



2025 – 2026 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

*No instances of
noncompliance*

AUDIT RESULTS

Fiscal Year 2026 Findings

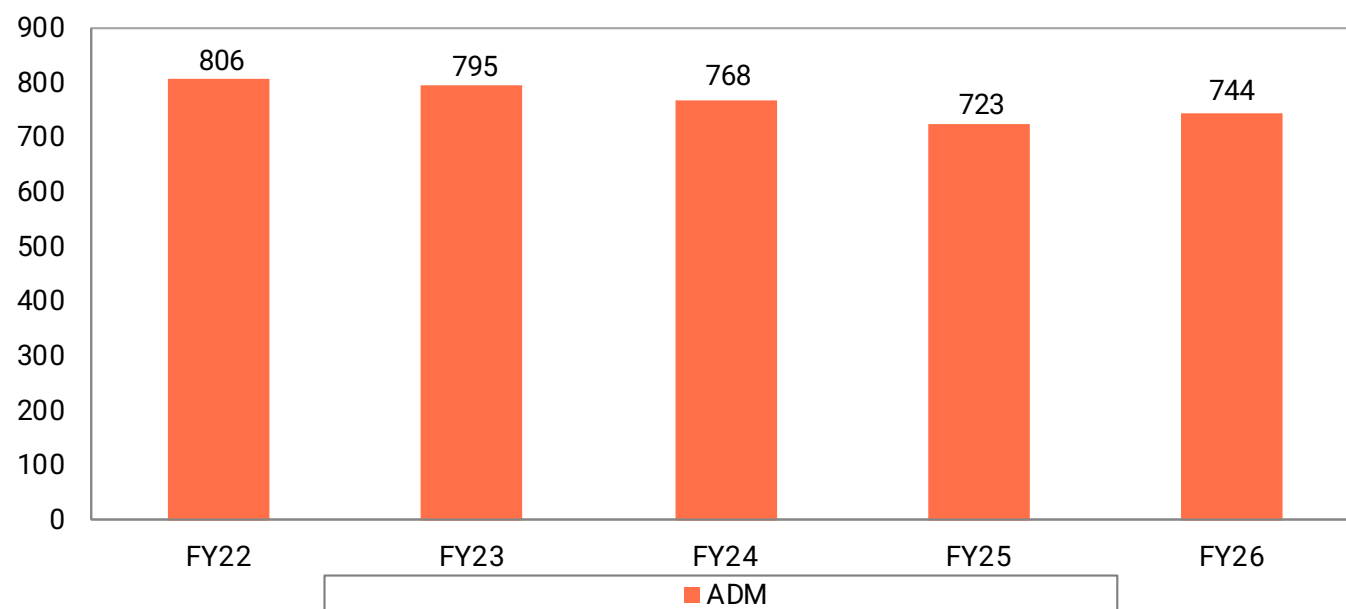
- Limited Segregation of Duties
 - *Internal Control Finding*
- Preparation of Financial Statements
 - *Internal Control Finding*

PRIOR YEAR AUDIT RESULTS

Fiscal Year 2025 Findings

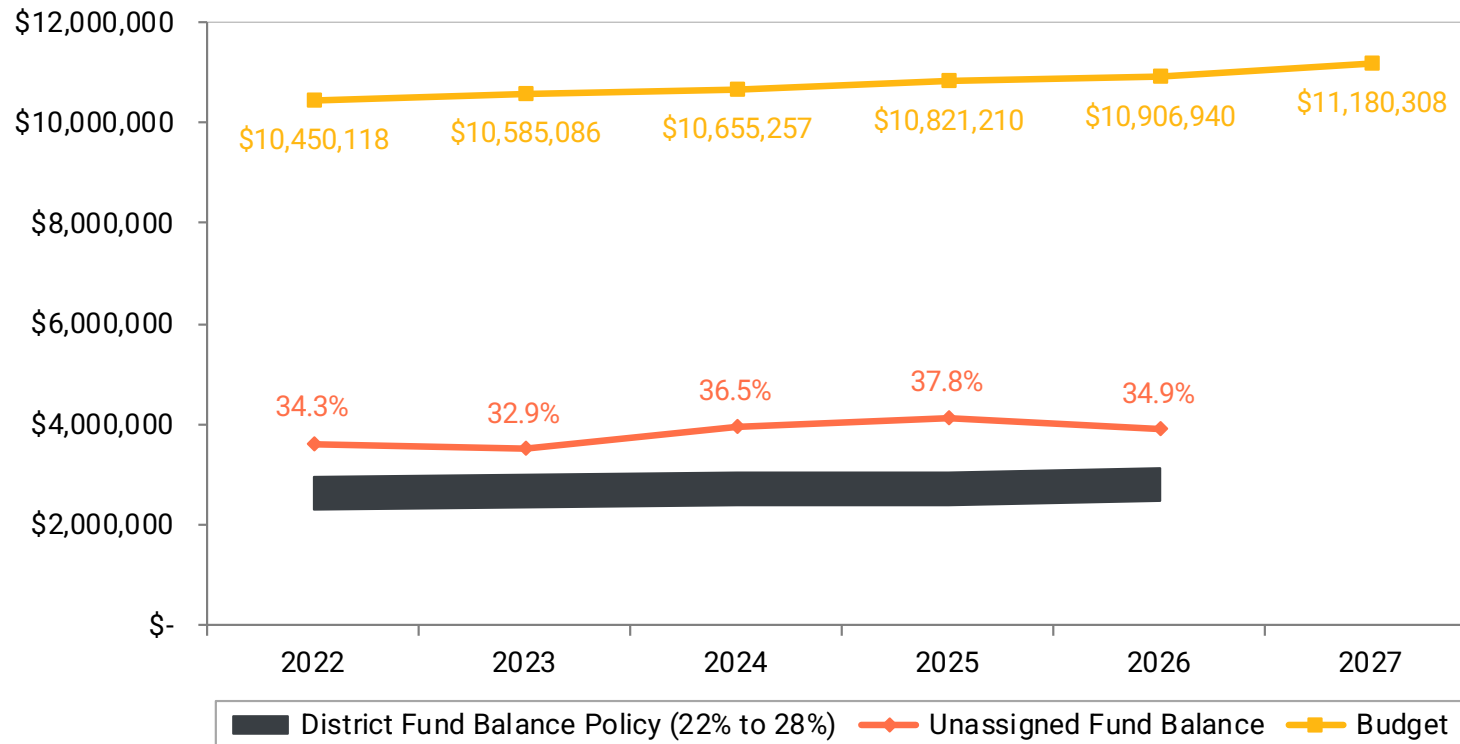
- Limited Segregation of Duties
- Preparation of Financial Statements
- Contracting and Bidding

