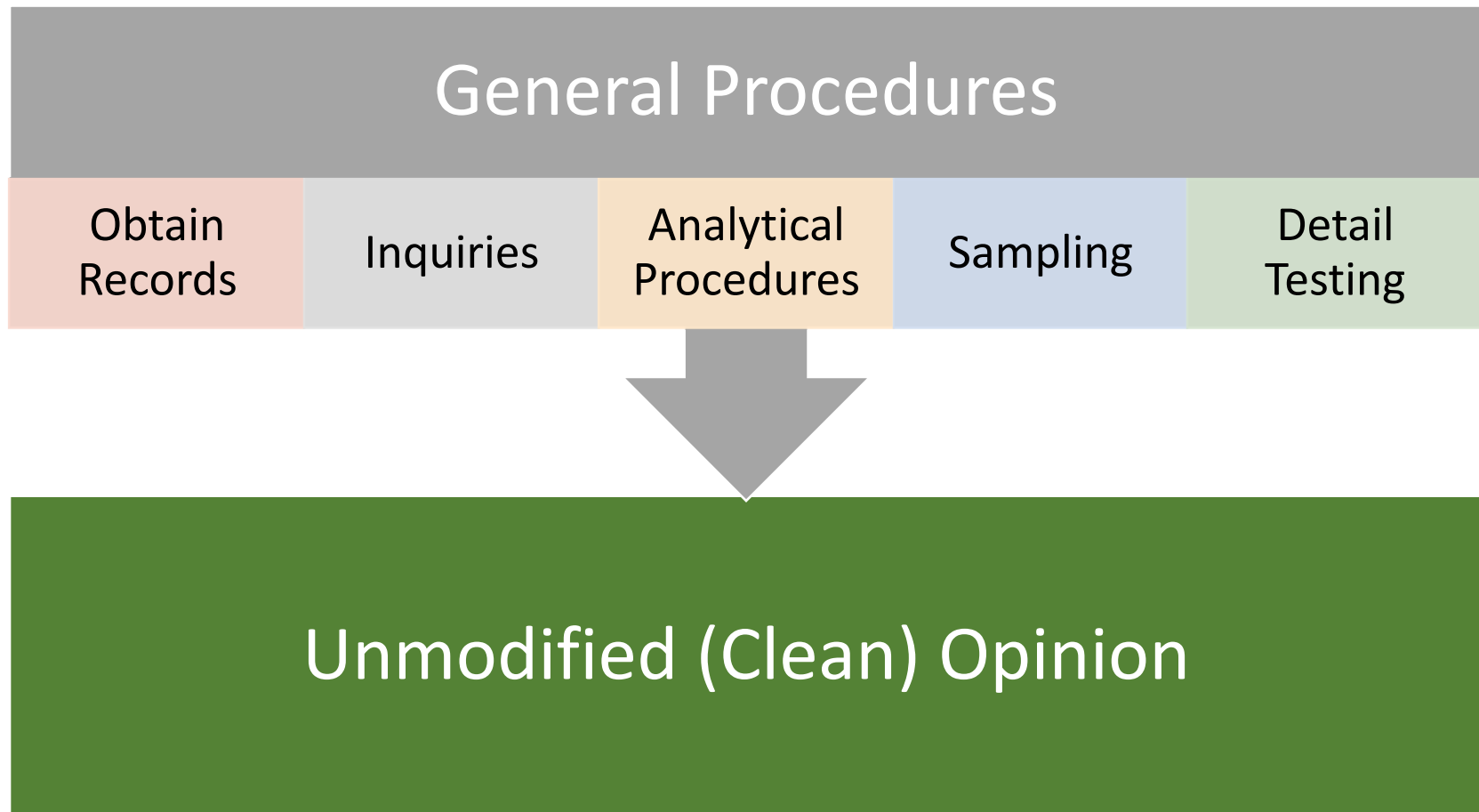




MACCRAY Schools
Independent School District No. 2180
Presentation of the Audited Financial Statements
June 30, 2020

Audit Process and Opinion



Required Communications



Audit went smoothly



Positive Working Relationship with
Management



Nothing unusual noted in terms of
recorded transactions or accounting
policies/treatments



Significant estimates for

- Net Pension Liability/Balances
- Net OPEB Liability/Balances
- Amounts Due from MDE

Internal Controls Over Financial Reporting



AUDIT ADJUSTMENTS

- Finding for proposed audit adjustments to correct material misstatements identified in the trial balance



SEGREGATION OF DUTIES

- Your District has a lack of proper segregation of duties, which is very common for a District of your size



