



2024 – 2025 Financial Statement Audit

Independent School District No. 2168



Introduction

- Audit Opinion and Responsibility
- General Fund Results
- Other Governmental Funds
- Key Performance Indicators



Audit Results

Auditor's Opinion

unmodified opinion

Minnesota Legal Compliance

*One instance of
noncompliance*

Single Audit Report

*No instances of
noncompliance with
OMB Compliance
Supplement
requirements*

AUDIT RESULTS

Fiscal Year 2025 Findings

- Limited Segregation of Duties
 - *Internal Control Finding*
- Preparation of Financial Statements
 - *Internal Control Finding*
- Contracting and Bidding
 - *Legal Compliance Finding*

PRIOR YEAR AUDIT RESULTS

Fiscal Year 2024 Findings

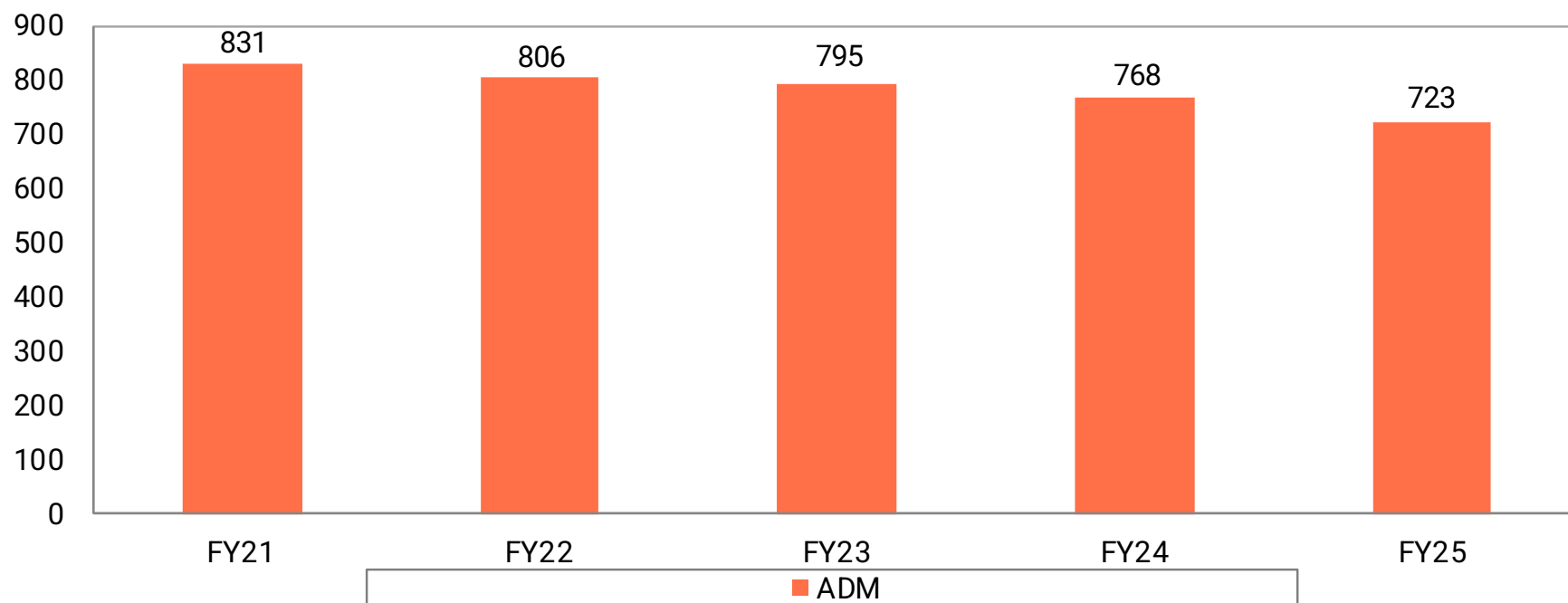
- Material Audit Adjustments
- Limited Segregation of Duties
- Preparation of Financial Statements



Auditor Recommendations

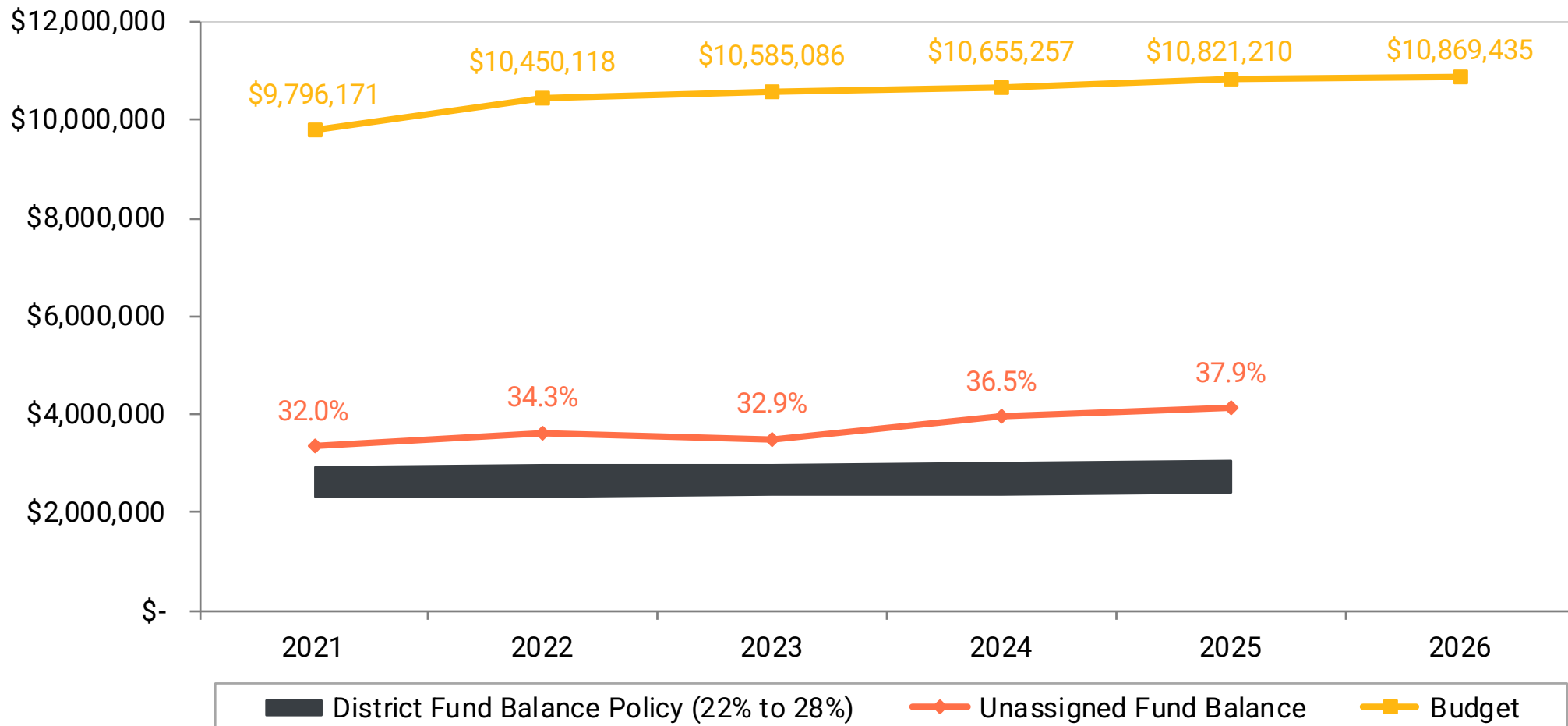
- Credit Card Documentation
 - *We recommend having receipts or documentation for all credit card transactions*
 - Example: Buying event tickets online for a proper receipt vs at the door