Average Daily Membership



General Fund Balances

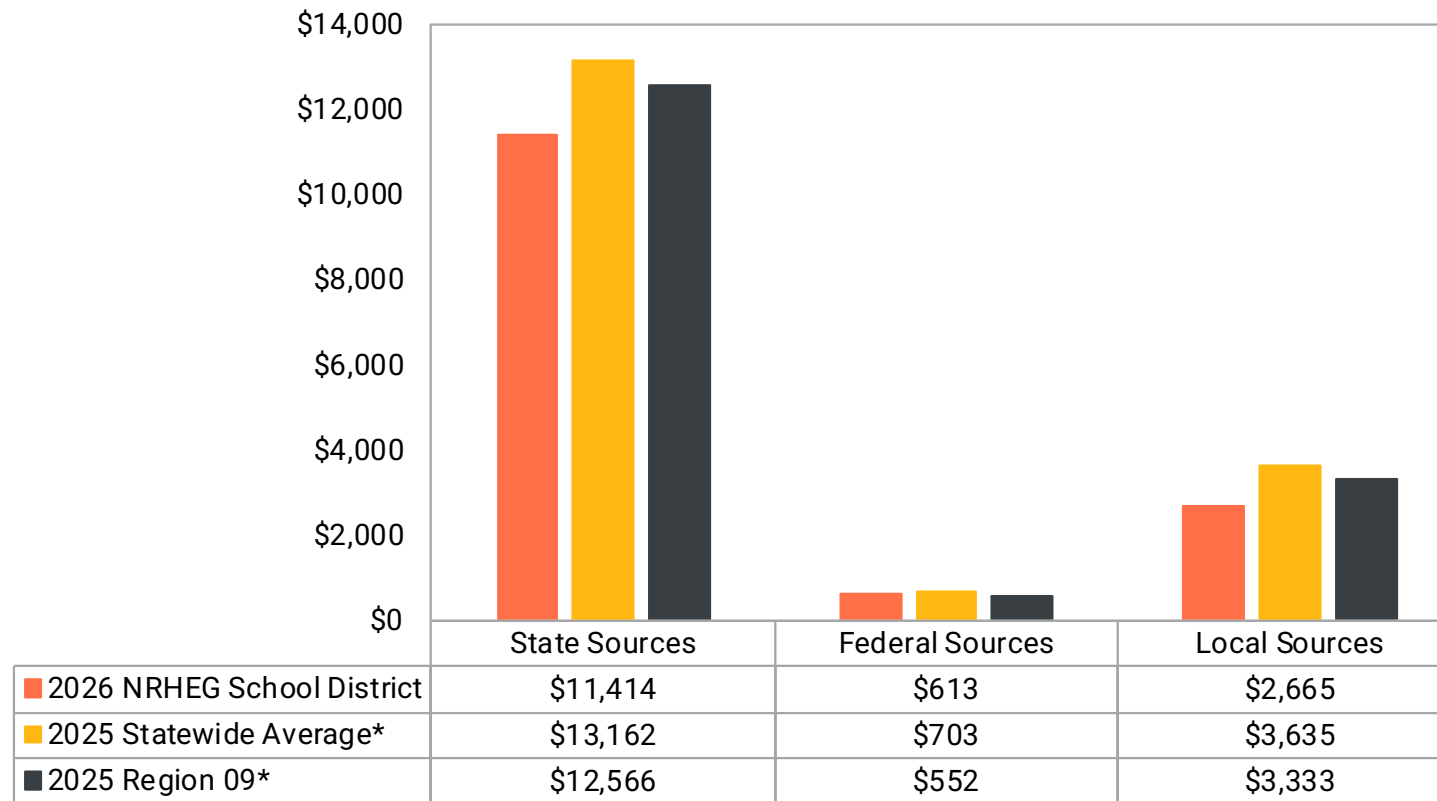
Minimum Fund Balance Policy 22% – 28% of Next Year's Budgeted Expenditures



