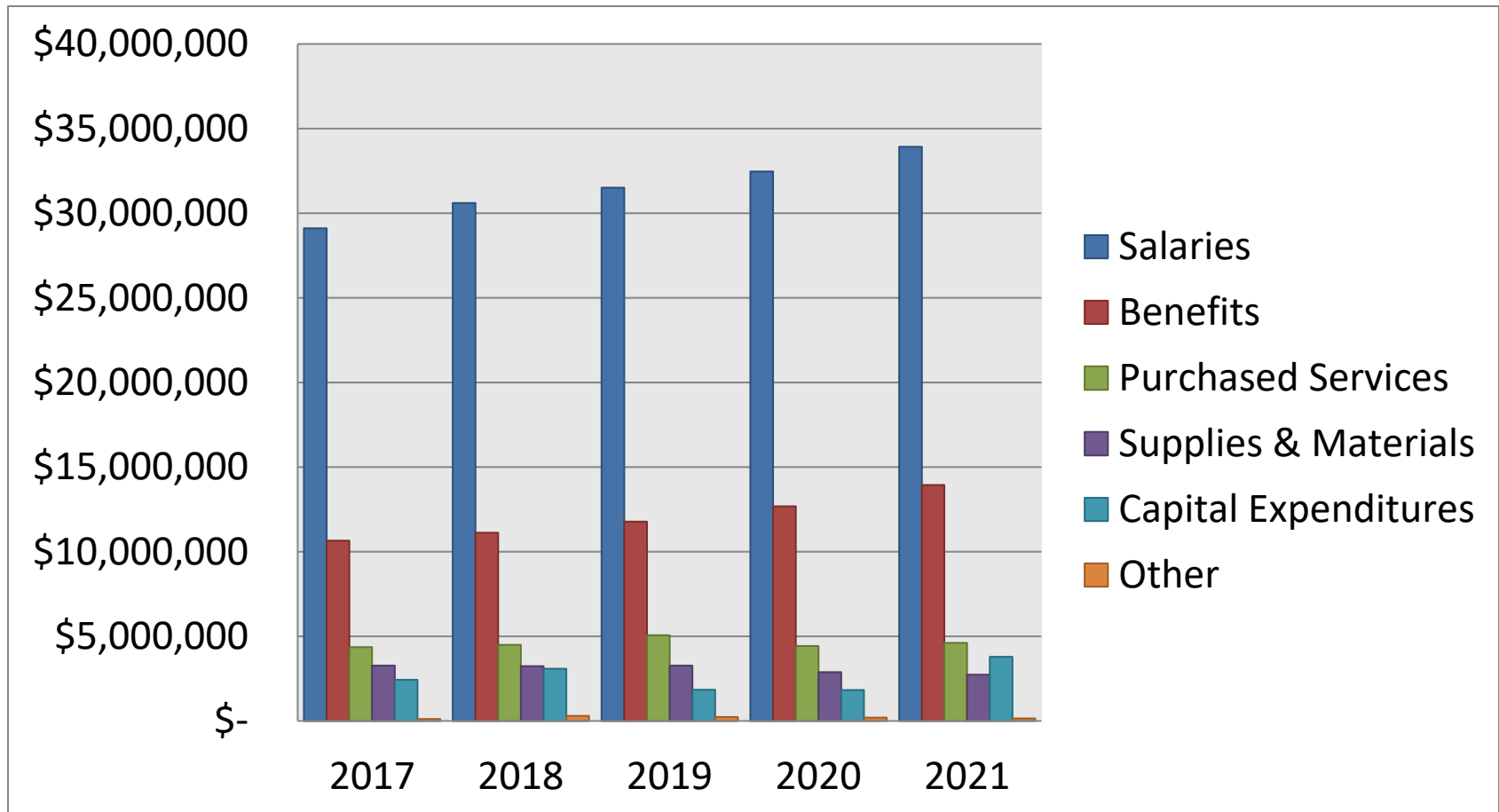
	Final Budget	Actual	Variance Over (Under)
Total Revenues	\$ 56,097,000	\$ 56,081,369	\$ (15,631)
Total Expenditures	<u>59,178,000</u>	<u>58,267,150</u>	<u>(910,850)</u>
Deficiency of revenues over expenditures	<u>(3,081,000)</u>	<u>(2,185,781)</u>	<u>895,219</u>
Other financing sources Sale of capital assets	<u>15,000</u>	<u>11,993</u>	<u>(3,007)</u>
Net change in fund balance	<u><u>\$ (3,066,000)</u></u>	(2,173,788)	<u><u>\$ 892,212</u></u>
Fund balance, beginning		<u>7,871,833</u>	
Fund balance, ending		<u><u>\$ 5,698,045</u></u>	

