

ISD No. 720 Shakopee, MN

Jackie Knowles, CPA



The Audit

Components of the Audit

- ◆ Independent Auditor's Report
 - ◇ Unmodified Opinion on the District's Financial Statements for the year ended June 30, 2025
- ◆ Report on the results of an audit performed with *Government Auditing Standards*
 - ◇ One Internal Control Finding : Lack of Segregation of Accounting Duties
- ◆ Report on results of a Single Audit performed in accordance with Uniform Guidance
 - ◇ No Findings
- ◆ Report on results of testing on *Minnesota Legal Compliance*
 - ◇ No Findings

Financial Communications

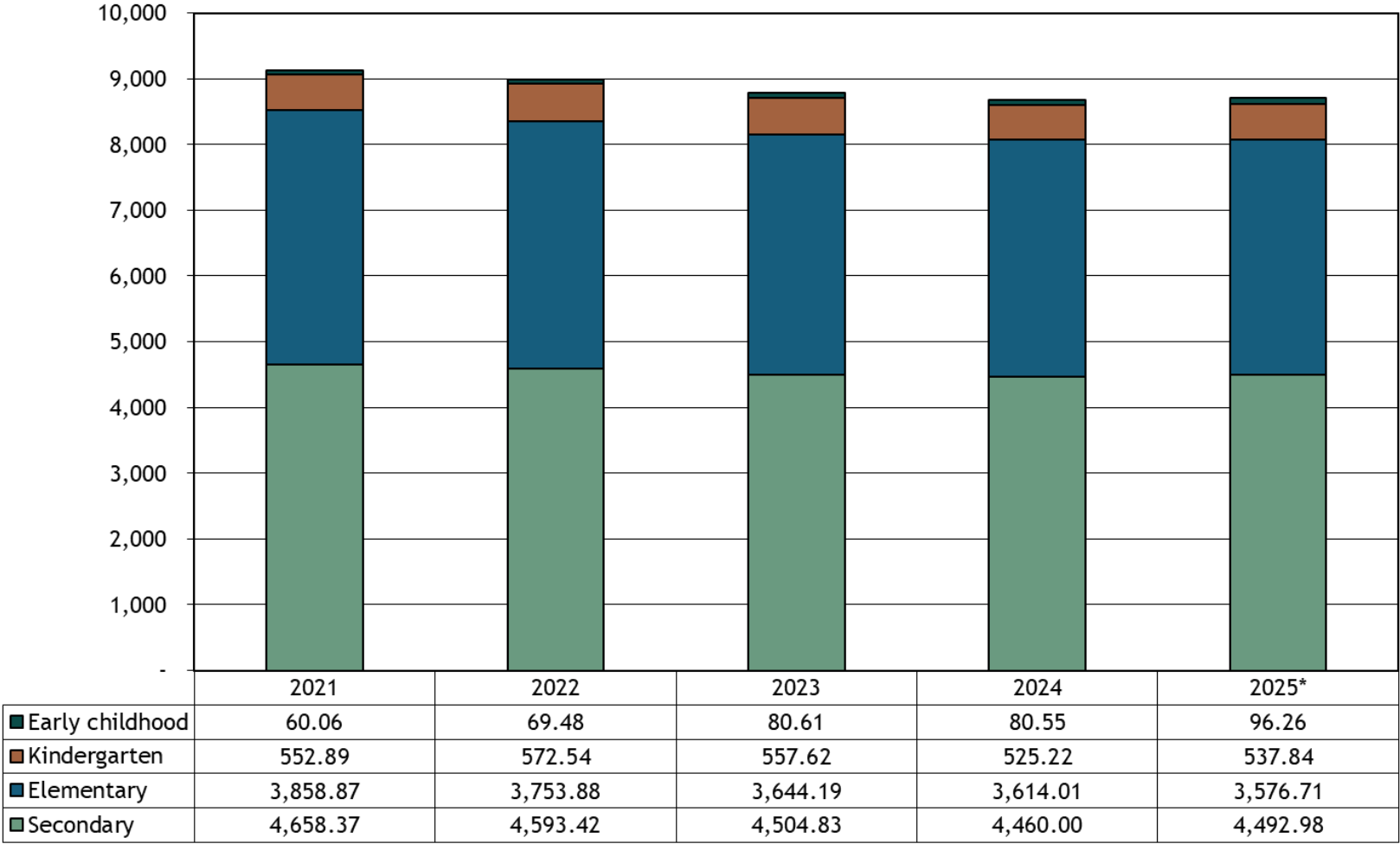
General Education Aid – Formula Allowance