General Fund Budget to Actual

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues	\$ 10,738,599	\$ 10,930,970	\$ 192,371
Expenditures	<u>11,283,752</u>	<u>11,625,287</u>	<u>(341,535)</u>
Excess (Deficiency) of Revenues Under Expenditures	<u>(545,153)</u>	<u>(694,317)</u>	<u>(149,164)</u>
Other Financing Sources (Uses)			
Debt issued	-	290,622	290,622
Sale of capital assets	2,500	1,068	(1,432)
Transfers out	-	(30,332)	(30,332)
Total Other Financing Sources (Uses)	<u>2,500</u>	<u>261,358</u>	<u>258,858</u>
Net Change in Fund Balances	(542,653)	(432,959)	109,694
Fund Balances, July 1	<u>4,429,091</u>	<u>4,429,091</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 3,886,438</u>	<u>\$ 3,996,132</u>	<u>\$ 109,694</u>

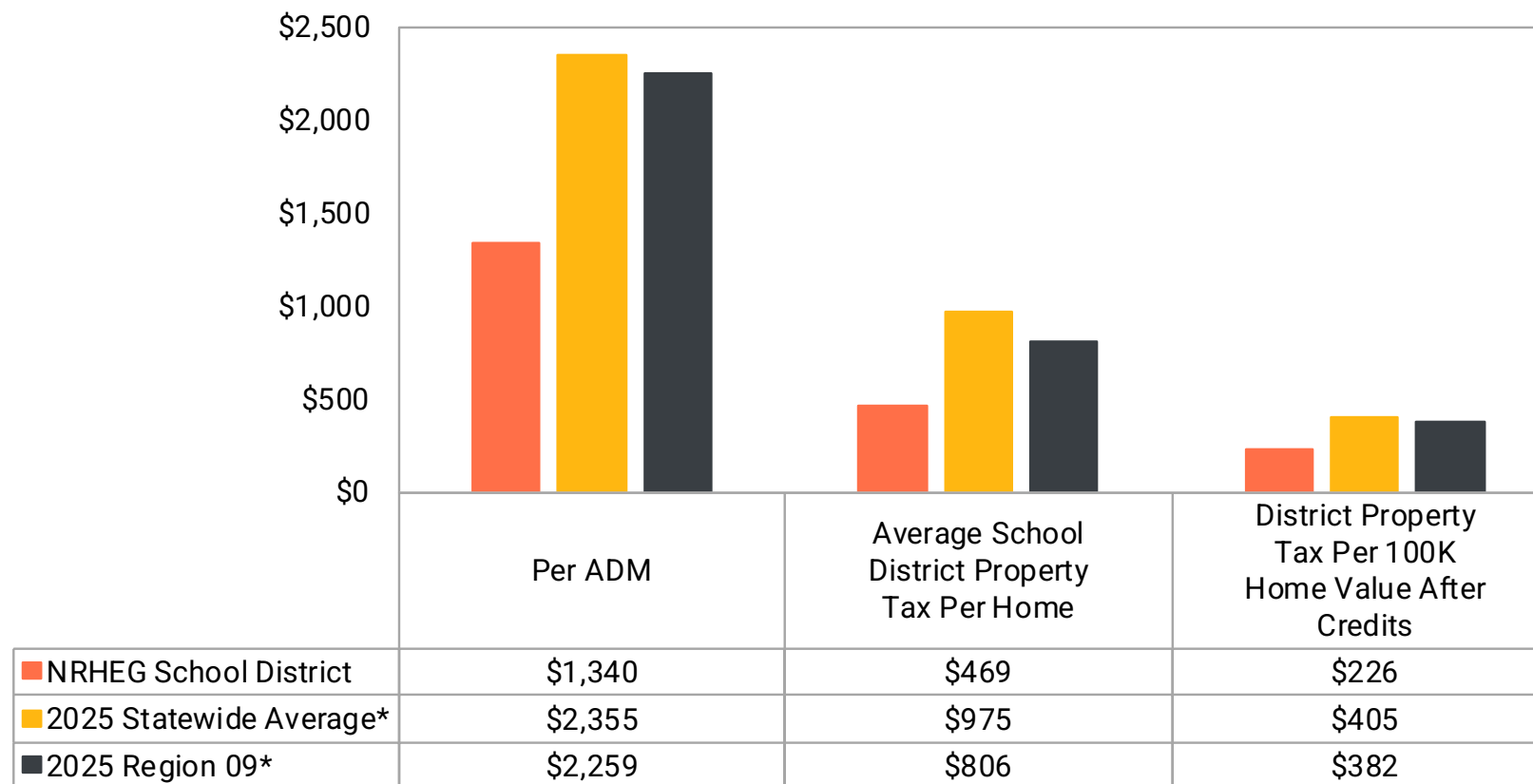
General Fund Revenues per ADM



* Information obtained from School District Profile reports published by the MDE

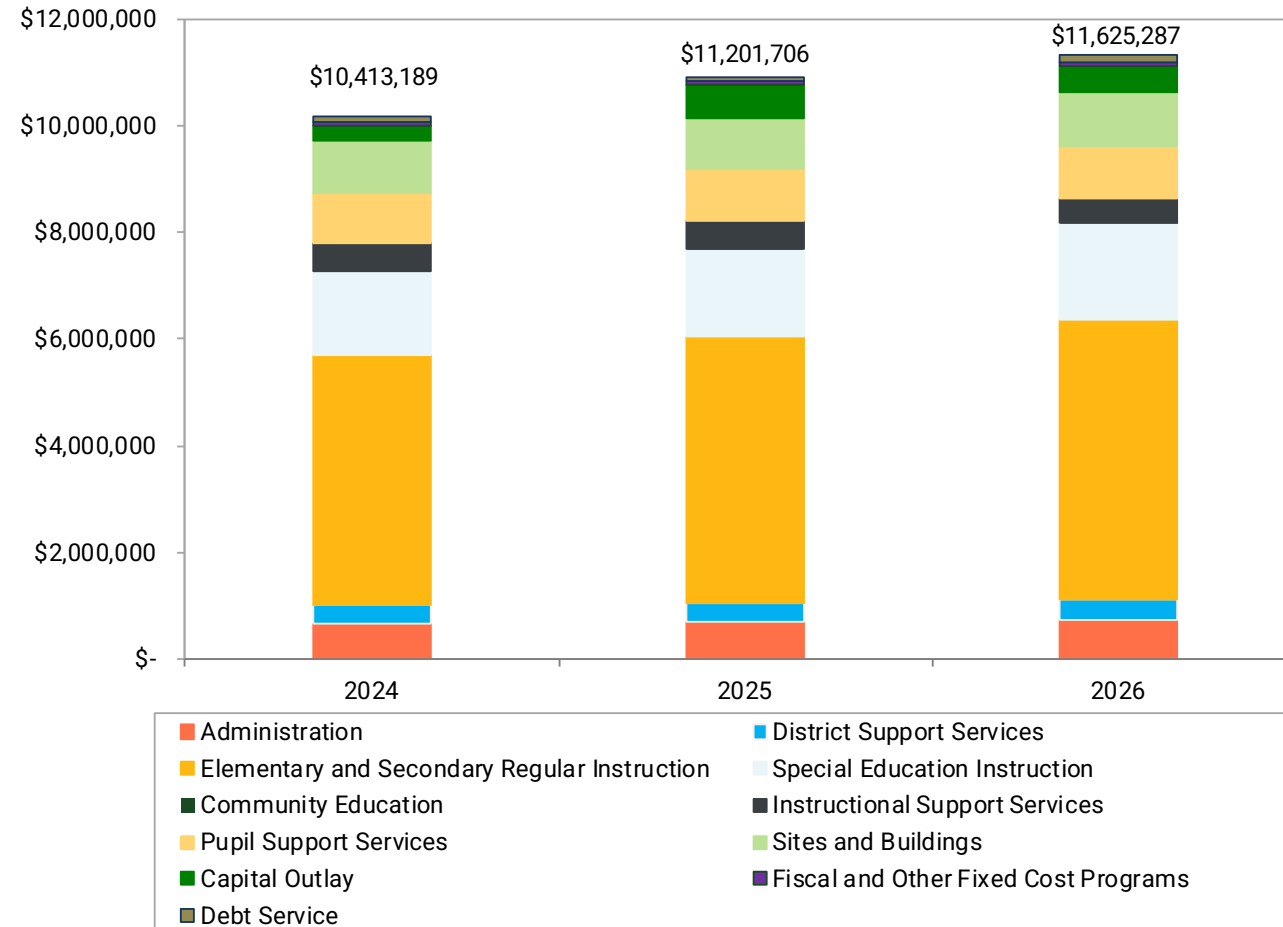
KEY PERFORMANCE INDICATORS

Property Taxes

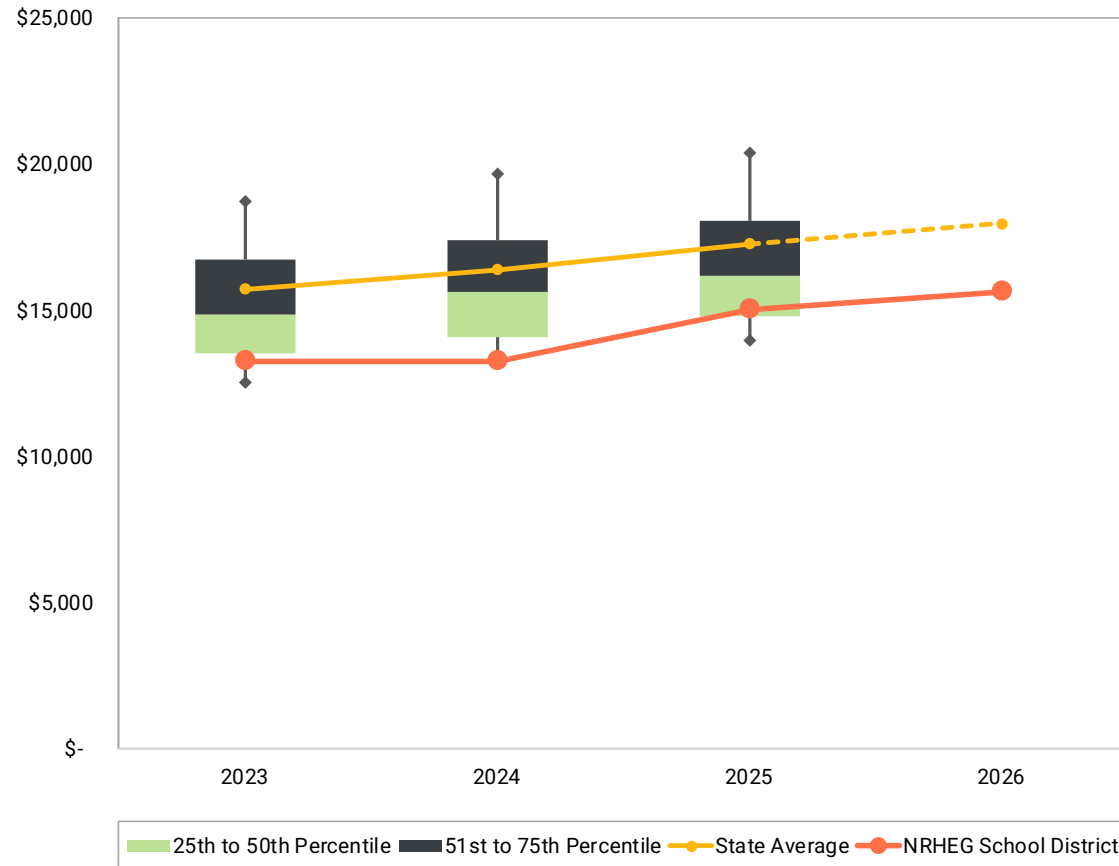


* Percentile data and state average obtained from School District Profile reports published by the MDE