FINANCIAL STATEMENT PREPARATION

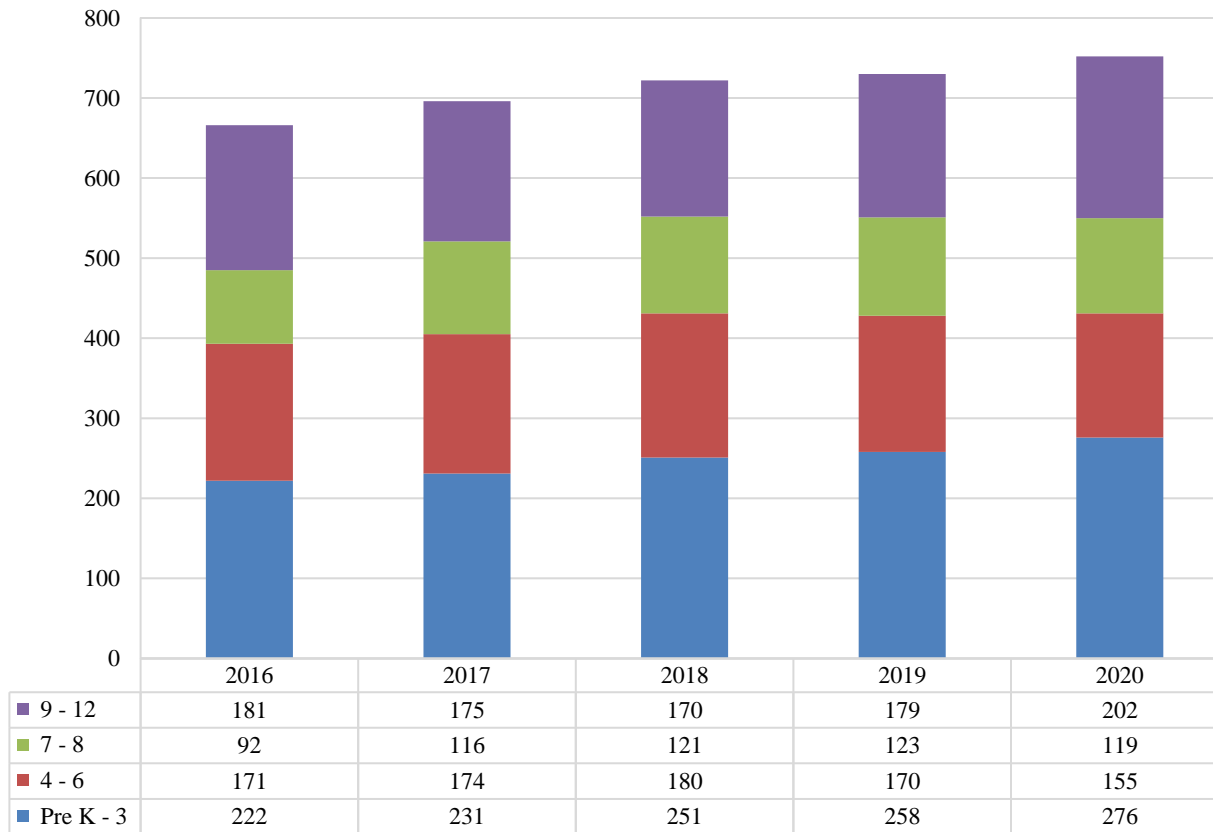
- We have prepared the financial statements on behalf of the District

Minnesota Legal Compliance

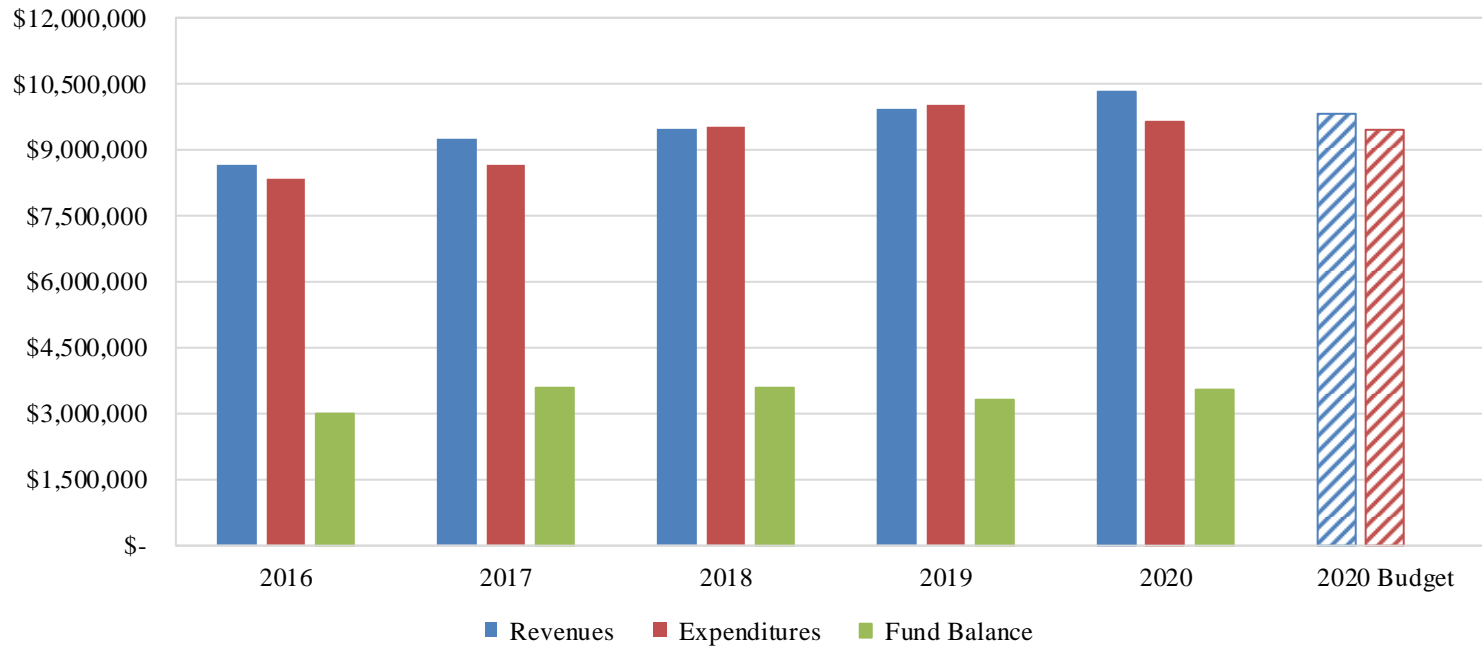
- Areas Reviewed
 - Contracting and Bidding
 - Depositories of Public Funds
 - Conflicts of Interest
 - Public Indebtedness
 - Claims and Disbursements
 - UFARS Compliance
 - Miscellaneous Provisions
- Findings:
 - Withholding Affidavit for Contractors