Average Daily Membership



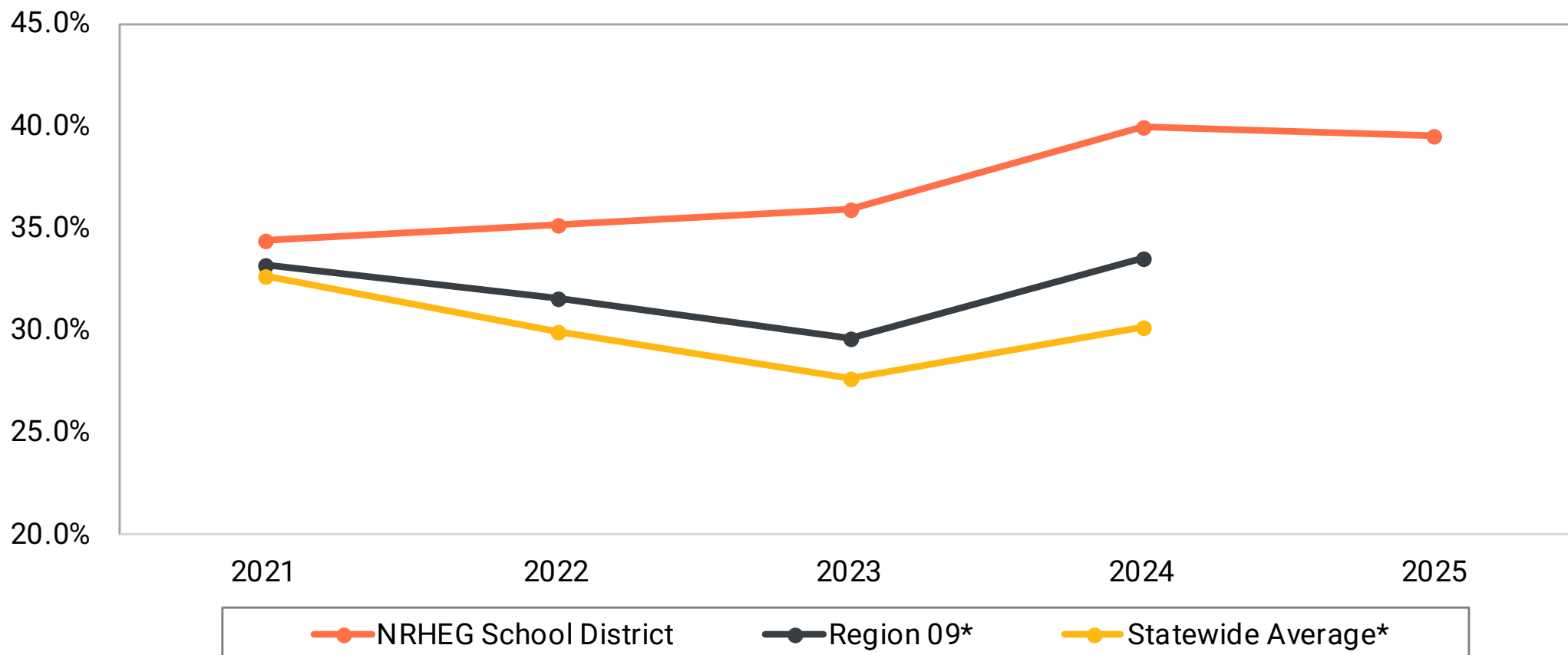
General Fund Balances

Minimum Fund Balance Policy 22% – 28% of Next Year's Budgeted Expenditures



KEY PERFORMANCE INDICATORS

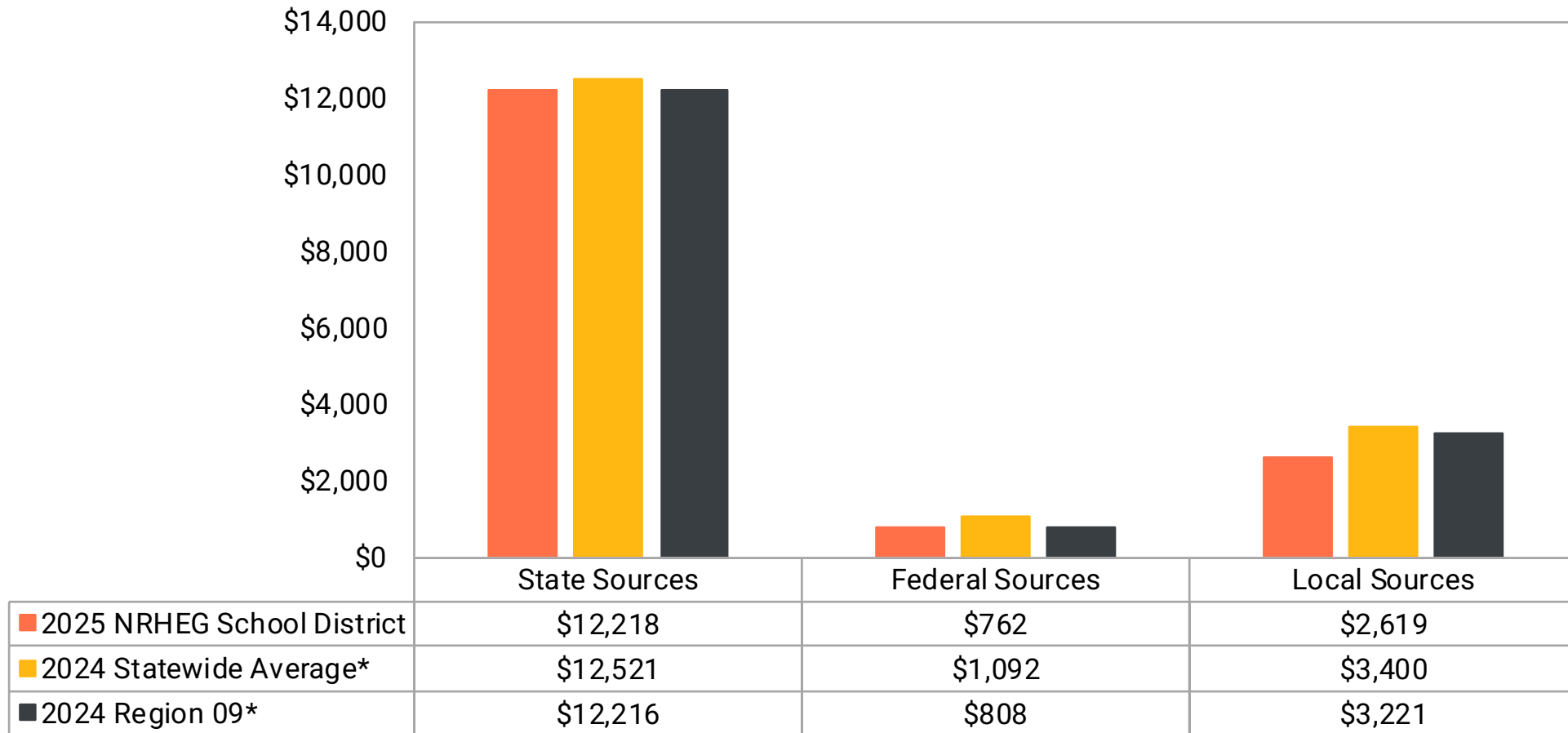
General Fund Balances as a Percentage of Expenditures



General Fund Budget to Actual

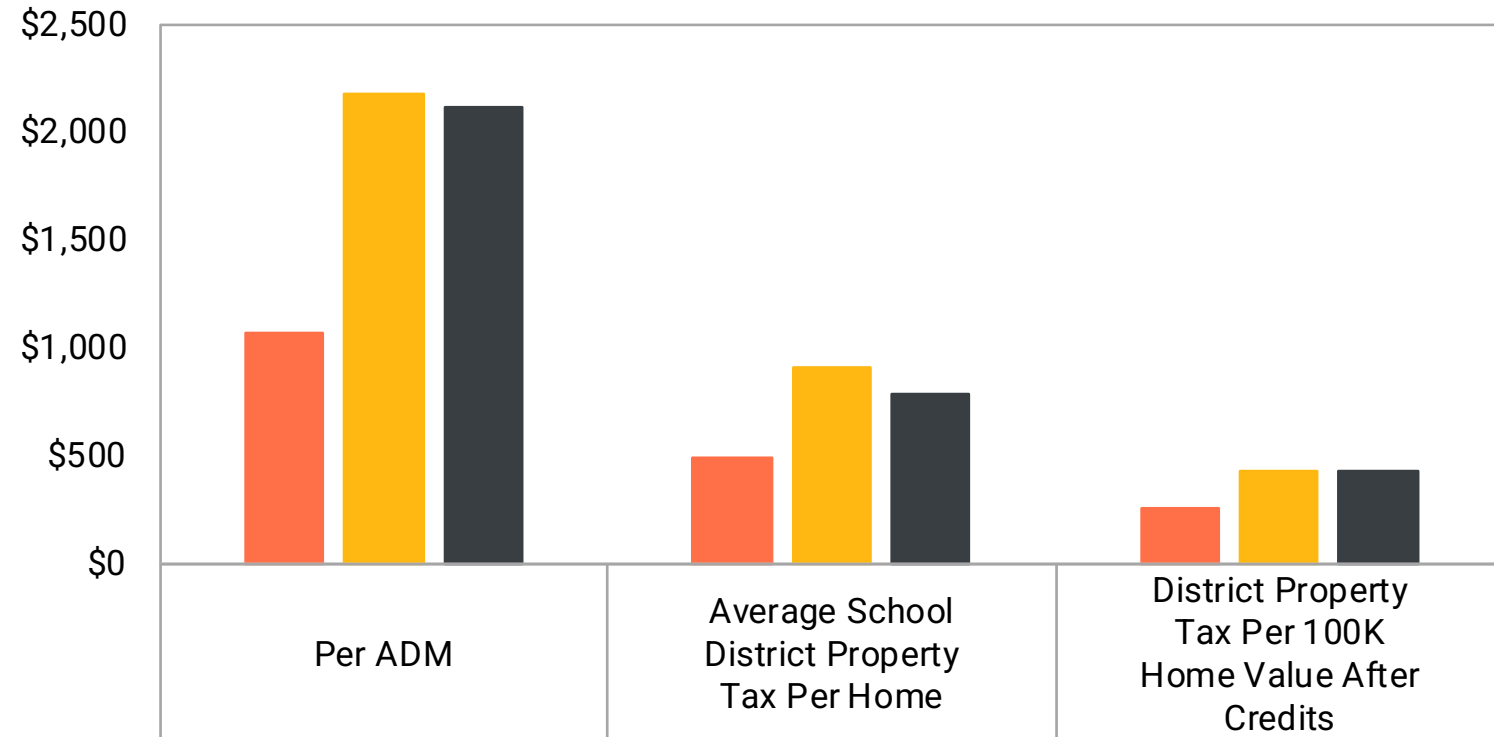
	Final Budget	Actual Amounts	Variance with Final Budget
Revenues	\$ 10,867,033	\$ 11,278,158	\$ 411,125
Expenditures	10,994,586	11,201,706	(207,120)
Excess (Deficiency) of Revenues Under Expenditures	(127,553)	76,452	204,005
Other Financing Sources (Uses)			
Debt issued	-	190,943	190,943
Insurance recovery	91,000	8,076	(82,924)
Sale of capital assets	6,200	6,162	(38)
Transfers out	(15,000)	(15,000)	-
Total Other Financing Sources (Uses)	82,200	190,181	107,981
Net Change in Fund Balances	(45,353)	266,633	311,986
Fund Balances, July 1	4,162,458	4,162,458	-
Fund Balances, June 30	\$ 4,117,105	\$ 4,429,091	\$ 311,986