General Fund Expenditures



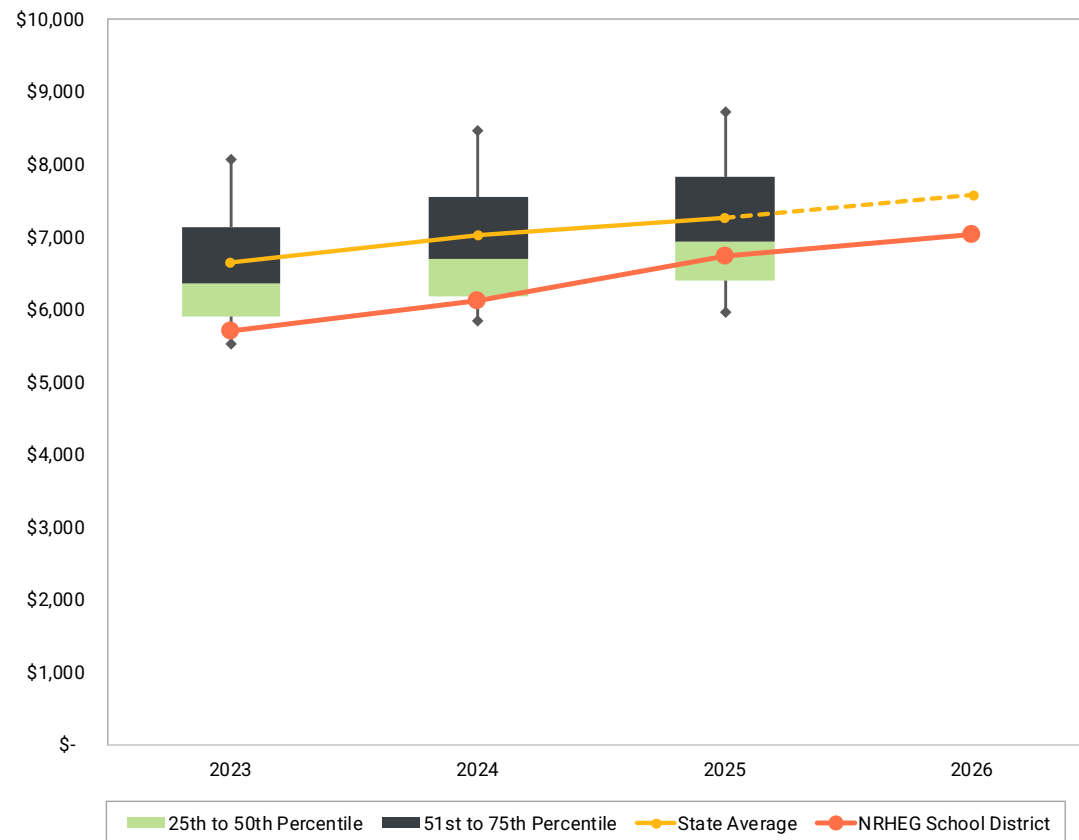
General Fund Expenditures per ADM



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

KEY PERFORMANCE INDICATORS

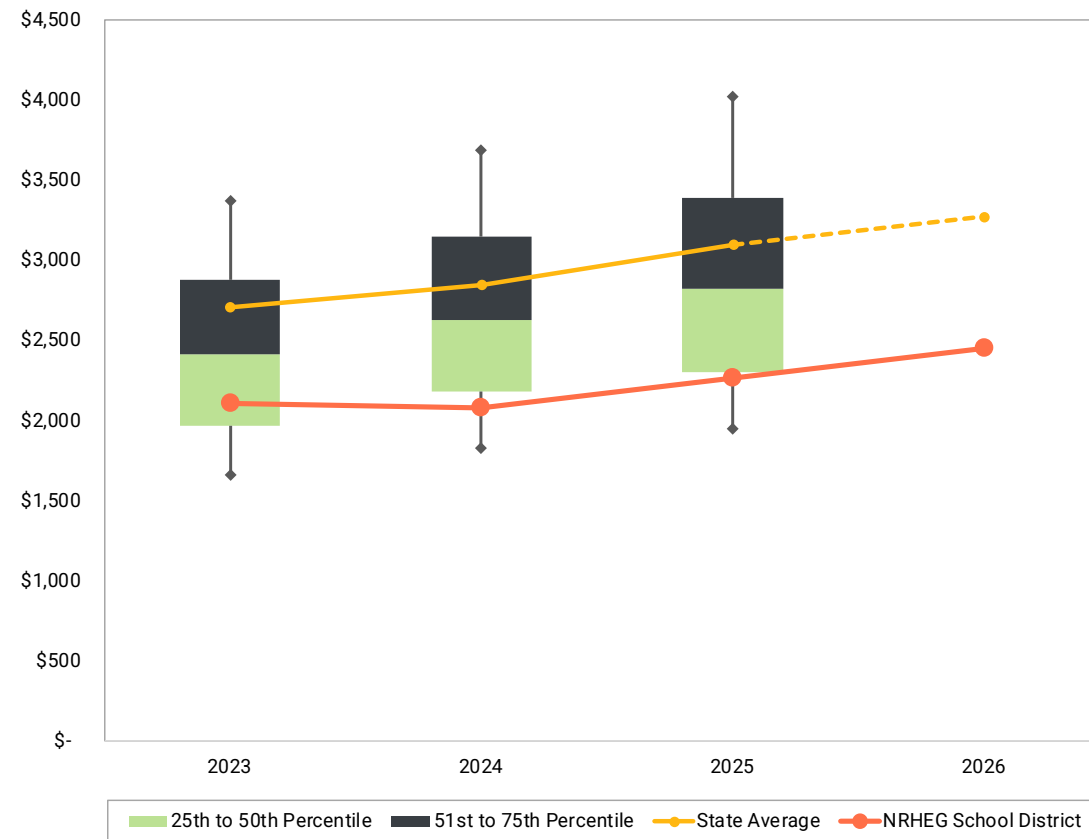
Elementary and Secondary Regular Instruction per ADM