Pupil Units (ADM) Trend Analysis



General Fund - Trend Analysis & Budgetary Comparison

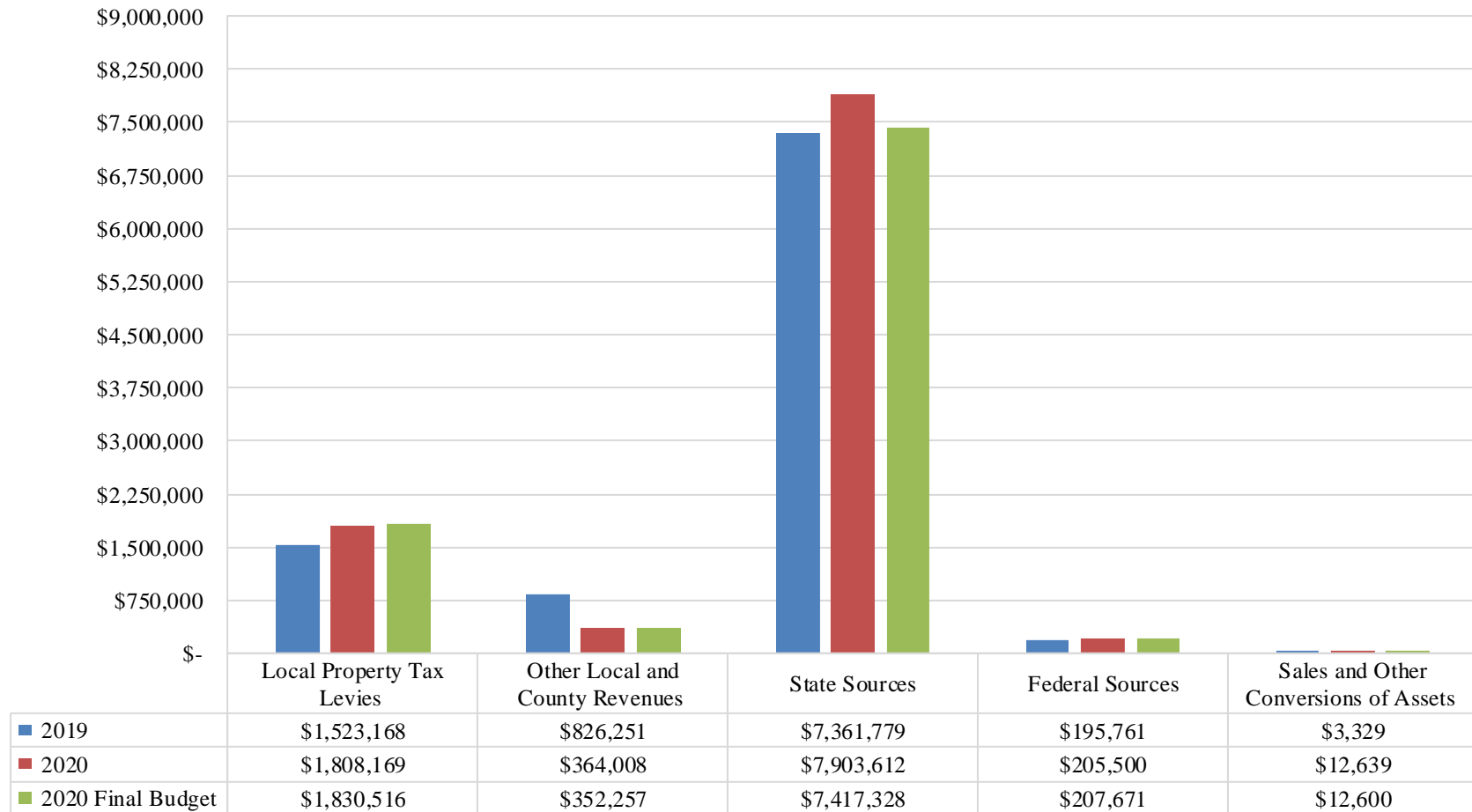


- Fund balance increased in the current year
- Other financing uses noted are transfers out to the Community Service and Food Service funds

	2019	2020	2020 Budget
Revenues	\$ 9,910,288	\$ 10,293,928	\$ 9,820,372
Expenditures	10,000,992	9,599,130	9,429,264
Other Sources (Uses)	(181,015)	(479,373)	-
Change in Fund Balance	(271,719)	215,425	391,108
Fund Balance	\$ 3,293,069	\$ 3,508,494	\$ -