General Fund Revenues per ADM



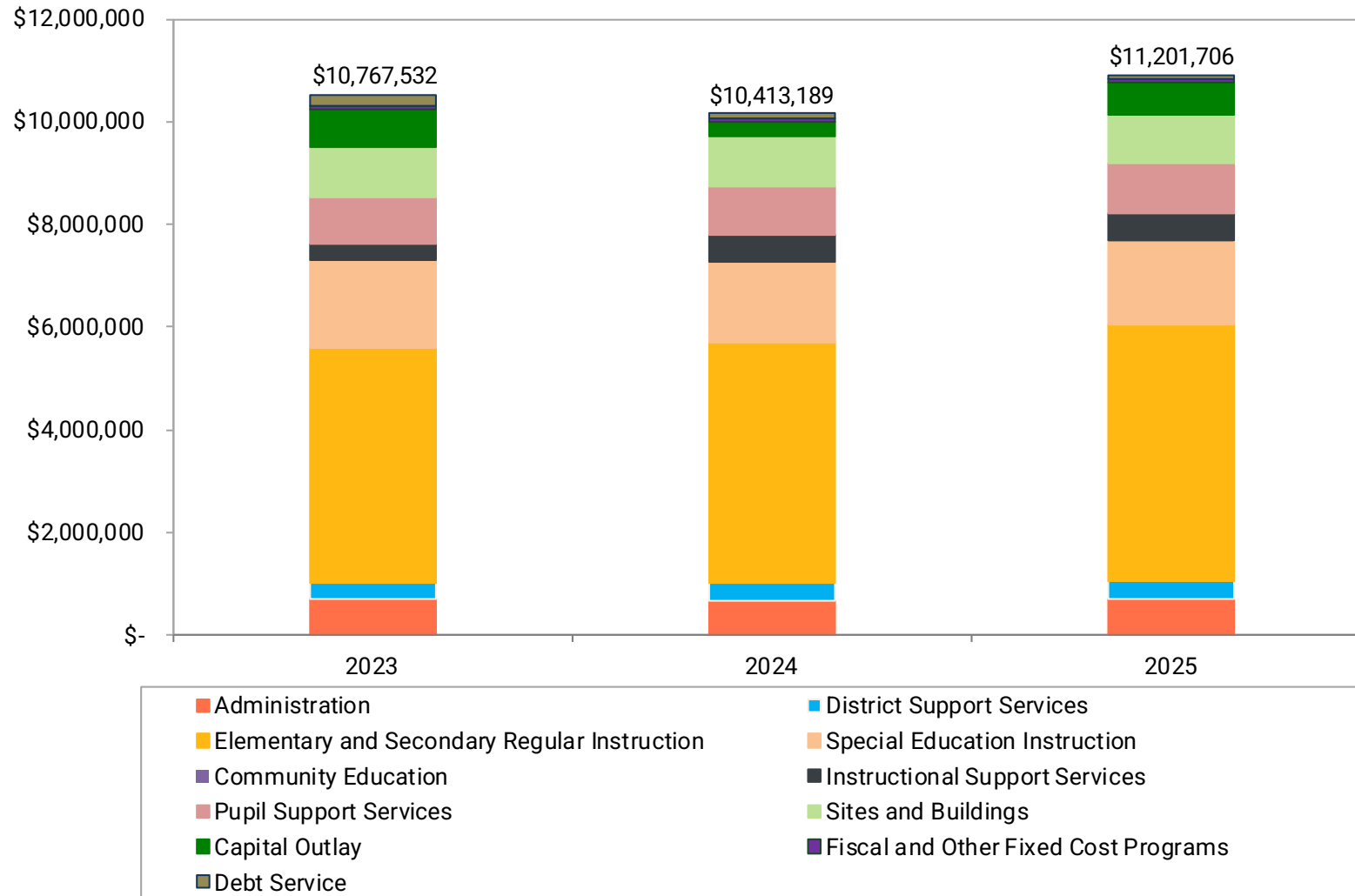
KEY PERFORMANCE INDICATORS

Property Taxes

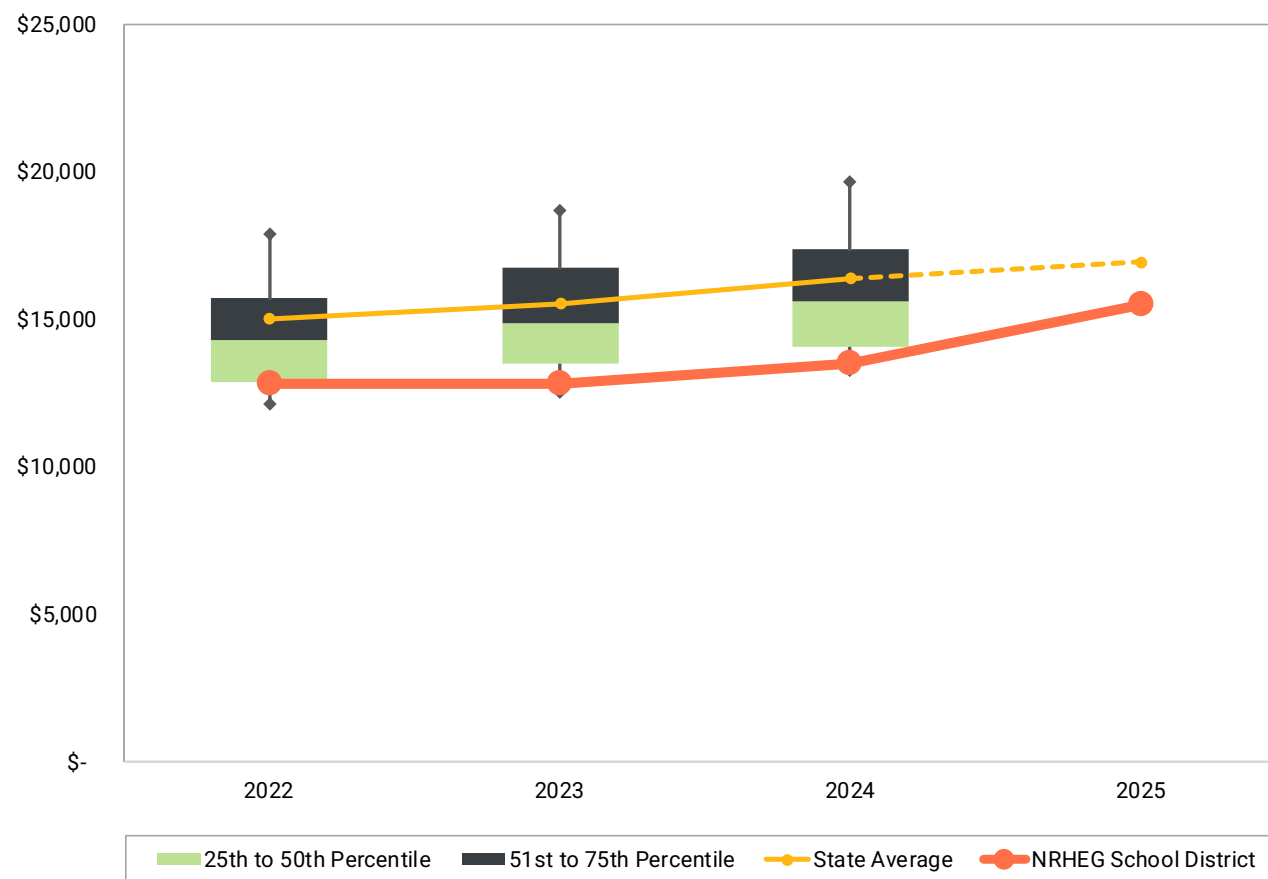


NRHEG School District	\$1,063	\$487	\$259
2024 Statewide Average*	\$2,182	\$913	\$425