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

KEY PERFORMANCE INDICATORS

Special Education Expenditures per ADM

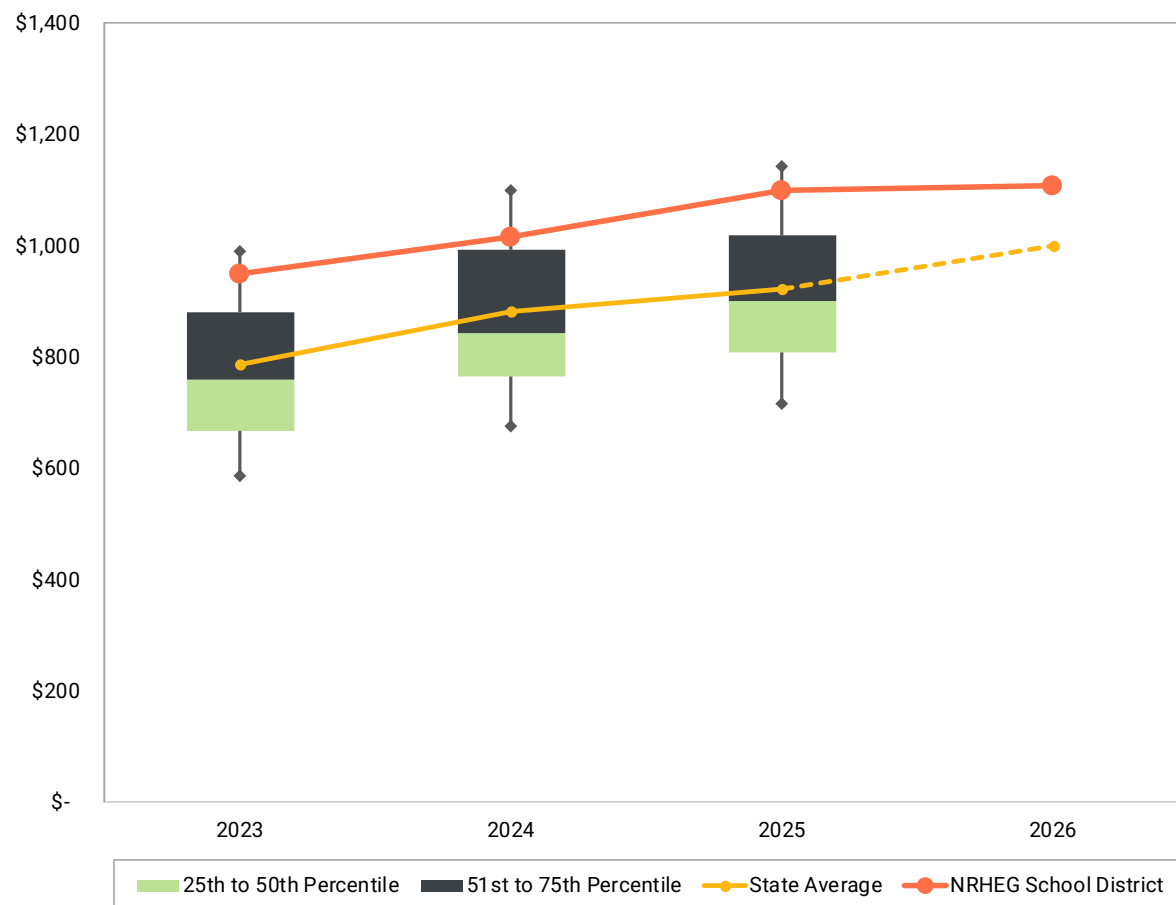


* Percentile data and state average obtained from School District Profile reports published by the MDE

Food Service Fund Budget to Actual

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Revenues	\$ 859,800	\$ 891,489	\$ 31,689
Expenditures	<u>829,412</u>	<u>824,629</u>	<u>4,783</u>
Net Change in Fund Balances	30,388	66,860	36,472
Fund Balances, July 1	<u>213,483</u>	<u>213,483</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 243,871</u>	<u>\$ 280,343</u>	<u>\$ 36,472</u>