General Education Aid

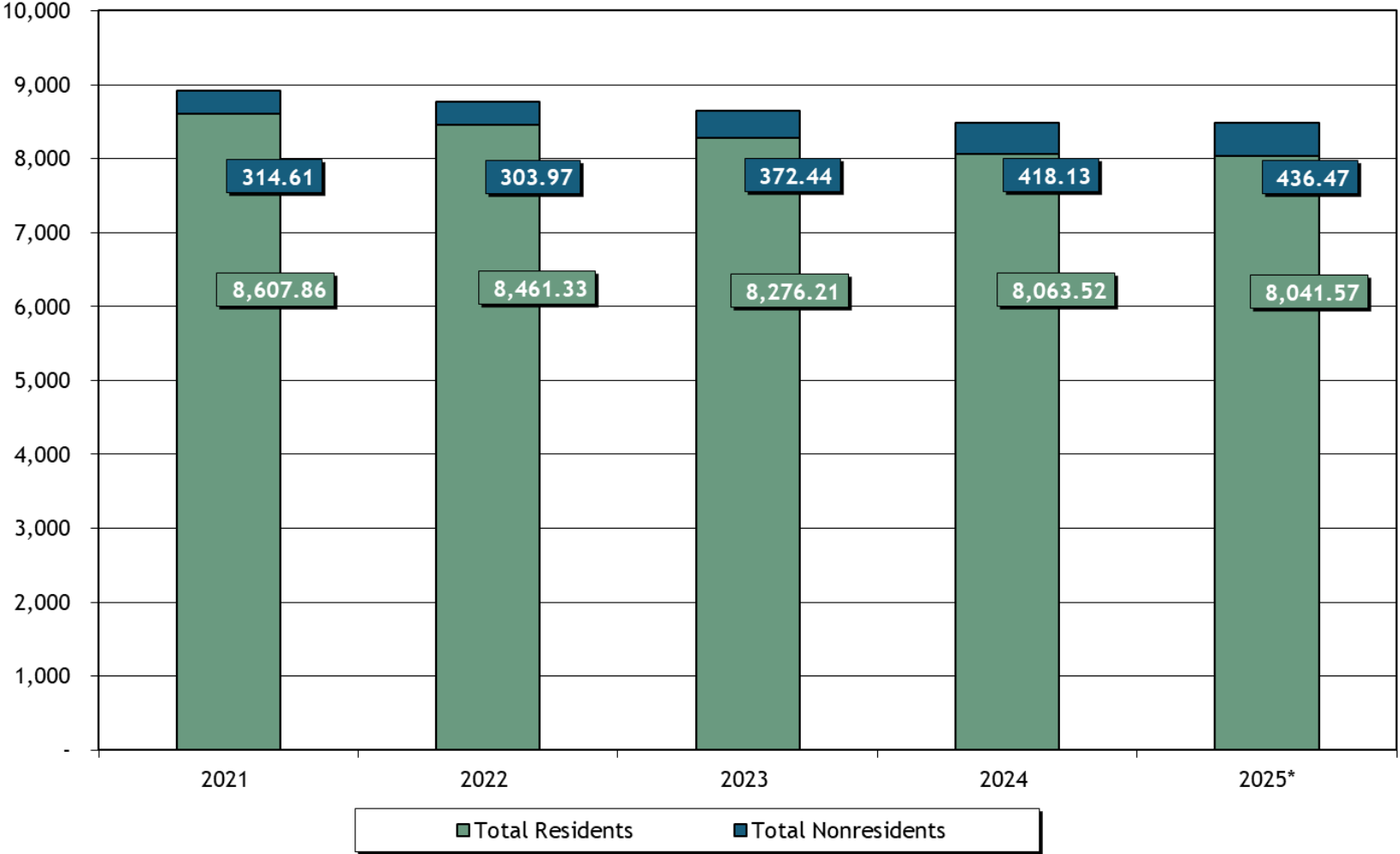
Formula Allowance

<u>Year</u>	<u>Amount</u>	<u>Percent Increase</u>
2016	\$ 5,948	2.0%
2017	6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%
2024	7,138	4.0%
2025	7,281	2.0%
2026	7,481	2.7%