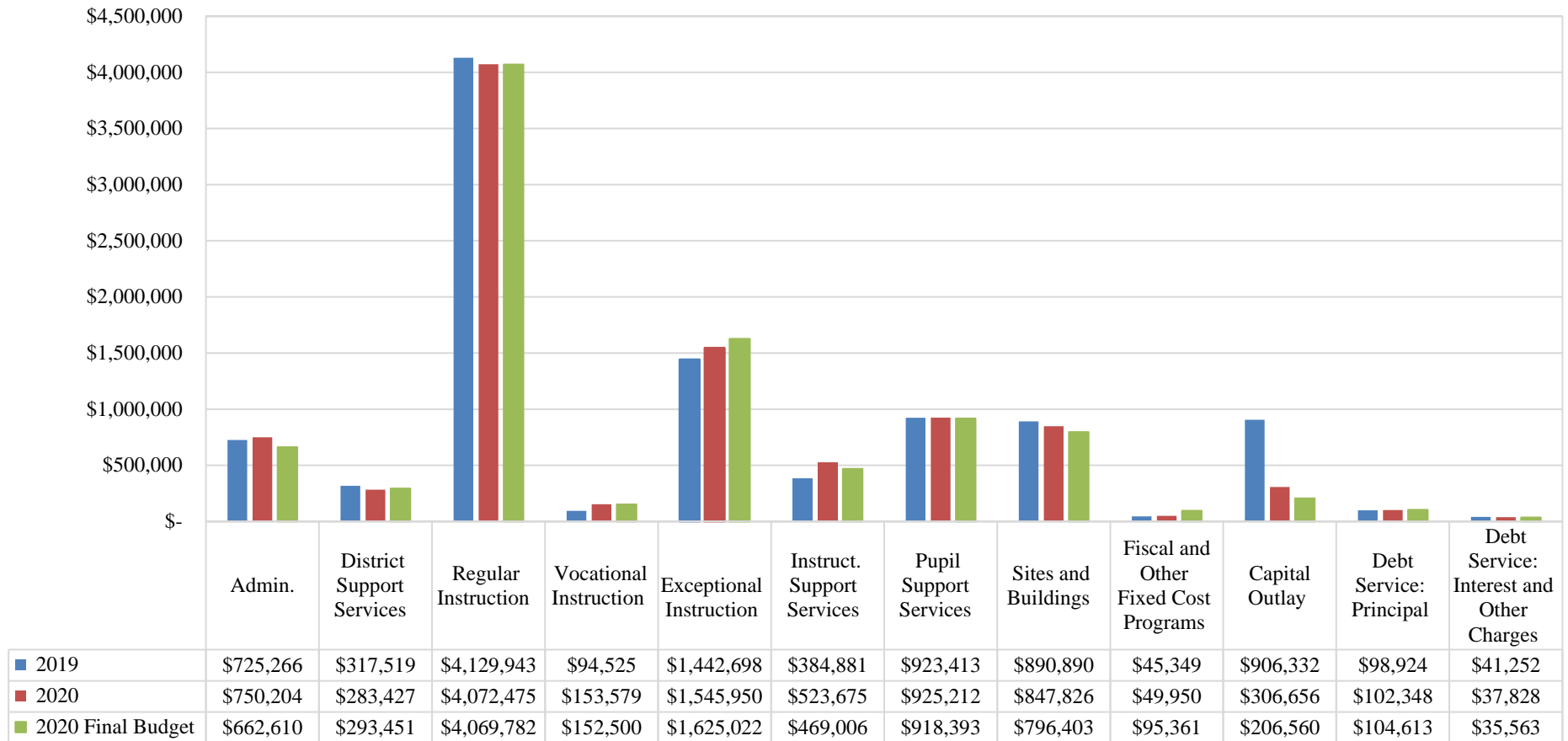
General Fund

Detailed Revenue Analysis



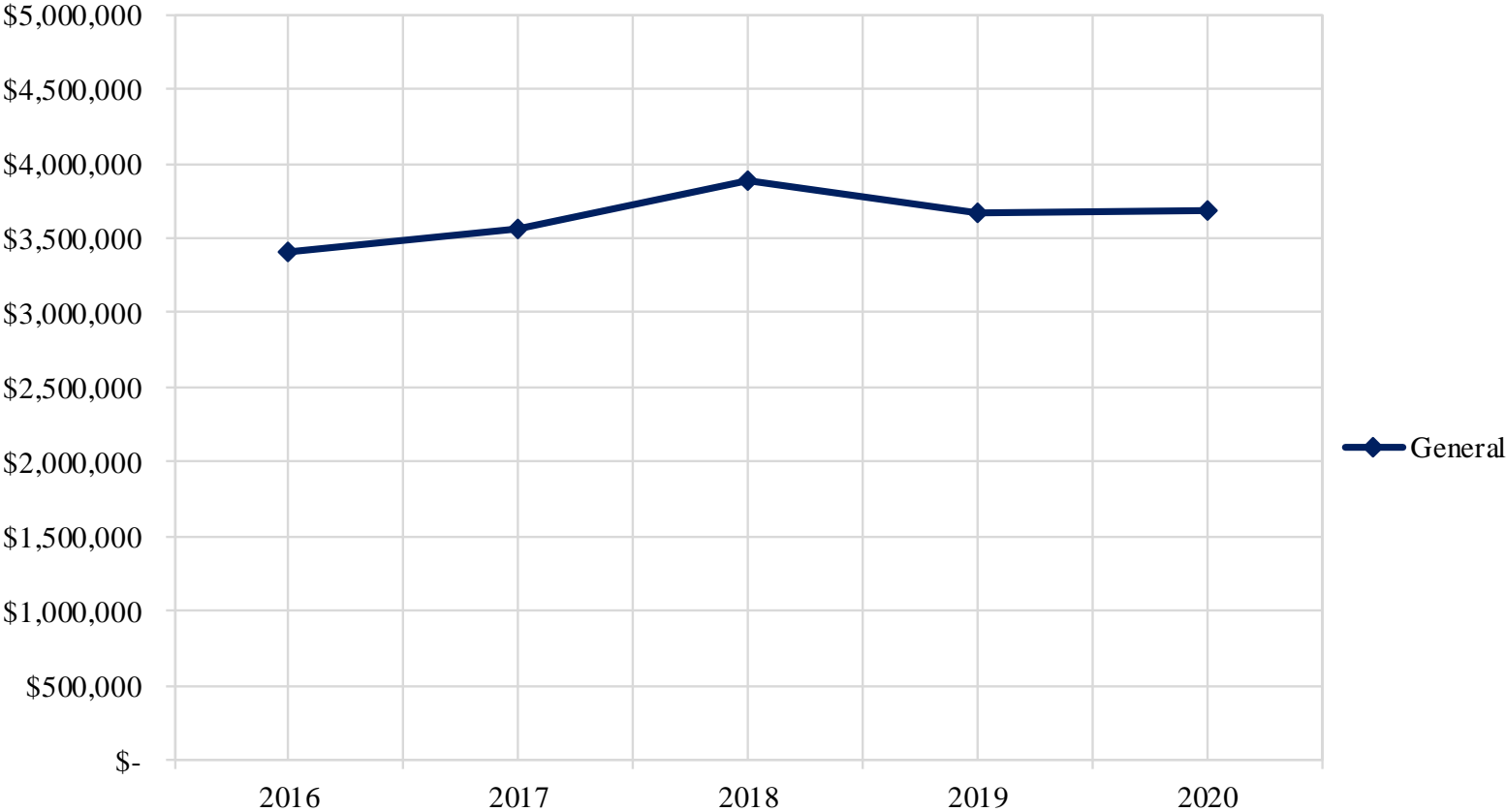
General Fund

Detailed Expenditure Analysis



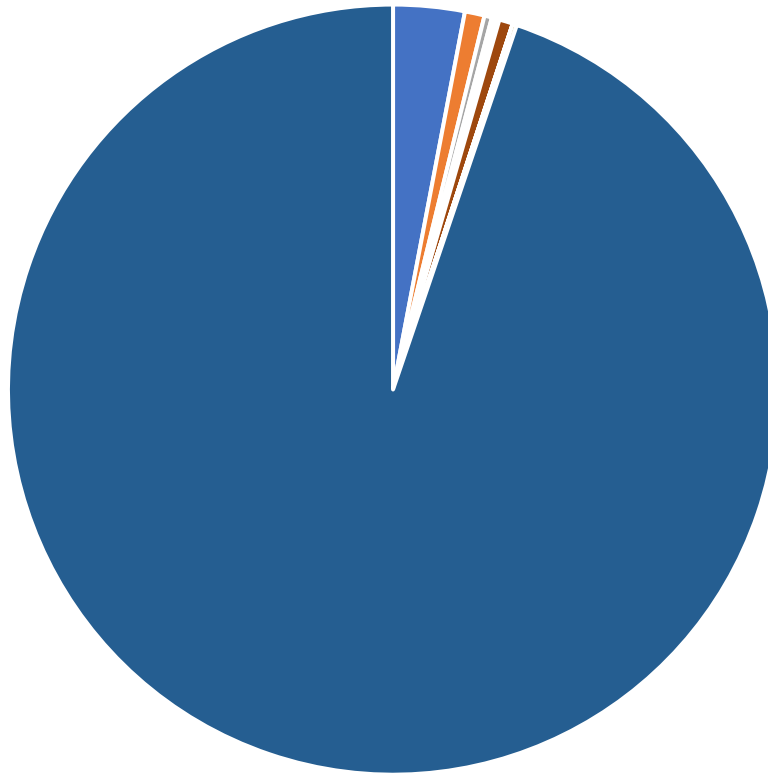
General Fund

Cash Trend Analysis



General Fund

Fund Balance

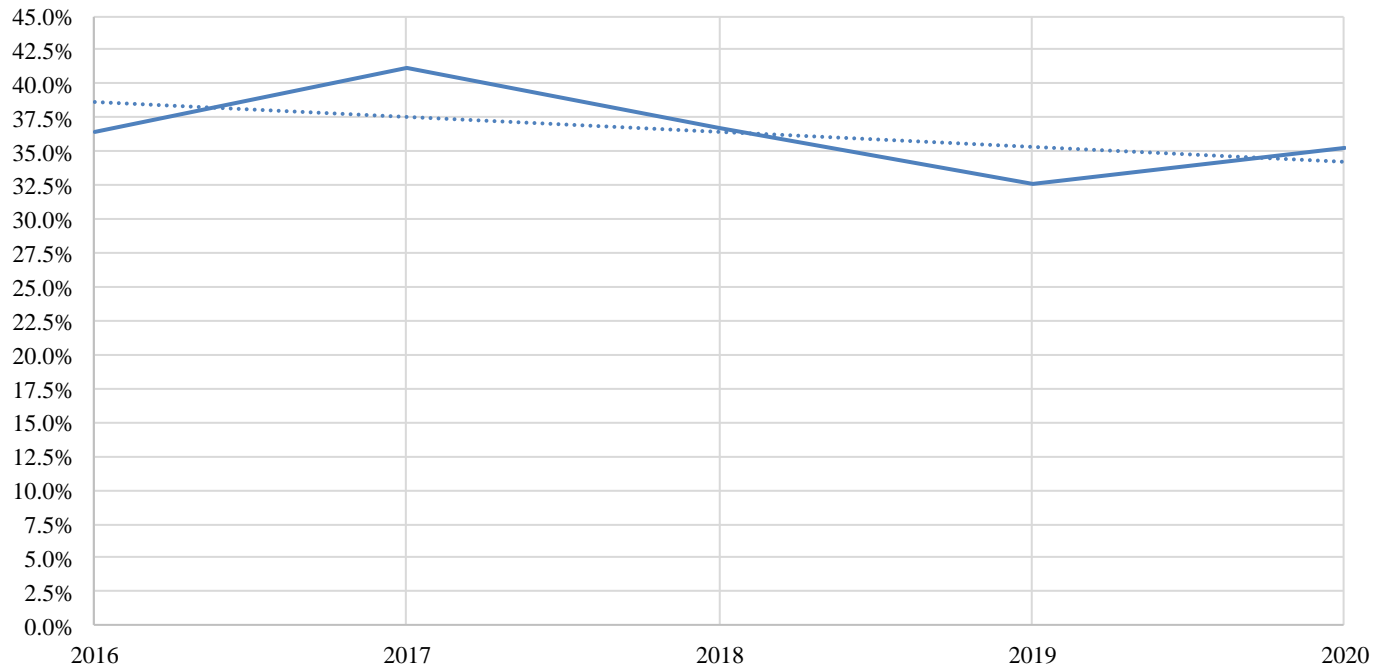


Restricted- Student Activities	\$	105,108
Restricted- Staff Development	\$	28,838
Restricted- Operating Capital	\$	11,148
Restricted- Disabled Accessibility	\$	2,273
Restricted- Learning and Development	\$	4,617
Restricted- Gifted and Talented	\$	450
Restricted- Achievement and Integration	\$	3,827
Restricted- LTFM	\$	20,229
Restricted- Medical Assistance	\$	112
Assigned Fund Balance	\$	6,224
Unassigned Fund Balance	\$	3,325,668

Unassigned includes negative restriction for:
Safe Schools Levy \$(1,749)

- Restricted- Student Activities
- Restricted- Staff Development
- Restricted- Operating Capital
- Restricted- Disabled Accessibility
- Restricted- Learning and Development
- Restricted- Gifted and Talented
- Restricted- Achievement and Integration
- Restricted- LTFM
- Restricted- Medical Assistance
- Assigned Fund Balance
- Unassigned Fund Balance

