

ST. CROIX RIVER EDUCATION DISTRICT RUSH CITY, MINNESOTA

**Audit Report
Year Ended June 30, 2016**





AUDITOR'S ROLE

- **Opinion on Financial Statements**
 - **SCRED Audit**
- **Internal Controls and Compliance**
 - **Financial Statement Audits**
 - **Federal “Single Audit”**
 - **State Laws and Regulations**



AUDIT RESULTS

■ SCRED Audit

- Unmodified Opinion on Basic Financial Statements
- Internal Control and Compliance Reports
 - 2016-001 Limited segregation of duties – related to the financial statement audit.
 - 2016-002 Internal controls over compliance with new Uniform Guidance requirements – related to the federal “single audit”.

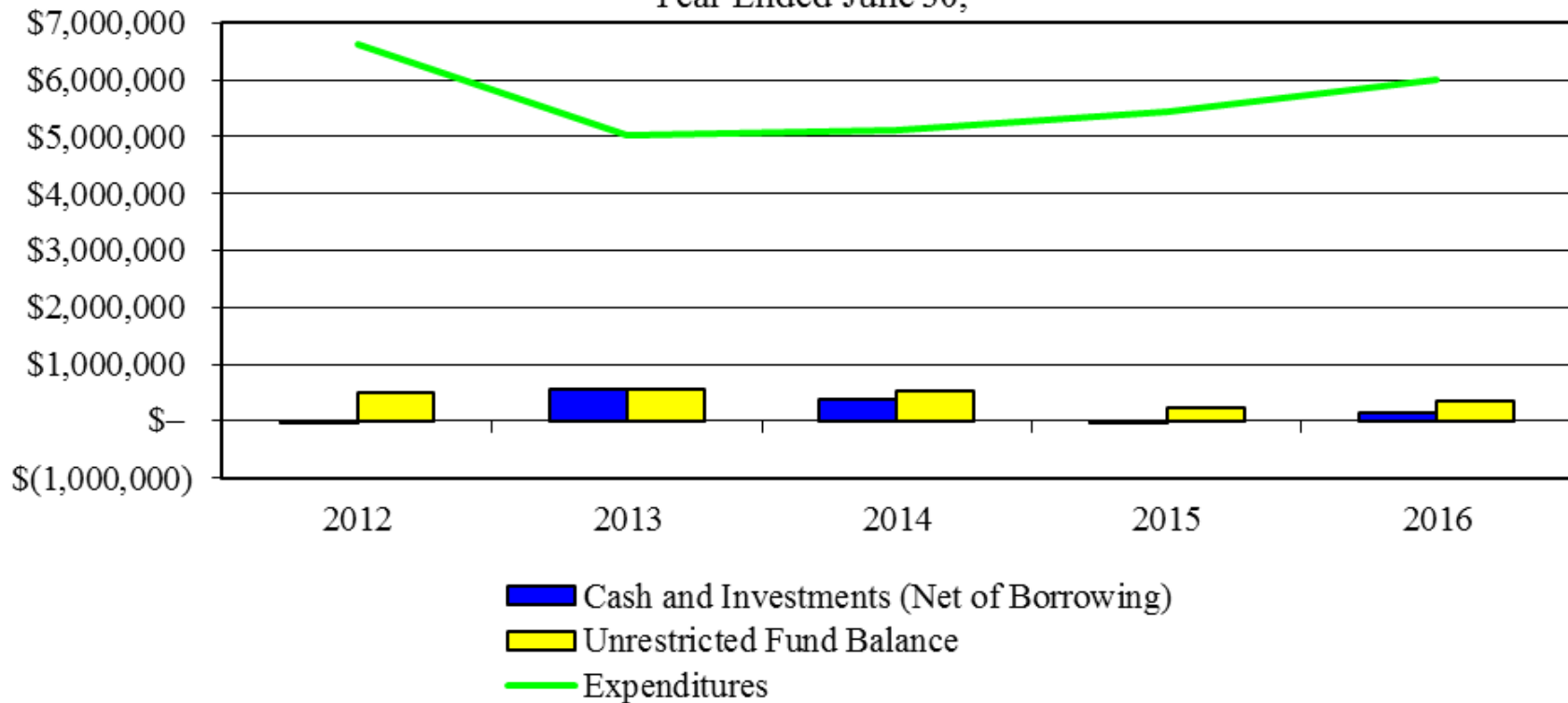