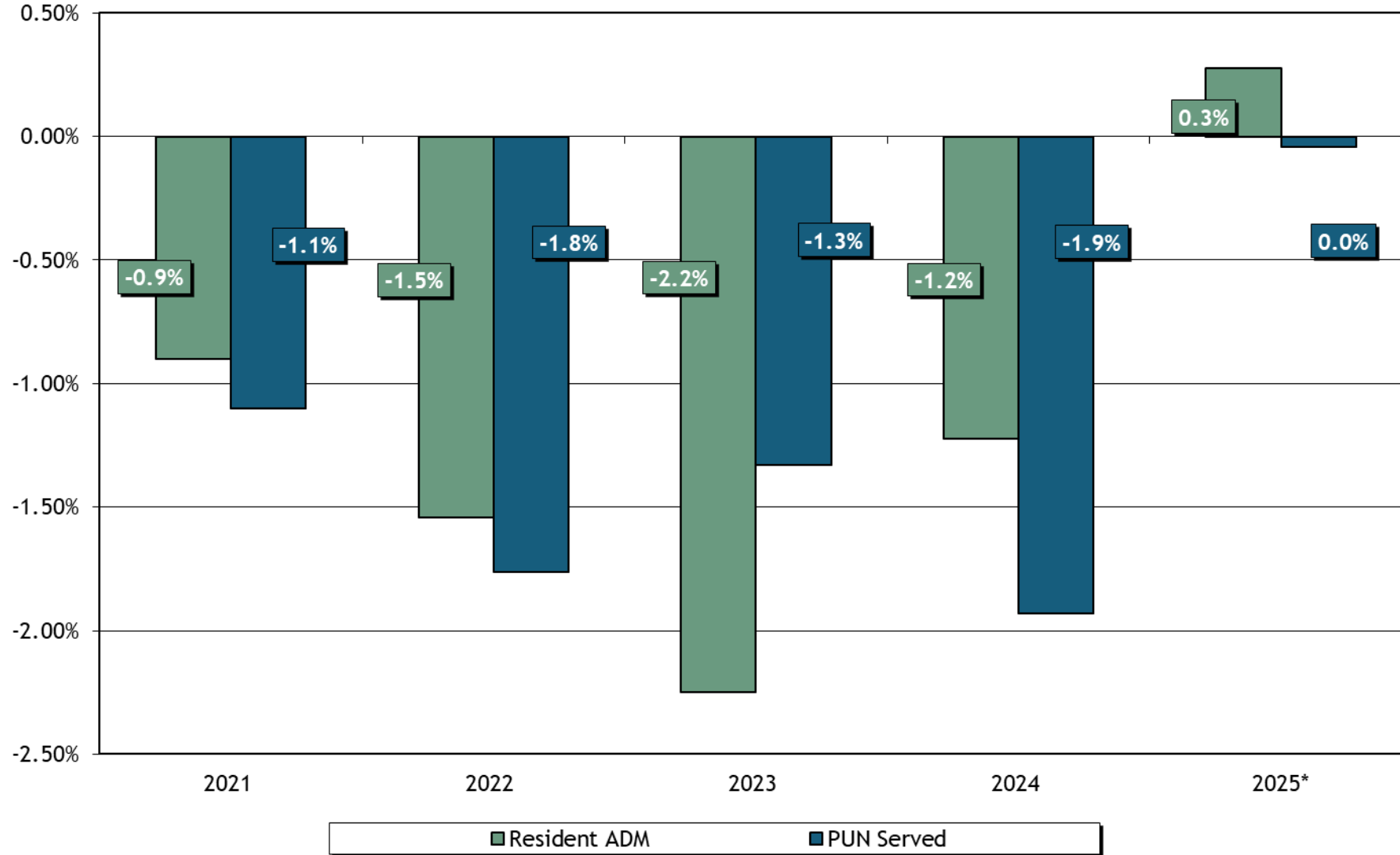
Average Daily Membership - Resident ADM