Percentage of Annual Operating Expenditures in Unassigned General Fund Balance

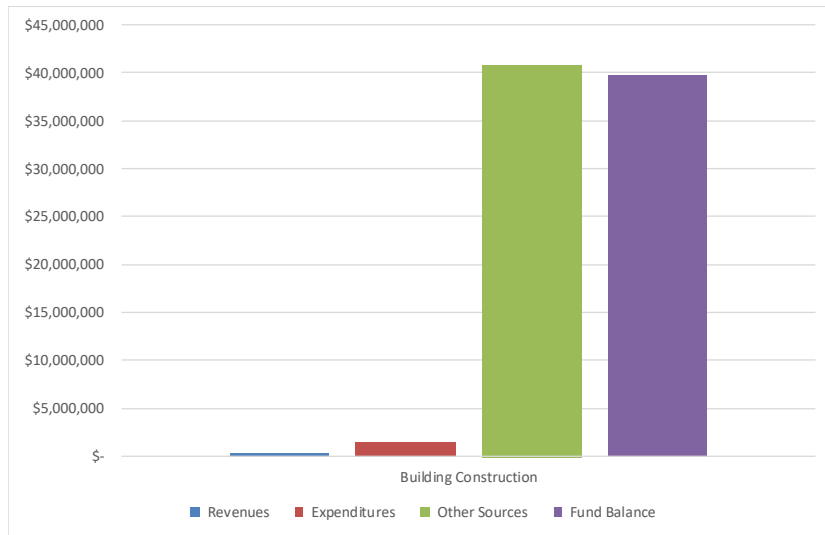


<u>Year</u>	<u>Percentage</u>
2016	36.4%
2017	41.2%
2018	36.7%
2019	32.6%
2020	35.3%

- District policy is to maintain a minimum unassigned general fund balance equal to approximately 20% of the annual budget.

Financial Highlights

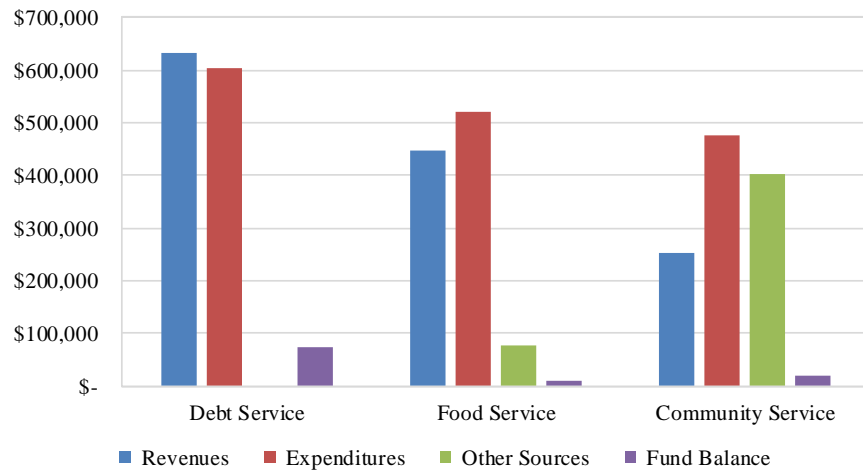
Remaining Governmental Funds



	<u>Building Construction</u>
Revenues	\$ 381,262
Expenditures	1,465,643
Other Sources	<u>40,758,739</u>
Change in Fund Balance	39,674,358
Fund Balance	\$ 39,674,358

Financial Highlights

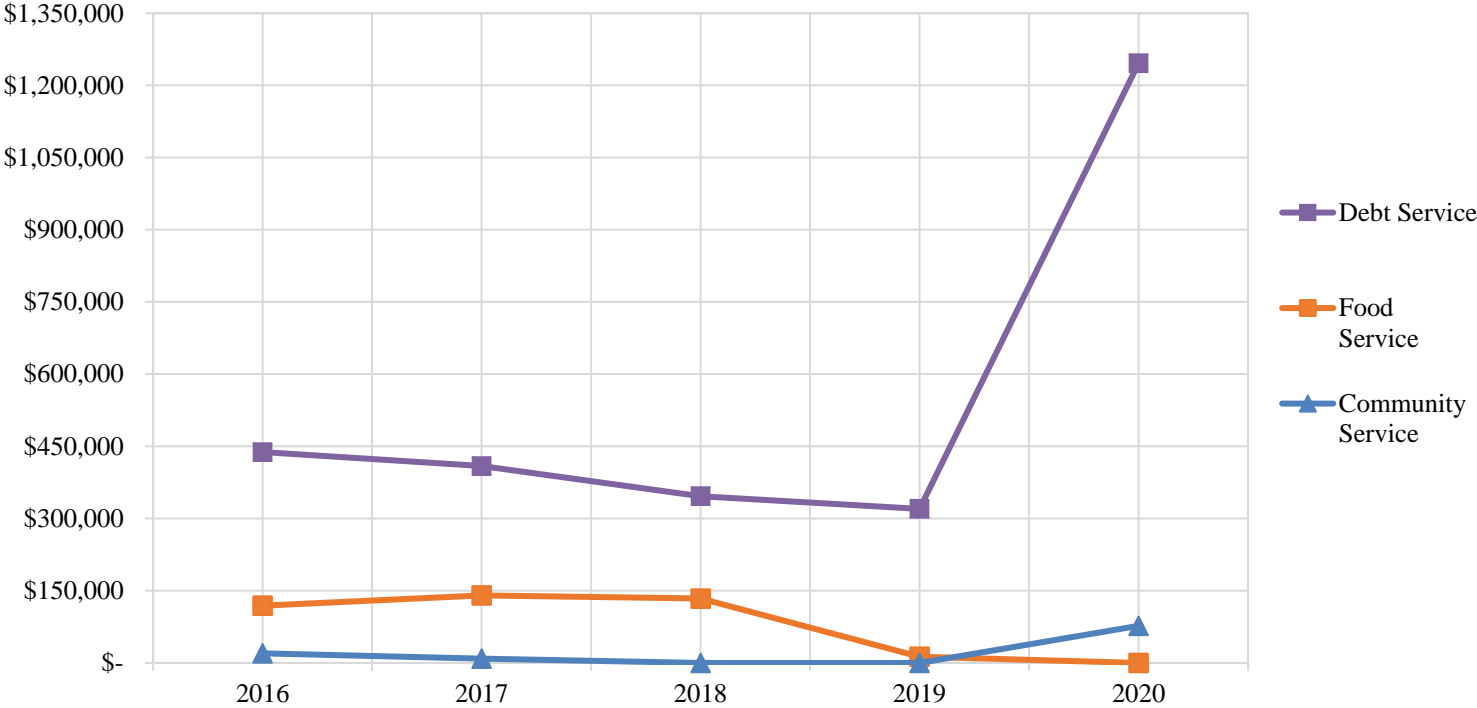
Remaining Governmental Funds



	Debt Service	Food Service	Community Service
Revenues	\$ 632,361	\$ 447,077	\$ 251,355
Expenditures	602,574	521,383	476,776
Other Sources	-	77,296	402,077
Change in Fund Balance	29,787	2,990	176,656
Fund Balance	\$ 72,216	\$ 9,709	\$ 18,481