GENERAL EDUCATION AID— BASIC FORMULA ALLOWANCE

Fiscal Year Ended June 30,	Formula Allowance	
	Amount	Percent Increase
2007	\$ 4,974	4.0 %
2008	\$ 5,074	2.0 %
2009	\$ 5,124	1.0 %
2010	\$ 5,124	— %
2011	\$ 5,124	— %
2012	\$ 5,174	1.0 %
2013	\$ 5,224	1.0 %
2014	\$ 5,302	1.5 %
2015	\$ 5,831	2.0 % *
2016	\$ 5,948	2.0 %
2017	\$ 6,067	2.0 %

* The \$529 increase in 2015 was offset by changes to pupil weightings and the general education aid formula that reduced the increase to the equivalent of \$105, or 2.0 percent, state-wide.

GENERAL FUND FINANCIAL POSITION

General Fund Financial Position
 Year Ended June 30,

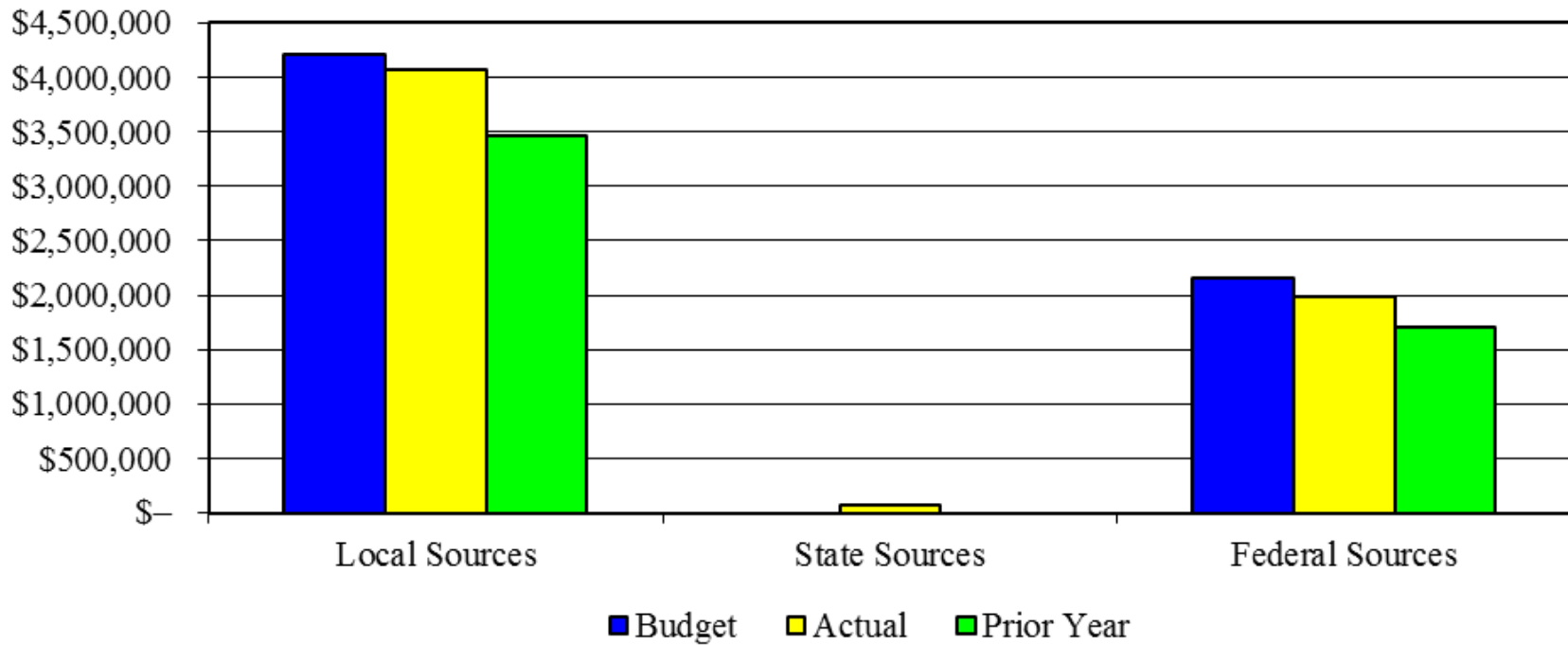


GENERAL FUND FINANCIAL POSITION (CONT.)