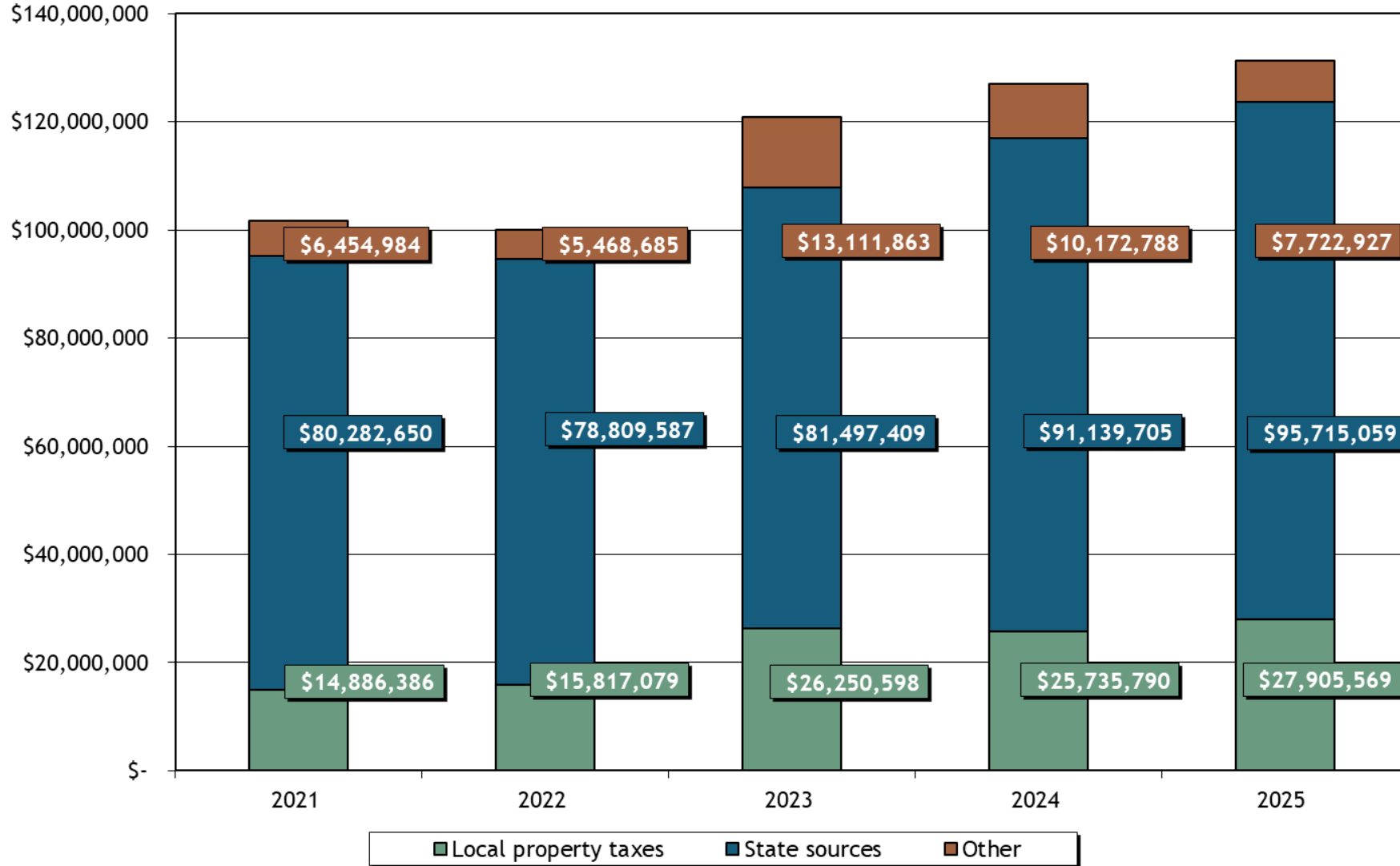
Average Daily Membership and Pupil Units - PUN Served