2024 Region 09*	\$2,115	\$782	\$427

General Fund Expenditures



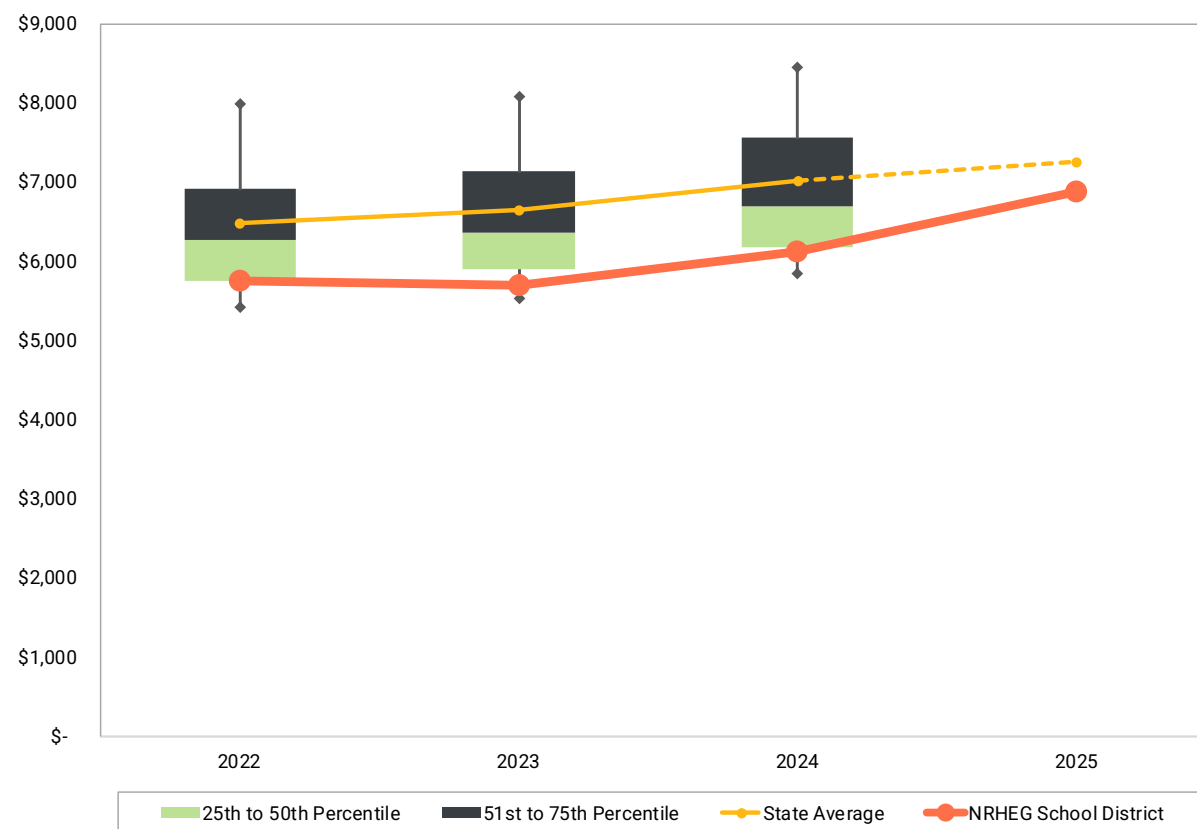
General Fund Expenditures per ADM



* Percentile data and state average obtained from School District Profile reports published by the MDE