General Fund

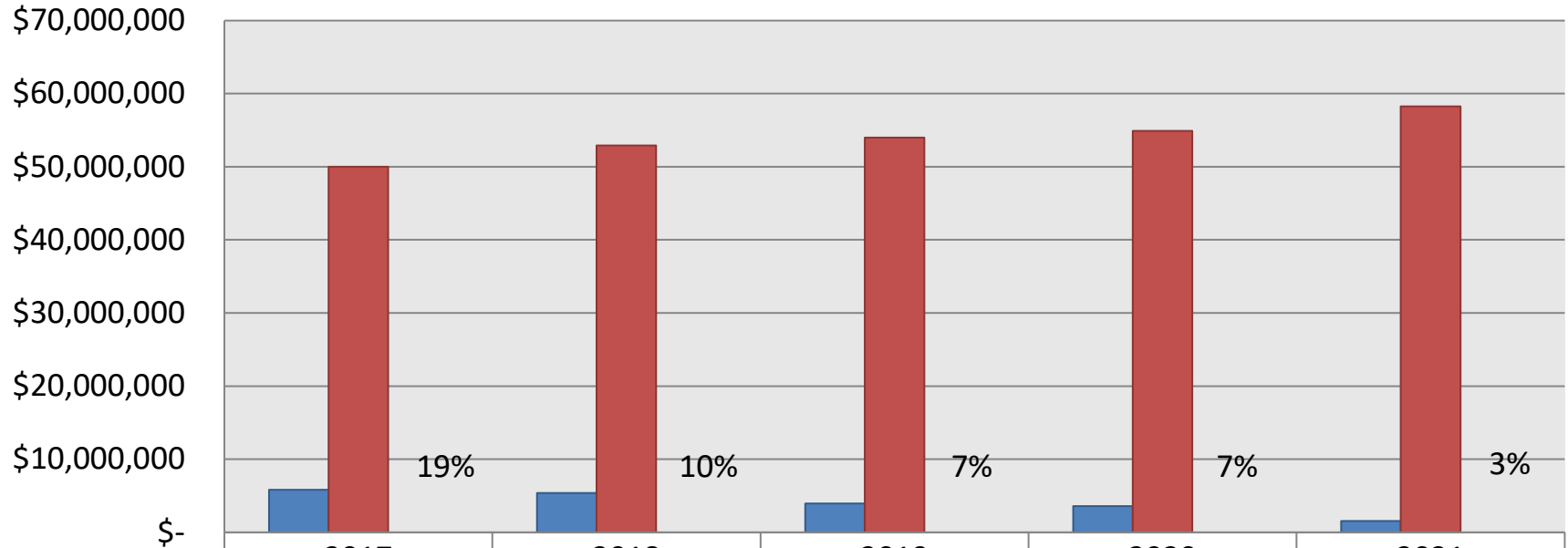
Fund Balances

	Fund Balances July 1, 2020	Revenues	Expenditures	Transfers Other Sources (Uses), and Adjustments	Fund Balances July 1, 2021
General Fund					
Nonspendable	\$ 205,507			\$ 60,469	\$ 265,976
Restricted					
Student activities	168,924			(26,022)	142,902
LTFM	482,836	871,588	528,877		825,547
Operating capital	343,829	2,130,198	2,474,027		
Area learning center	27,745	1,173,735	1,146,853		54,627
Gifted and talented	16,548	52,547	49,834		19,261
Achievement and integration		230,995	106,712		124,283
Basic skills program	11,698	2,226,160	2,237,858		
Safe schools	15,146	226,328	241,474		
Medical assistance	1,215,690	487,463	503,484		1,199,669
Assigned	1,786,725			(255,165)	1,531,560
Unassigned	3,597,185	48,682,355	50,978,031	232,711	1,534,220
Total	<u>\$ 7,871,833</u>	<u>\$ 56,081,369</u>	<u>\$ 58,267,150</u>	<u>\$ 11,993</u>	<u>\$ 5,698,045</u>

General Fund Expenditures



General Fund Unassigned Fund Balance as a % of Expenditures



	2017	2018	2019	2020	2021
Unassigned	\$5,836,089	\$5,389,932	\$3,939,873	\$3,597,185	\$1,534,220
Total Expenditures	\$49,997,486	\$52,902,856	\$53,970,413	\$54,915,730	\$58,267,150
%	12%	10%	7%	7%	3%

Food Service

Results of Operation and Fund Balance

	Final Budget	Actual	Variance Over (Under)
Total Revenues	\$ 1,733,870	\$ 1,493,896	\$ (239,974)
Total Expenditures	<u>1,865,183</u>	<u>1,617,815</u>	<u>(247,368)</u>
Other financing sources			
Sale of capital assets	<u> </u>	<u>1,404</u>	<u>1,404</u>
Net change in fund balance	<u>\$ (131,313)</u>	(122,515)	<u>\$ 7,394</u>
Fund balance, beginning		<u>534,935</u>	
Fund balance, ending		<u>\$ 412,420</u>	
Fund Balance			
Nonspendable - Inventory		\$ 86,631	
Restricted		<u>314,129</u>	
Total fund balance		<u>\$ 412,420</u>	