Change in Resident ADM and PUN Served



General Fund - Sources of Revenue



General Fund – Budget and Actual

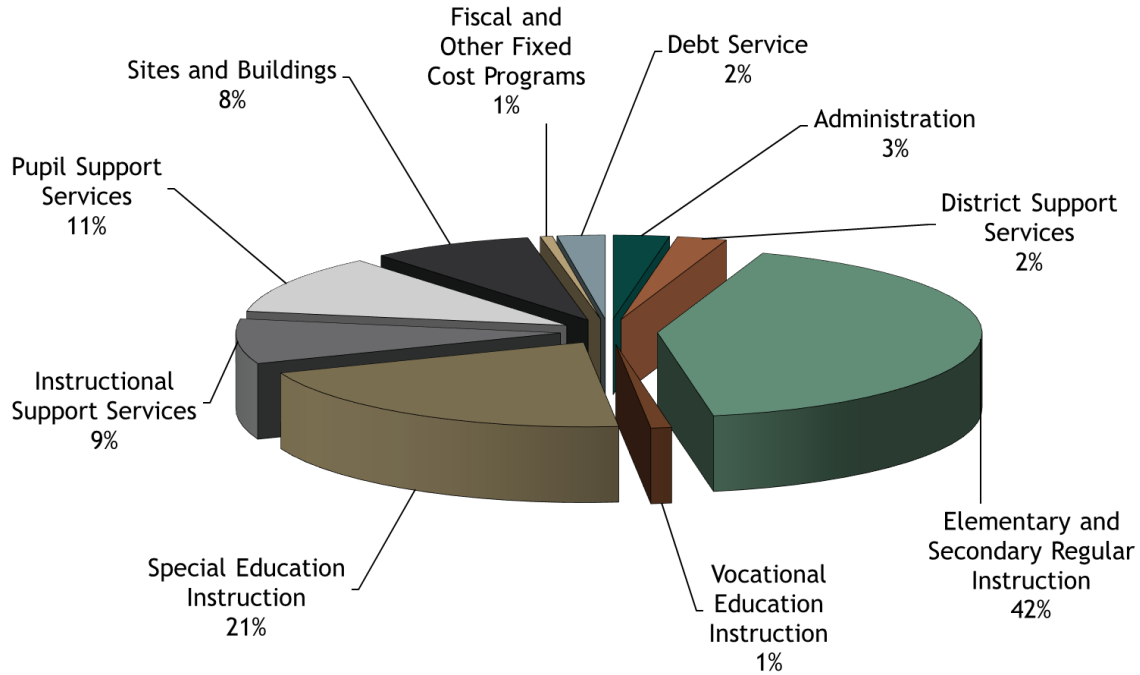
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local property taxes	\$ 27,143,451	\$ 27,688,451	\$ 27,905,569	\$ 217,118
Other local and county revenues	1,951,113	2,766,063	4,246,625	1,480,562
Revenue from state sources	89,883,615	93,372,720	95,715,059	2,342,339
Revenue from federal sources	2,146,851	2,424,837	3,462,567	1,037,730
Sales and other conversion of assets	42,810	42,450	13,735	(28,715)
Total revenues	121,167,840	126,294,521	131,343,555	5,049,034
Expenditures				
Administration	6,378,761	6,086,010	3,622,364	(2,463,646)
District support services	3,073,183	3,271,241	3,225,944	(45,297)
Regular instruction	53,100,420	54,218,668	54,540,071	321,403
Vocational education instruction	1,341,686	1,275,466	1,338,480	63,014
Special education instruction	25,315,861	26,519,628	27,029,707	510,079
Instructional support services	10,990,168	12,502,845	11,173,211	(1,329,634)
Pupil support services	10,291,529	11,397,543	14,666,525	3,268,982
Sites and buildings	8,726,885	9,217,525	10,449,778	1,232,253
Fiscal and other fixed cost programs	555,358	813,466	786,776	(26,690)
Debt service	3,333,443	3,250,233	3,096,714	(153,519)
Total expenditures	123,107,294	128,552,625	129,929,570	1,376,945
Excess of revenues over (under) expenditures	(1,939,454)	(2,258,104)	1,413,985	3,672,089
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	231,850	231,850
Lease issuance	-	1,563,808	1,830,475	266,667
Insurance recovery	-	-	2,452	2,452
Total other financing sources	-	1,563,808	2,064,777	500,969
Net change in fund balances	\$ (1,939,454)	\$ (694,296)	\$ 3,478,762	\$ 4,173,058