KEY PERFORMANCE INDICATORS

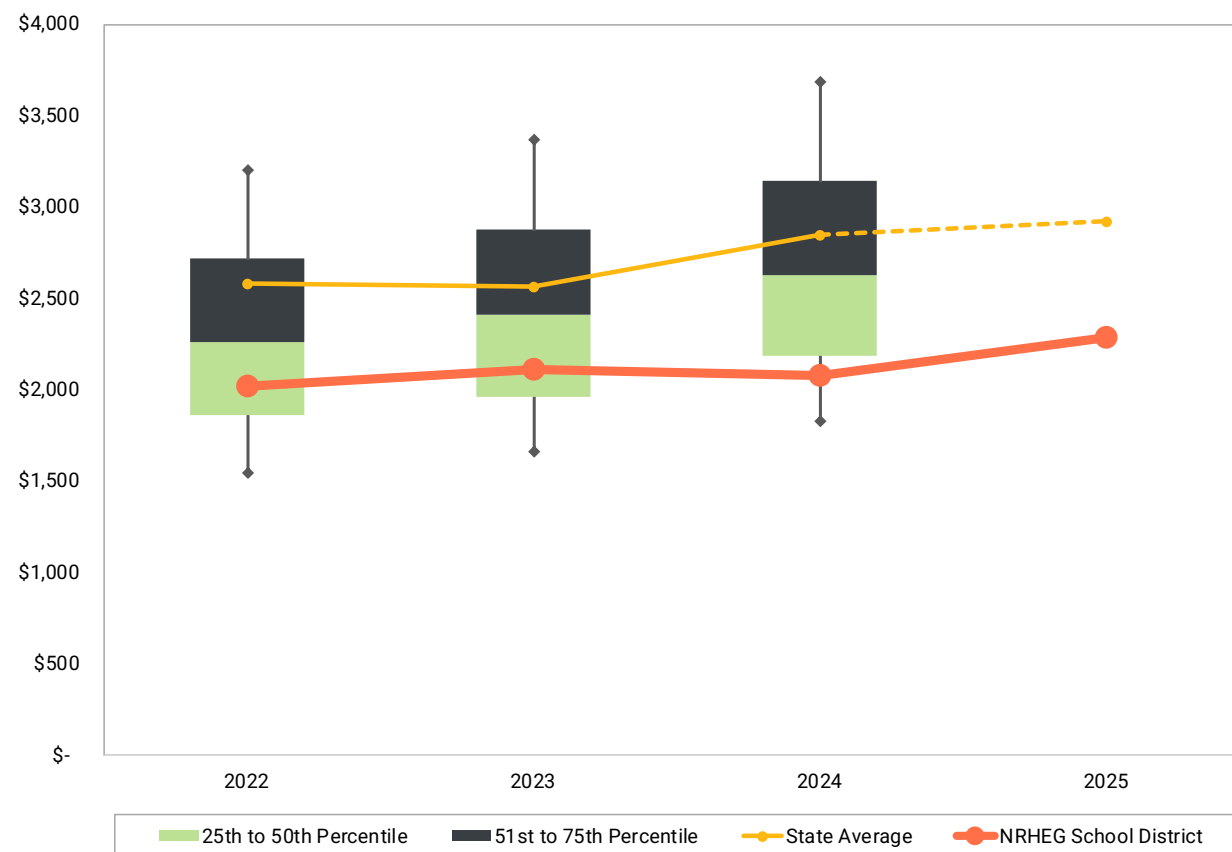
Elementary and Secondary Regular Instruction per ADM



* Percentile data and state average obtained from School District Profile reports published by the MDE

KEY PERFORMANCE INDICATORS

Special Education Expenditures per ADM

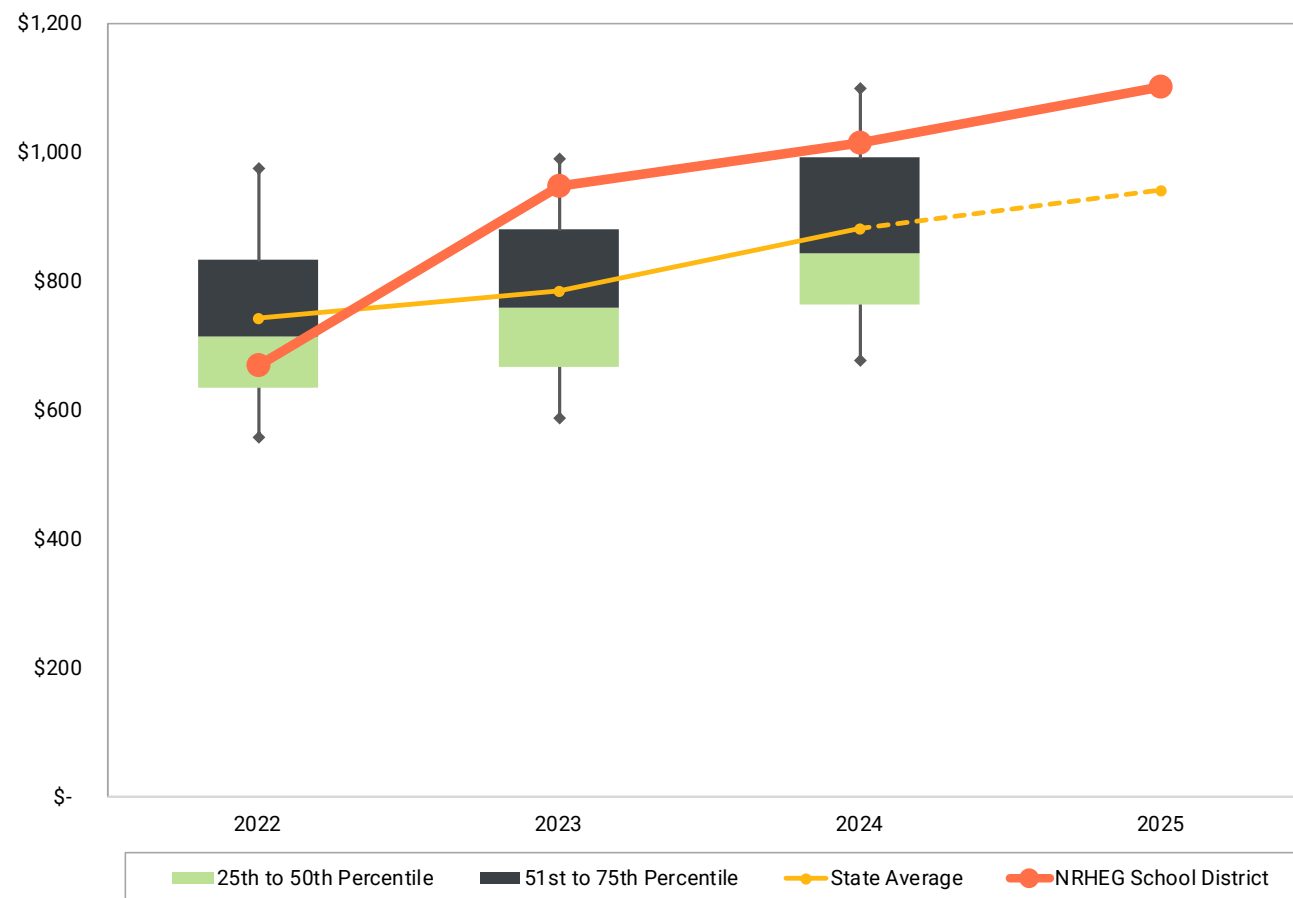


* Percentile data and state average obtained from School District Profile reports published by the MDE