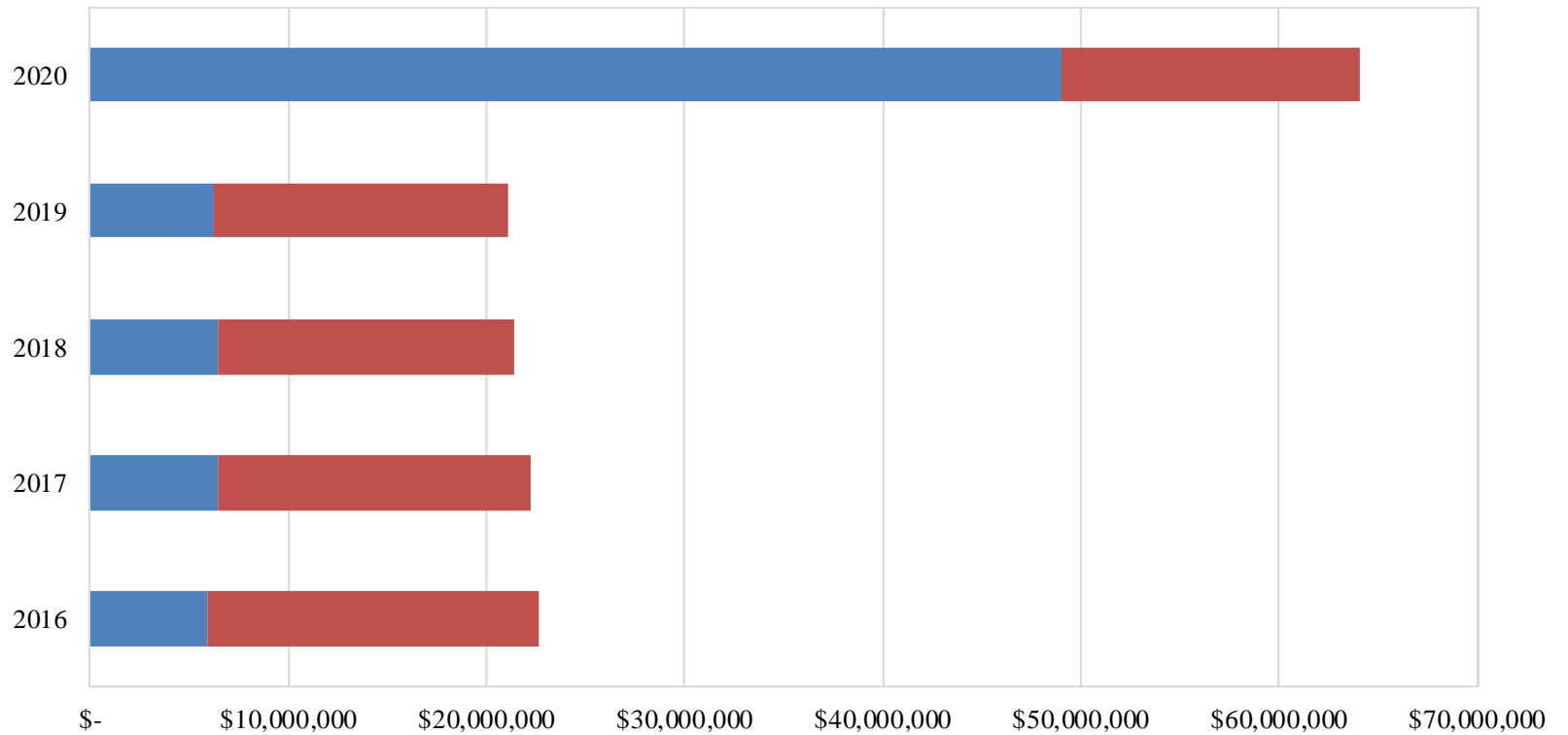
Remaining Governmental Funds

Cash Trend Analysis



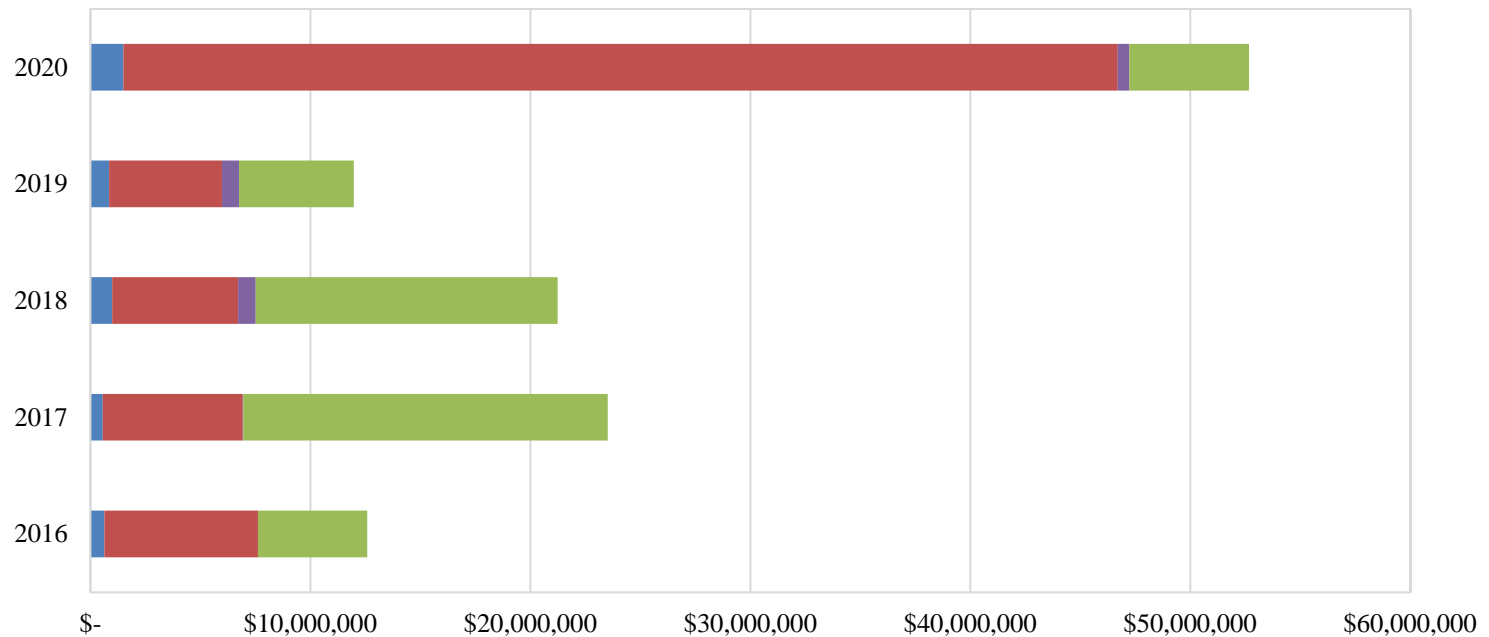
Excluded from the above is the \$39,948,996 of cash currently Held in the Building Construction Fund

