Boyer & Ritter LLC

Big Spring School District

Auditor's Report

Presented by: Senahid Zahirovic, CPA
Principal

WHY - Stakeholders

Audit is required by:

- PDE - Annual Financial Report
- Federal Government
- Bondholders & bond rating agencies
- Board of Directors

What - Scope of the Audit

Fund Financial Statements

Report the daily activity of the District's operations through various funds:

- general fund
- capital reserve
- special revenue
- food service
- custodial

Government-Wide Financial Statements

Report the overall picture of the District and account for the long-term assets and liabilities of the District:

- capital & right-to-use assets
- pension and OPEB liabilities
- bonds
- leases, SBITAs, compensated absences

HOW - Audit Process

Audit Planning Process

- Internal controls evaluation & testing
- Evaluation of risk of misstatements or noncompliance
- Plan response to risks of misstatements or noncompliance

Execute audit plan - audit all significant areas

- Audit procedures for assets, liabilities, revenues, and expenses
- Evaluate audit report and notes to the financial statements

Reporting

Independent Auditor's Report

- Opinions – Unmodified
- Basis for Opinions – GAAS & GAS
- Change in Accounting Principle – GASB 101
- Management's Responsibilities
- Auditor's Responsibilities
- Required Supplementary Information
- Supplementary Information
- Other Report – *Government Auditing Standards*

Independent Auditor's Report on Internal Controls, Compliance and other Matters

- One significant deficiency in internal control over financial reporting and noncompliance
  - 2025-001 Late Submission of Data Collection Form

Independent Auditor's Report on Compliance

- Opinions – Unmodified
- Basis for Opinions – GAAS, GAS, Uniform Guidance
- Management's Responsibilities – Compliance
- Auditor's Responsibilities – Audit Compliance
- Report on Controls over Compliance

Financial Statements at a Glance

- Pages 4-15 Management discussions & analysis (MD&A)
- Pages 16-17, 19 & 21 Government-Wide Statements
- Pages 18 & 20 Governmental Funds Statements
- Pages 22-24 Proprietary Funds Statements
- Pages 25-26 Fiduciary Funds Statements
- Pages 27 through 66 Footnotes
  - Note 1 – Restatement for GASB 101 – pg. 40
  - Note 2 – Deposits and Investments – pg. 41-43
  - Note 6 – Capital and Right-to-use Assets – pg. 45-46
  - Note 8 – Long-Term Obligations – pg. 47-48
  - Note 9 – Defined Benefit Pension Plan – pg. 49-54
  - Note 10 & 11 – OPEB Plans – pg. 55-63
  - Note 12 – Fund Balance Designations – pg. 64
- Page 67 – Budget and Actual – General Fund
- Pages 68-72 – RSI - Pension and OPEB Plans (10 year schedules)
- Pages 73-83 – Single Audit Reporting including SEFA

Financial Statements at a Glance

Boyer & Ritter LLC

GENERAL FUND RESULTS					
	2025 Actual	2025 Budget	2024	2023	2022
Local Revenues	$ 41,491,859	$ 40,213,852	$ 41,046,120	$ 39,344,573	$ 37,510,397
State Revenues	24,159,734	23,776,745	22,522,579	21,037,320	19,594,637
Federal Revenues	879,312	772,320	2,165,625	2,354,624	3,528,120
Total Revenues	$ 66,530,905	$ 64,762,917	$ 65,734,324	$ 62,736,517	$ 60,633,154
Instruction	$ 39,090,027	$ 39,828,014	$ 37,889,278	$ 35,211,450	$ 33,196,852
Support Services	17,914,450	18,249,983	16,228,499	16,622,061	16,302,244
Operation of Noninstructional Services	1,575,720	1,586,697	1,484,794	1,379,640	1,258,703
Debt Service	5,474,567	5,404,310	5,075,979	5,000,856	4,784,531
Other expenses	98,660	-	-		
Total Expenditures	$ 64,153,424	$ 65,069,004	$ 60,678,550	$ 58,214,007	$ 55,542,330
Other Financing Sources (Uses)					
Interfund transfers	$ (2,087,487)	$ (300,000)	$ (9,710)	$ (4,247,527)	$ (1,839,613)
Other financing sources (uses), net	156,367	99,197	91,423	418,626	242,932
Total other financing sources (uses)	$ (1,931,120)	$ (200,803)	$ 81,713	$ (3,828,901)	$ (1,596,681)
Ending Fund Balance	$ 22,067,417	-	$ 21,621,056	$ 16,483,569	$ 15,789,960