General Fund – Expenditures by Program

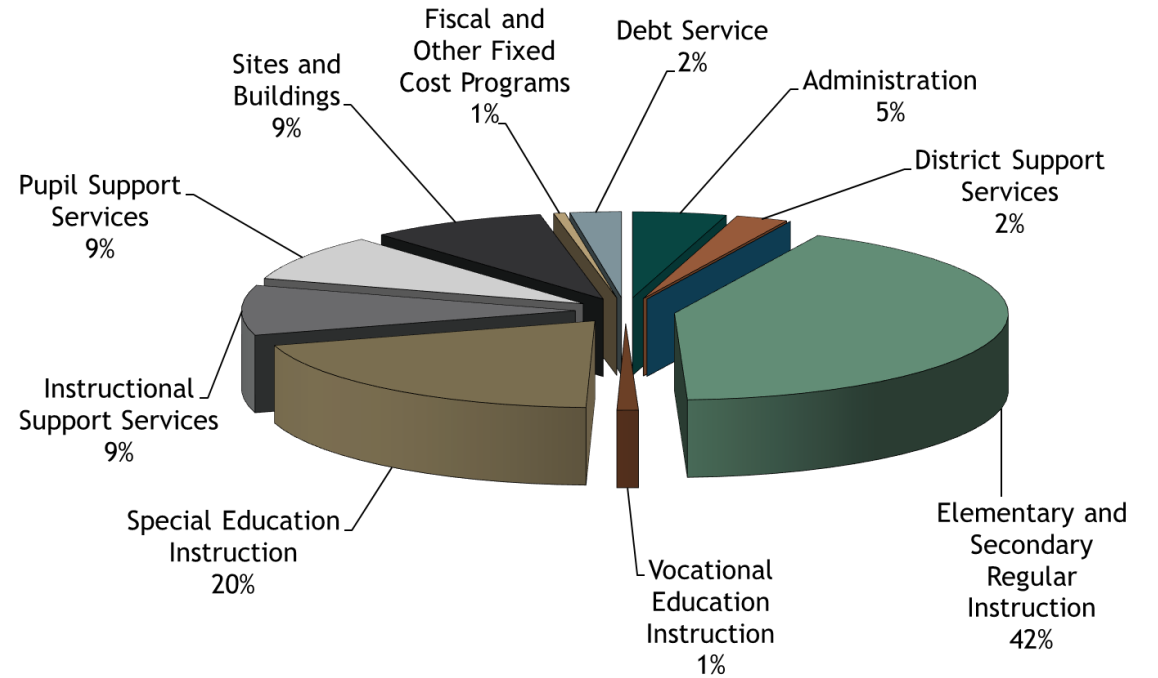
	2021	2022	2023	2024	2025
Administration	\$ 5,765,191	\$ 4,755,106	\$ 5,496,654	\$ 5,543,703	\$ 3,622,364
District Support Services	2,687,418	2,566,103	2,644,499	3,095,563	3,225,944
Elementary and Secondary Regular Instruction	44,479,672	42,573,412	49,701,062	51,637,016	54,540,071
Vocational Education Instruction	932,377	784,356	868,391	1,261,194	1,338,480
Special Education Instruction	19,876,023	19,653,903	21,657,402	24,394,460	27,029,707
Instructional Support Services	9,058,099	9,691,910	10,708,251	11,393,973	11,173,211
Pupil Support Services	8,419,350	7,958,440	9,158,312	10,578,443	14,666,525
Sites and Buildings	7,045,860	7,356,706	9,209,530	10,435,012	10,449,778
Fiscal and Other Fixed Cost Programs	174,026	239,205	650,290	677,888	786,776
Debt Service	2,613,783	2,981,354	2,959,211	3,027,266	3,096,714
Total	\$ 101,051,799	\$ 98,560,495	\$ 113,053,602	\$ 122,044,518	\$ 129,929,570