Food Service Fund *Expenditures per ADM Comparison*

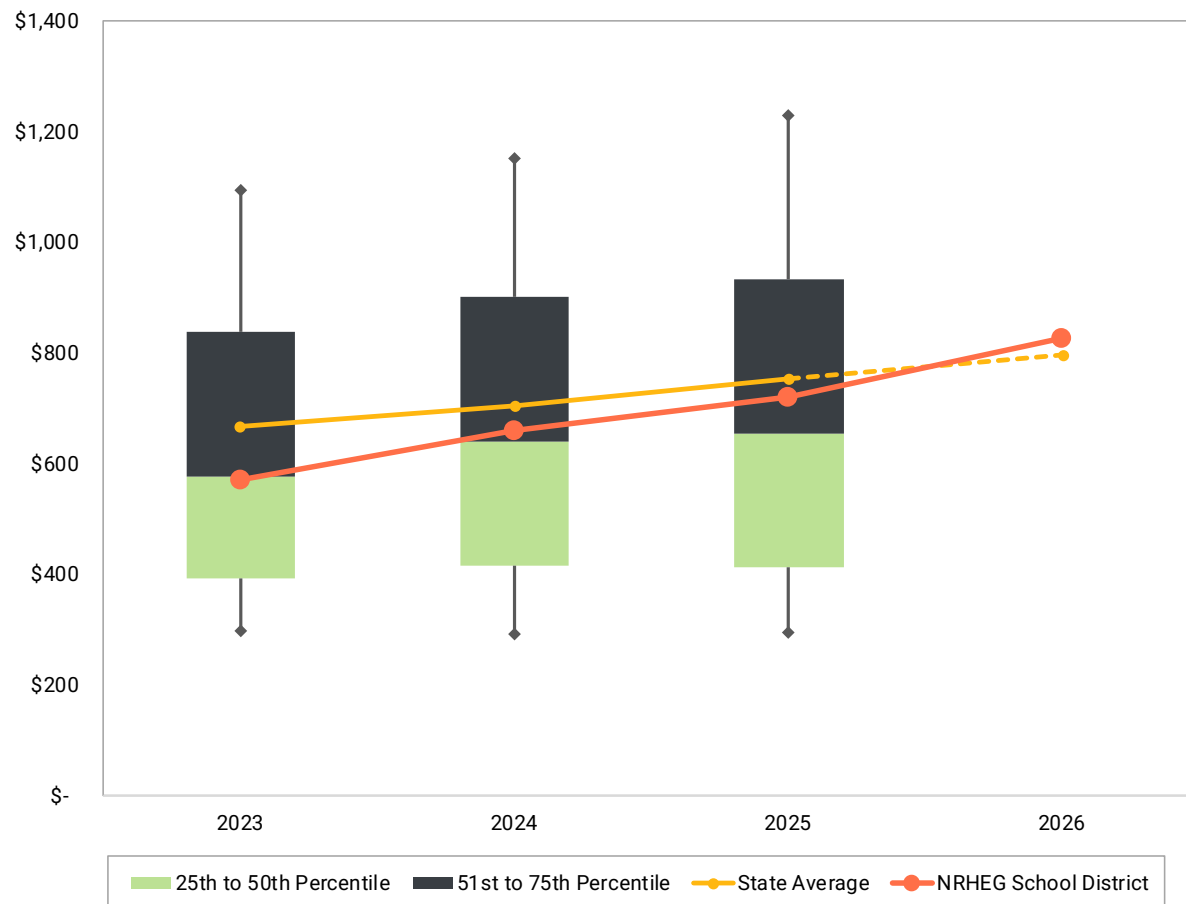


* Percentile data and state average obtained from School District Profile reports published by the MDE

Community Service Fund Budget to Actual

	Final Budget	Actual Amounts	Variance with Final Budget
Revenues	\$ 522,039	\$ 561,778	\$ 39,739
Expenditures	555,180	615,967	(60,787)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,141)	(54,189)	(21,048)
Other Financing Sources (Uses) Transfer in	30,000	30,000	-
Net Change in Fund Balances	(3,141)	(24,189)	(21,048)
Fund Balances, July 1	195,842	195,842	-
Fund balances, June 30	<u>\$ 192,701</u>	<u>\$ 171,653</u>	<u>\$ (21,048)</u>

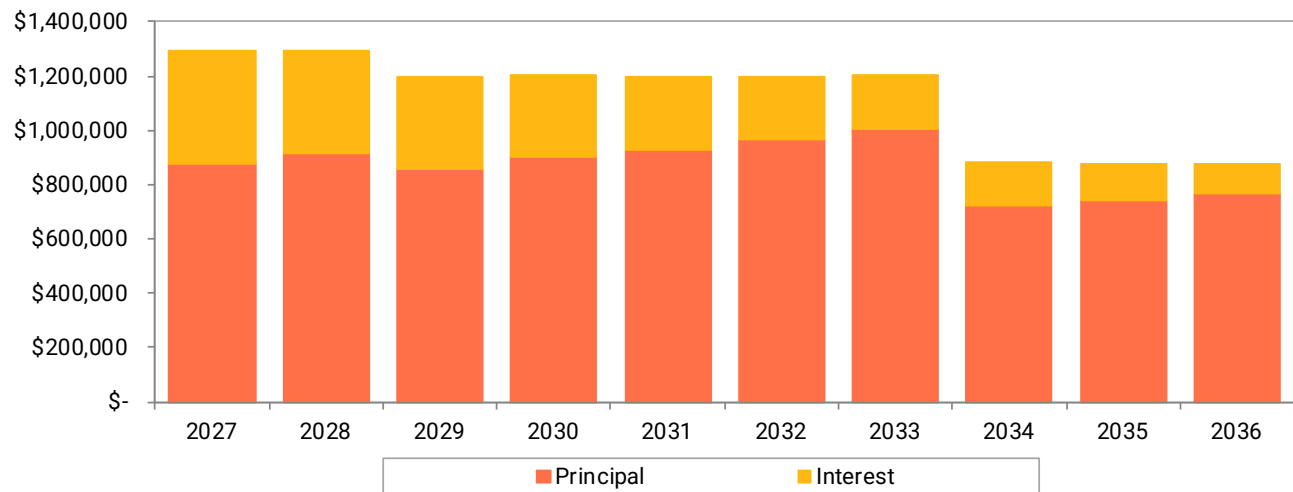
Community Service Fund *Expenditures per ADM Comparison*