Food Service Fund Budget to Actual

	Final Budget	Actual Amounts	Variance with Final Budget
Revenues	\$ 864,100	\$ 859,455	\$ (4,645)
Expenditures	828,187	796,622	31,565
Net Change in Fund Balances	35,913	62,833	26,920
Fund Balances, July 1	150,650	150,650	-
Fund Balances, June 30	<u>\$ 186,563</u>	<u>\$ 213,483</u>	<u>\$ 26,920</u>

Food Service Fund *Expenditures per ADM Comparison*

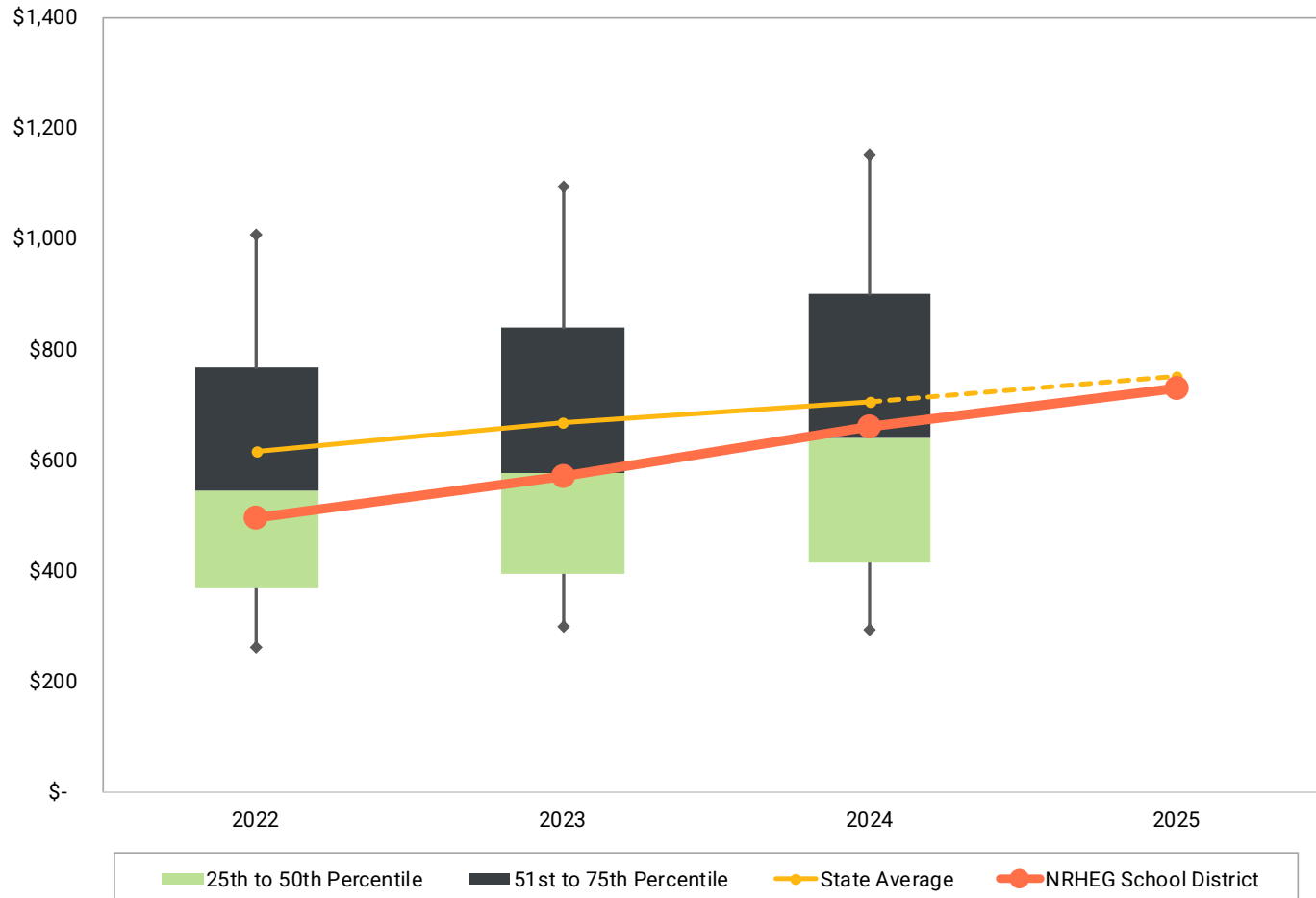


* Percentile data and state average obtained from School District Profile reports published by the MDE

Community Service Fund Budget to Actual

	Final Budget	Actual Amounts	Variance with Final Budget
Revenues	\$ 462,286	\$ 607,727	\$ 145,441
Expenditures	469,114	526,597	(57,483)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,828)	81,130	87,958
Other Financing Sources (Uses) Transfer in	15,000	15,000	-
Net Change in Fund Balances	8,172	96,130	87,958
Fund Balances, July 1	99,712	99,712	-
Fund balances, June 30	<u>\$ 107,884</u>	<u>\$ 195,842</u>	<u>\$ 87,958</u>