Community Service

Results of Operation and Fund Balance

	Final Budget	Actual	Variance Over (Under)
Total Revenues	\$ 1,125,403	\$ 1,189,451	\$ 64,048
Total Expenditures	<u>1,153,725</u>	<u>1,087,651</u>	<u>(66,074)</u>
Other financing sources			
Sale of capital assets	<u> </u>	<u>1,336</u>	<u>1,336</u>
Net change in fund balance	<u>\$ (28,322)</u>	103,136	<u>\$ 130,122</u>
Fund balance, beginning		<u>405,409</u>	
Fund balance, ending		<u>\$ 508,545</u>	
 Fund Balances			
Restricted			
Community education		\$ 402,674	
School readiness		1,250	
Community service		<u>104,621</u>	
Total restricted		<u>\$ 508,545</u>	

Debt Service Fund

Results of Operation and Fund Balance

	Final Budget	Actual	Variance Over (Under)
Total Revenues	\$ 3,223,208	\$ 3,368,867	\$ 145,659
Total Expenditures	<u>2,861,475</u>	<u>3,131,225</u>	<u>269,750</u>
Net change in fund balance	<u>\$ 361,733</u>	237,642	<u>\$ (124,091)</u>
Fund balance, beginning		<u>585,552</u>	
Fund balance, ending		<u>\$ 823,194</u>	
Fund Balance			
Restricted		<u>\$ 823,194</u>	

OPEB Debt Service Fund

Results of Operation and Fund Balance

	Final Budget	Actual	Variance Over (Under)
Total Revenues	\$ 4,669,544	\$ 4,873,430	\$ 203,886
Total Expenditures	4,670,865	4,670,665	(200)
Deficiency of revenues over expenditures	(1,321)	202,765	204,086
Net change in fund balance	<u>\$ (1,321)</u>	202,765	<u>\$ 204,086</u>
Fund balance, beginning		873,908	
Fund balance, ending		<u>\$ 1,076,673</u>	
Fund Balance			
Restricted		<u>\$ 1,076,673</u>	

Building Construction Fund

Results of Operation and Fund Balance

	Final Budget	Actual	Variance Positive (Negative)
Total Revenues	\$	\$ 4,115,314	\$ 4,115,314
Total Expenditures		<u>13,507,671</u>	<u>13,507,671</u>
Excess (deficiency) of revenues over expenditures		(9,392,357)	(9,392,357)
Other financing sources (uses) Transfer in			
Total other financing sources (uses)			
Net change in fund balance	<u>\$</u>	(9,392,357)	<u>\$ (9,392,357)</u>
Fund balance, beginning		<u>9,708,872</u>	
Fund balance, ending		<u>\$ 316,515</u>	
Fund Balance			
Restricted		<u>\$ 316,515</u>	

Long-term Debt

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021
General Obligation Bonds				
Facilities Maintenance, Series 2019A	\$ 4,165,000		\$ (220,000)	\$ 3,945,000
Taxable OPEB Refunding Bonds, Series 2016A	21,740,000		(4,125,000)	17,615,000
School Building Bonds, Series 2018A	65,440,000			65,440,000
Total General Obligation Bonds	91,345,000		(4,345,000)	87,000,000
Other				
Equipment obligation	13,000		(13,000)	
Lease purchase agreement	336,658		(107,069)	229,589
Lease purchase agreement	86,084		(86,084)	
Lease purchase agreement	7,811		(7,811)	
Total Other	443,553		(213,964)	229,589
Total	\$ 91,788,553	\$	\$ (4,558,964)	\$ 87,229,589

Postemployment Benefits Revocable Trust Fund

Statement of Revenue, Expenses, and Changes in Net Position

	Postemployment Benefits Revocable Trust Fund
Operating revenues	
Contributions from the District and employees	\$
Contributions from employees and retirees	299,870
Total operating revenues	299,870
Operating expenses	
Health care benefits/claims	3,401,410
Administrative costs	
Total operating expenses	3,401,410
Operating loss	(3,101,540)
Nonoperating income	
Investment income	4,199,666
Net income (loss)	1,098,126
Net position, beginning of year	16,632,118
Net position, end of year	\$ 17,730,244

Health Insurance Fund

Statement of Revenue, Expenses, and Changes in Net Position

	Health Insurance Fund
Operating revenues	
Contributions from the District and employees	\$ 12,067,913
Operating expenses	
Health care benefits/claims	14,132,550
Administrative costs	486,838
Total operating expenses	14,619,388
Operating loss	(2,551,475)
Nonoperating income	
Investment income	27,637
Net loss	(2,523,838)
Net position, beginning of year	3,267,493
Net position, end of year	\$ 743,655

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