Government-Wide Assets

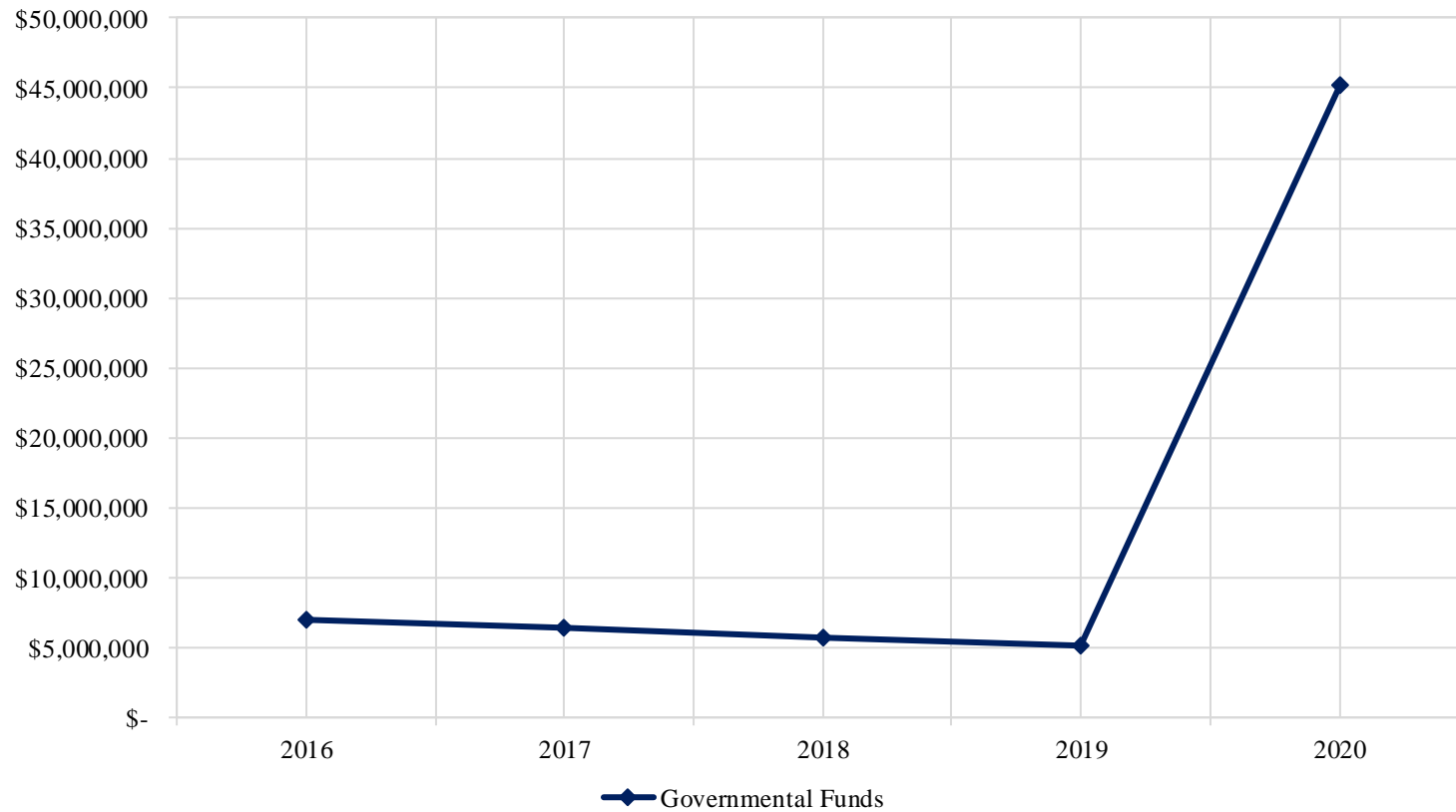


	2016	2017	2018	2019	2020
■ Current Assets	\$5,925,862	\$6,440,045	\$6,493,412	\$6,287,336	\$48,978,486
■ Capital/Noncurrent	\$16,731,043	\$15,792,352	\$14,859,103	\$14,837,409	\$15,151,230

Government-Wide Liabilities



	2016	2017	2018	2019	2020
■ Current Liabilities	\$637,778	\$560,182	\$988,291	\$854,372	\$1,499,879
■ Debt/Noncurrent	\$6,982,175	\$6,363,455	\$5,729,274	\$5,125,650	\$45,199,489
■ Net OPEB Liability	\$-	\$21,580	\$796,025	\$778,647	\$526,851
■ Net Pension Liability	\$4,966,614	\$16,569,066	\$13,728,456	\$5,215,273	\$5,442,138



Long Term Debt Outstanding

- G.O. Alternative and Capital Facilities Bonds, Series 2013A
- G.O. School Building Bonds, Series 2020A
- Equipment Lease

Questions?

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Manager

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320-251-0286