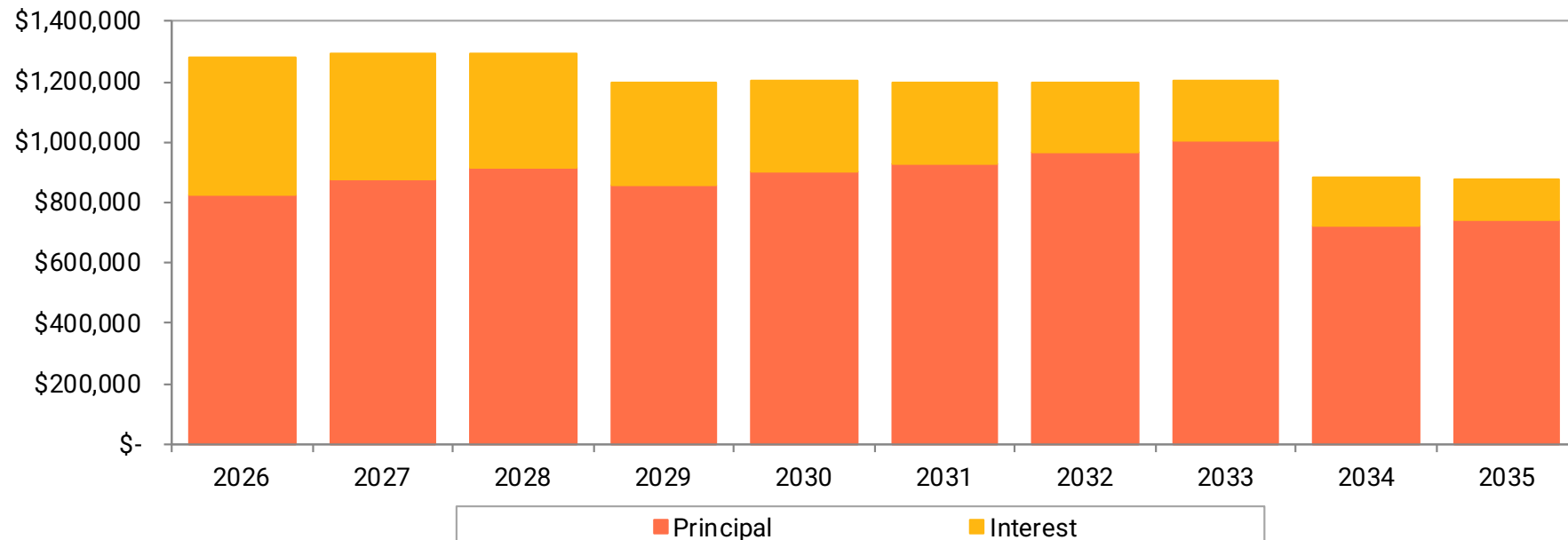
Community Service Fund *Expenditures per ADM Comparison*



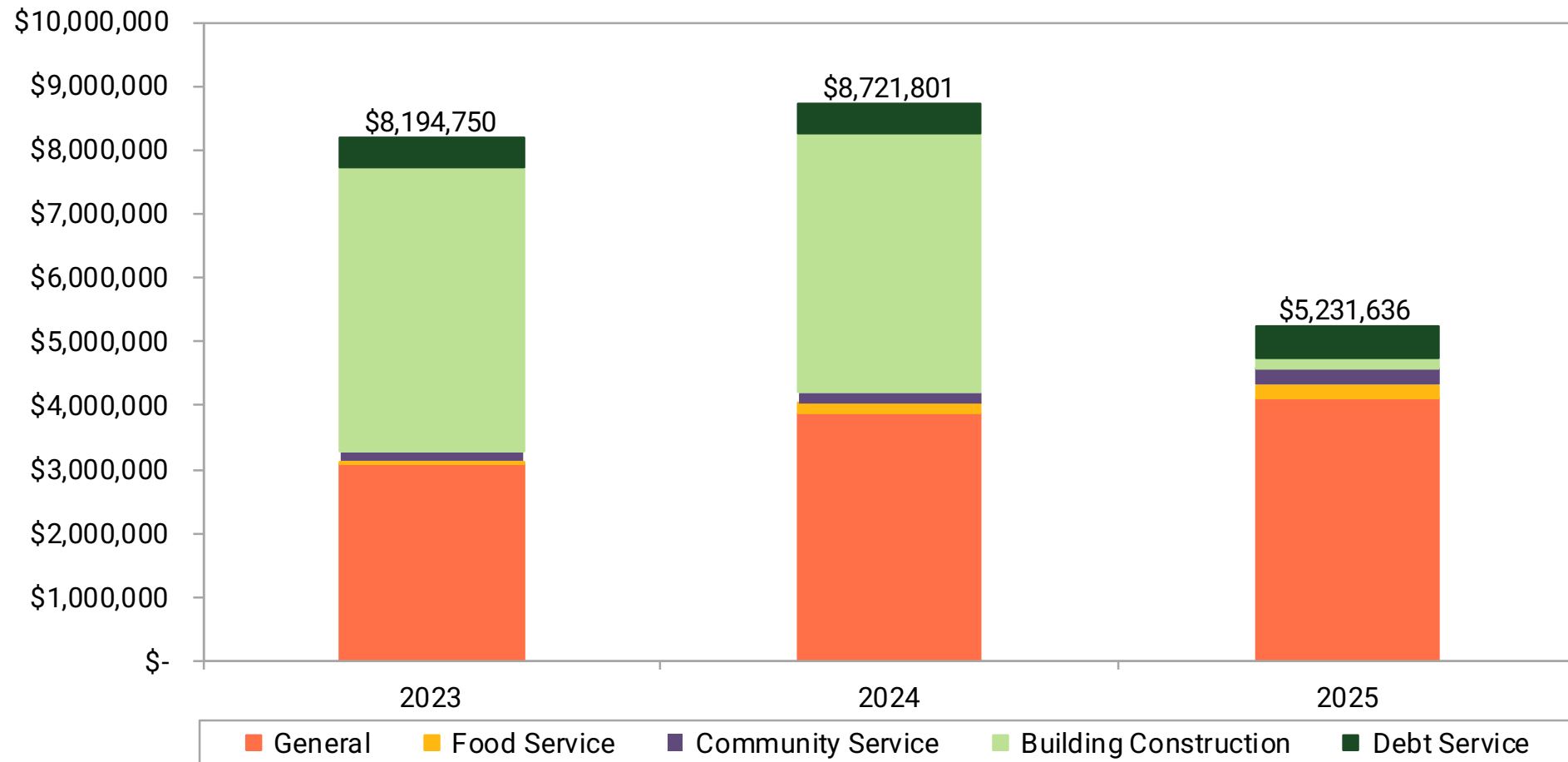
* Percentile data and state average obtained from School District Profile reports published by the MDE

Debt Service Fund

	Issue Date	Interest Rate	Original Issue	Final Maturity	Principal Outstanding	
					Due Within One Year	Total
2019A School Building Bond	08/14/19	2.98 - 5.00 %	\$ 8,575,000	02/01/40	\$ 395,000	\$ 7,700,000
2021A Capital Facilities Refunding Bond	06/08/21	0.59	611,000	02/01/28	86,000	264,000
2022A Facilities Maintenance and Tax Abatements Bond	11/01/22	4.00 - 5.00	4,985,000	02/01/38	345,000	4,380,000
Total G.O. Bonds Payable					<u>\$ 826,000</u>	<u>\$ 12,344,000</u>
Total Remaining Interest Payments						<u>\$ 3,215,527</u>



Cash and Investments Balances by Fund



Your Abdo Team



Tom
OLINGER
CPA – Partner



Kelsey
LARSON
CPA – Manager



Chad
GUSE
CPA – Senior Associate



Mara
RICHARDSON
Associate