GENERAL FUND LOCAL REVENUE DETAIL					
	2025 Actual	2025 Budget	2024	2023	2022
Taxes	$ 38,607,069	$ 38,199,062	$ 38,218,523	$ 37,130,768	$ 35,790,388
Investment earnings	1,482,448	683,305	1,430,030	873,508	22,010
Revenue from intermediate sources	608,165	627,200	629,903	597,016	757,817
Other revenue	794,177	704,285	767,664	743,281	940,182
	$ 41,491,859	$ 40,213,852	$ 41,046,120	$ 39,344,573	$ 37,510,397

Financial Statements at a Glance

CAPITAL RESERVE FUND RESULTS				
	2025	2024	2023	2022
Revenues & Transfers	$ 2,748,443	$ 497,577	$ 4,390,758	$ 1,825,715
Expenditures	$ 2,894,344	$ 1,623,437	$ 1,049,003	$ 1,354,815
Ending Fund Balance	$ 13,162,035	$ 13,307,936	$ 14,473,158	$ 11,131,403

Financial Statements at a Glance

FOOD SERVICE FUND RESULTS				
	2025	2024	2023	2022
Local Revenues & Interest	$ 659,559	$ 675,026	$ 726,609	$ 296,127
State & Federal Revenues	1,270,566	1,310,515	1,235,361	1,793,298
Transfers In	-	-	47,527	24,765
Total Revenues	$ 1,930,125	$ 1,985,541	$ 2,009,497	$ 2,114,190
Food and milk purchases	$ 1,506,230	$ 1,662,270	$ 1,567,870	$ 1,494,026
Salaries and Benefits	68,514	50,827	49,148	35,733
Supplies	193,665	12,768	14,221	19,877
Other Expenses	55,659	51,390	102,197	72,490
Total Expenditures	$ 1,824,068	$ 1,777,255	$ 1,733,436	$ 1,622,126
Change in Net Position	$ 106,057	$ 208,286	$ 276,061	$ 492,064

Financial Statements at a Glance

ASSETS & LIABILITIES				
	2025	2024	2023	2022
Cash and cash equivalents	$ 33,903,634	$ 36,725,205	$ 40,199,631	$ 26,162,338
Capital and right-to-use assets, net	$ 72,821,313	$ 74,121,980	$ 68,967,356	$ 67,872,193
Long-term debt	$ (31,370,000)	$ (35,160,000)	$ (38,770,000)	$ (33,085,000)
Accumulated compensated absences	$ (2,209,718)	$ (971,426)	$ (731,157)	$ (871,887)
Lease and subscription-based asset obligations	$ (189,120)	$ (271,043)	$ (425,543)	$ (320,691)
PSERS - Net Pension Liability	$ (54,956,000)	$ (58,143,699)	$ (59,219,018)	$ (57,643,649)
PSERS - Net OPEB Liability	$ (2,325,000)	$ (2,361,040)	$ (2,451,907)	$ (3,325,226)
School's Total OPEB Liability	$ (5,491,888)	$ (4,900,628)	$ (4,588,341)	$ (4,156,663)

Other Points of Interest

Management Comments Letter

- Financial Reporting Improvements
- Uniform Guidance Revisions

Required Communication Letter

- No uncorrected misstatements
- No disagreements with management
- No significant issues discussed
- No significant difficulties encountered

Boyer & Ritter LLC

Questions?

Thank you!

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