General Fund – Expenditures

2025



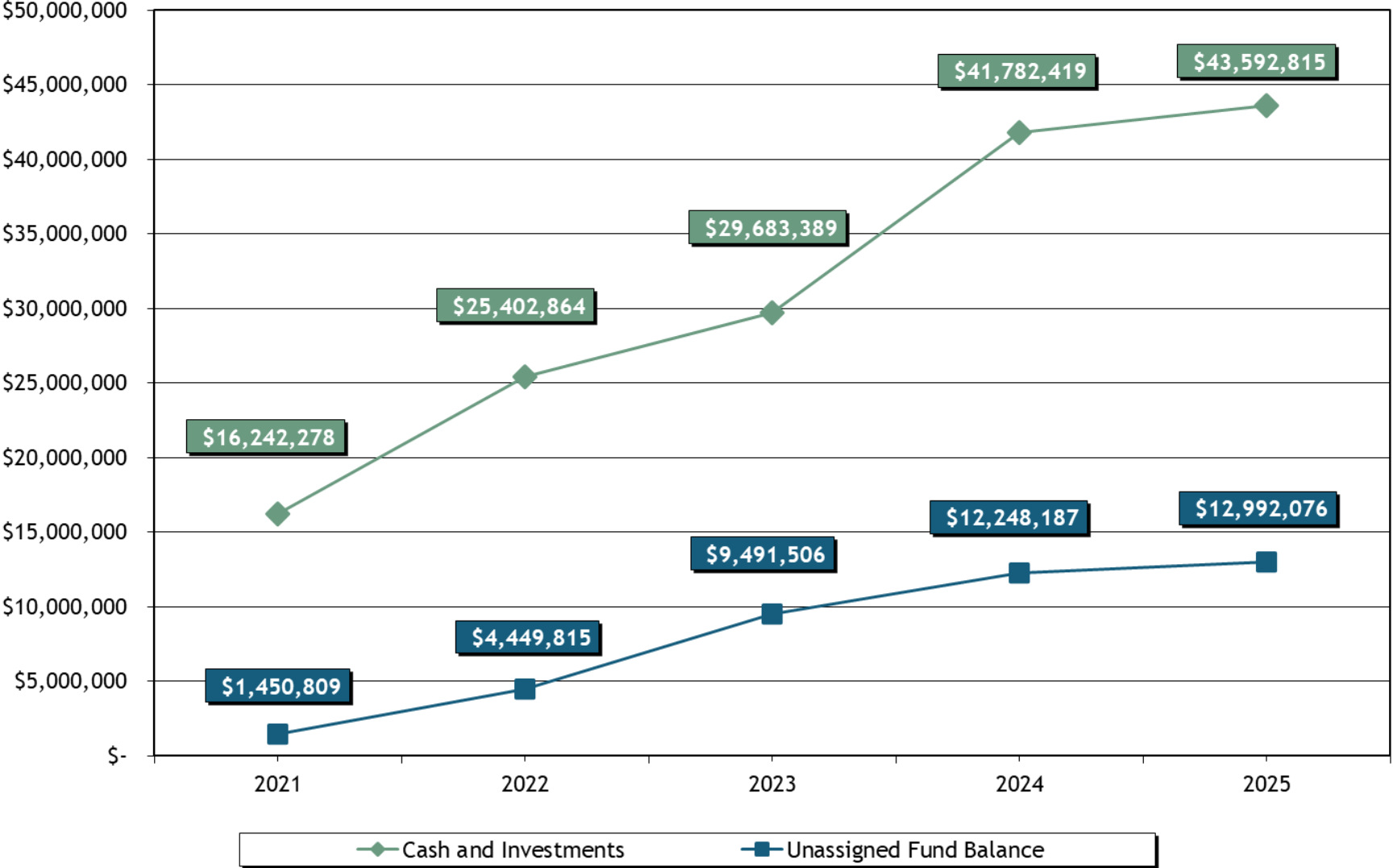
2024



General Fund – Operations

	2021	2022	2023	2024	2025
Revenues	\$ 101,624,020	\$ 100,095,351	\$ 120,859,870	\$ 127,048,283	\$ 131,343,555
Expenditures	101,051,799	98,560,495	113,053,602	122,044,518	129,929,570
Excess of revenues over (under) expenditures	572,221	1,534,856	7,806,268	5,003,765	1,413,985
Net other financing sources	1,842,330	1,971,178	1,915,175	3,555,437	2,064,777
Fund balance, July 1	8,478,517	10,893,068	14,399,102	24,120,545	32,679,747
Fund Balance, June 30	\$ 10,893,068	\$ 14,399,102	\$ 24,120,545	\$ 32,679,747	\$ 36,158,509
Components of Fund Balance					
Nonspendable	\$ 1,011,456	\$ 758,345	\$ 1,864,344	\$ 1,826,845	\$ 1,635,766
Restricted for					
Student activities	192,502	217,118	224,844	262,872	238,596
Staff development	-	160	46,284	148,181	-
Capital projects levy	995,412	1,482,985	1,576,933	1,410,713	2,549,022
Literacy incentive aid	-	-	-	322,583	697,253
Operating capital	2,009,460	2,147,479	2,355,227	4,269,931	3,913,315
Learning and development	912,377	107,155	850,068	2,401,542	-
Area learning center	-	-	-	192,998	-
Basic skills	-	-	-	1,444,794	-
School library aid	-	-	-	136,071	-
Achievement and integration	-	-	-	53,843	-
Safe schools revenue	504,170	510,142	491,822	420,703	-
Literacy aid	-	-	-	-	306,659
Teacher compensation for read act training	-	-	-	-	167,720
Long-term facilities maintenance	3,581,499	4,226,355	4,995,336	3,623,046	2,662,299
Student support personnel aid	-	-	-	100,850	-
Medical assistance	-	-	397,171	703,416	1,185,936
Committed	-	-	-	287,390	414,844
Assigned	235,383	499,548	1,827,010	2,825,782	9,395,023
Unassigned	1,450,809	4,449,815	9,491,506	12,248,187	12,992,076
Total	\$ 10,893,068	\$ 14,399,102	\$ 24,120,545	\$ 32,679,747	\$ 36,158,509
Unassigned and Assigned Fund Balance as a Percentage of Expenditures	1.7%	5.0%	10.0%	12.4%	17.2%