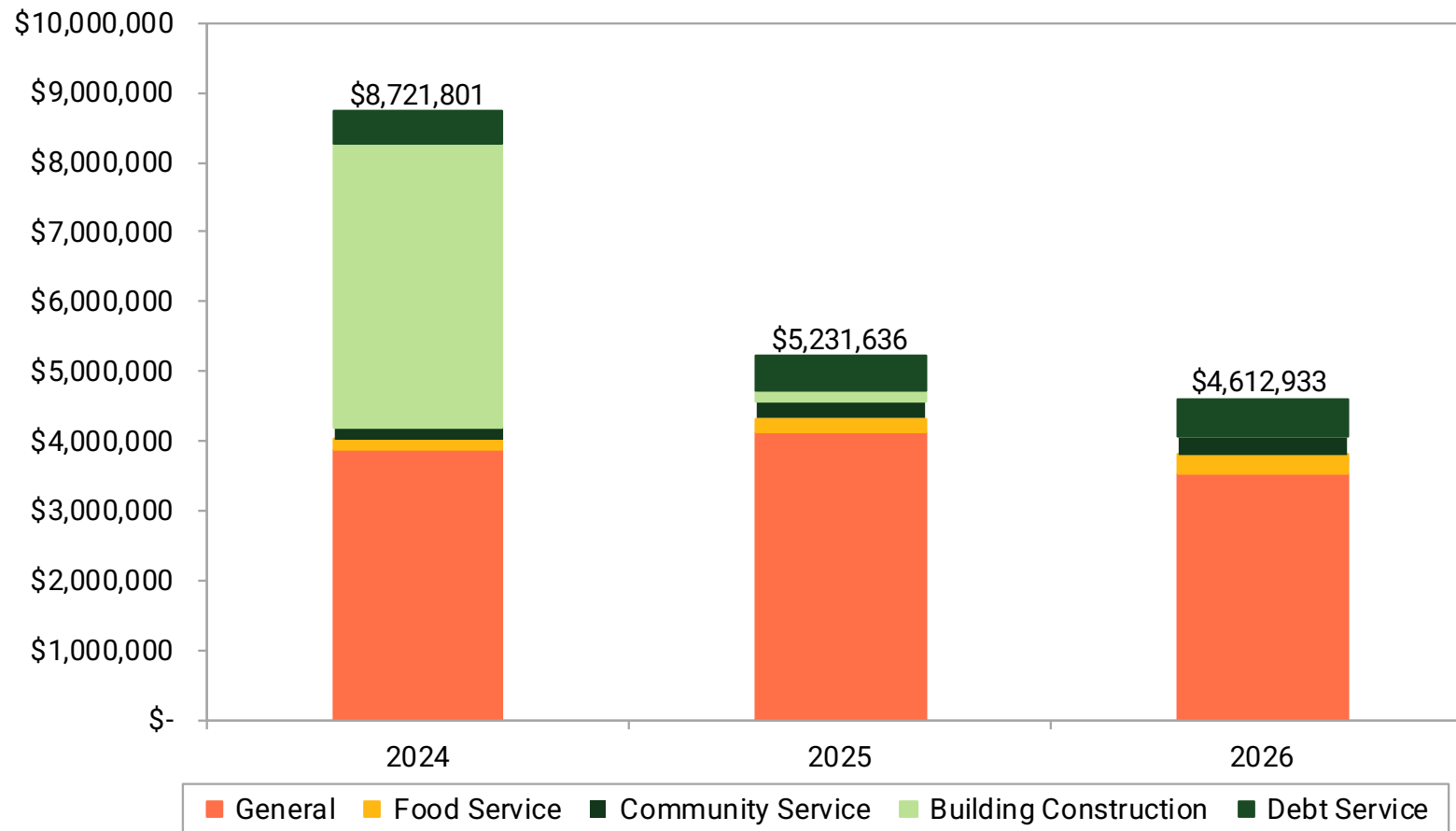
* Percentile data and state average obtained from School District Profile reports published by the MDE

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	\$ 410,000	\$ 7,305,000
2021A Capital Facilities Refunding Bond	06/08/21	0.59	611,000	02/01/28	90,000	178,000
2022A Facilities Maintenance and Tax Abatements Bond	11/01/22	4.00 - 5.00	4,985,000	02/01/38	375,000	4,035,000
Total G.O. Bonds Payable					<u>\$ 875,000</u>	<u>\$11,518,000</u>
Total Remaining Interest Payments						<u>\$ 2,759,200</u>



Cash and Investments Balances by Fund



Your Abdo Team



Tom
OLINGER
CPA – Partner



Kelsey
LARSON
CPA – Manager



Chad
GUSE
CPA – Manager



Ellie
FREDRICKSON
Senior Associate



Mara
RICHARDSON
Senior Associate



Katelyn
GUMBEL
Associate