Unassigned Fund Balance as a Percentage of Expenditures	1.4%	4.5%	8.4%	10.0%	10.0%

General Fund – Financial Position



Food Service Fund

Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	\$ 3,369,107	\$ 5,997,690	\$ 5,270,764	\$ 6,311,707	\$ 6,326,711
Expenditures	3,387,371	4,590,533	4,952,614	5,648,676	5,874,812
Excess of revenues over (under) expenditures	(18,264)	1,407,157	318,150	663,031	451,899
Fund balance, July 1	512,576	494,312	1,901,469	2,219,619	2,882,650
Fund Balance, June 30	\$ 494,312	\$ 1,901,469	\$ 2,219,619	\$ 2,882,650	\$ 3,334,549

Community Service Fund

	2021	2022	2023	2024	2025
Revenues	\$ 2,631,197	\$ 2,760,358	\$ 3,271,788	\$ 3,360,732	\$ 3,431,769
Expenditures	2,667,147	2,759,775	3,149,207	3,624,363	3,639,475
Excess of revenues over (under) expenditures	(35,950)	583	122,581	(263,631)	(207,706)
Other financing sources	-	-	-	9,598	11,731
Fund balance, July 1	252,523	216,573	217,156	339,737	85,704
Fund Balance, June 30	\$ 216,573	\$ 217,156	\$ 339,737	\$ 85,704	\$ (110,271)

Components of Fund Balance

Nonspendable	\$ -	\$ 180	\$ -	\$ -	\$ -
Restricted for					
Community Education	(139,641)	(189,141)	(98,787)	(203,086)	(327,784)
ECFE	266,009	405,224	593,540	649,036	635,873
School Readiness	90,205	893	(155,016)	(360,246)	(418,360)
Total	\$ 216,573	\$ 217,156	\$ 339,737	\$ 85,704	\$ (110,271)

Auditor



Jackie Knowles

AUDIT DIRECTOR

320.650.0231

JACKIE.KNOWLES@CREATIVEPLANNING.COM

Thank You



This commentary is provided for general information purposes only, should not be construed as investment, tax or legal advice, and does not constitute an attorney/client relationship. Past performance of any market results is no assurance of future performance. The information contained herein has been obtained from sources deemed reliable but is not guaranteed.