	Year Ended June 30,				
	2012	2013	2014	2015	2016
Unrestricted fund balances					
Assigned	\$ 35,800	\$ 38,800	\$ 25,800	\$ 77,191	\$ 16,000
Unassigned	459,640	504,292	496,838	159,270	344,507
Total fund balances	<u>\$ 495,440</u>	<u>\$ 543,092</u>	<u>\$ 522,638</u>	<u>\$ 236,461</u>	<u>\$ 360,507</u>
Unrestricted fund balances as a percentage of expenditures	<u>7.5%</u>	<u>10.8%</u>	<u>10.2%</u>	<u>4.3%</u>	<u>6.0%</u>
Unassigned fund balance as a percentage of expenditures	<u>6.9%</u>	<u>10.1%</u>	<u>9.7%</u>	<u>2.9%</u>	<u>5.7%</u>

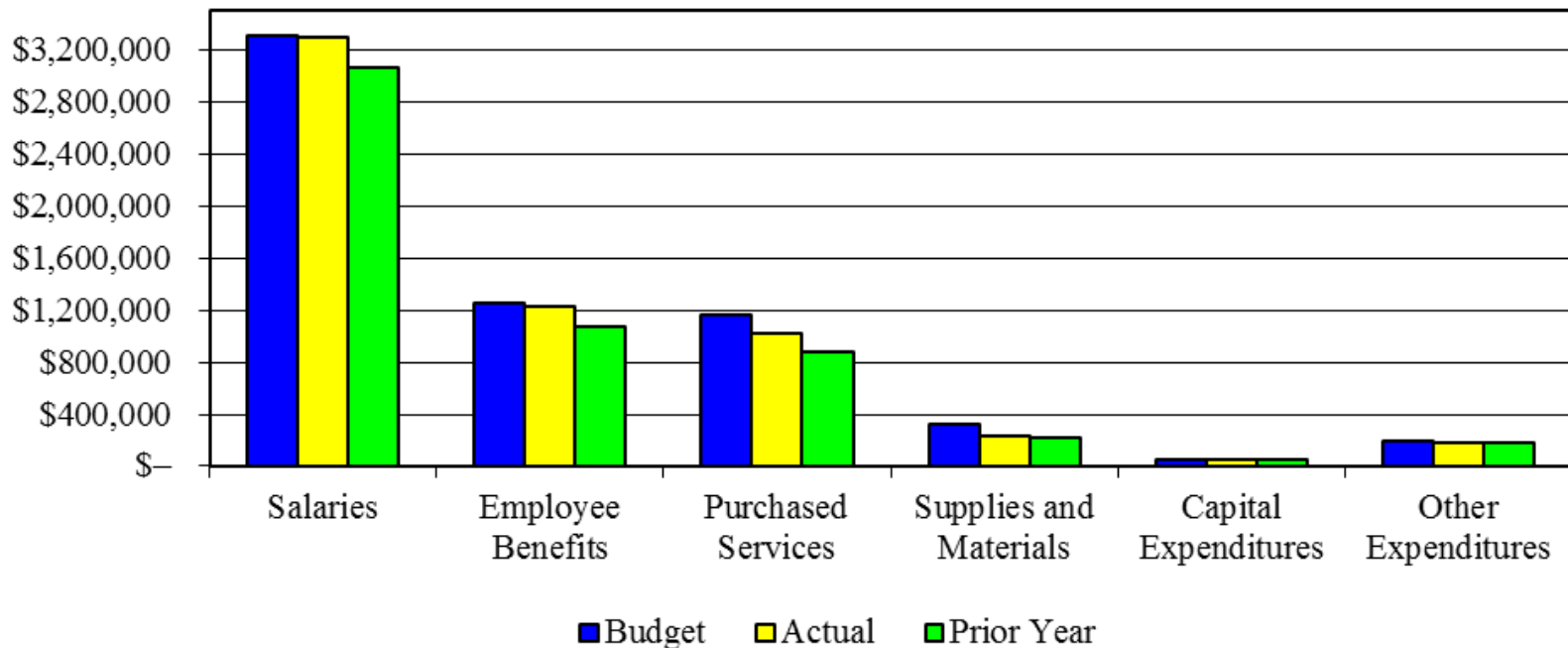
GENERAL FUND REVENUE

General Fund Revenue

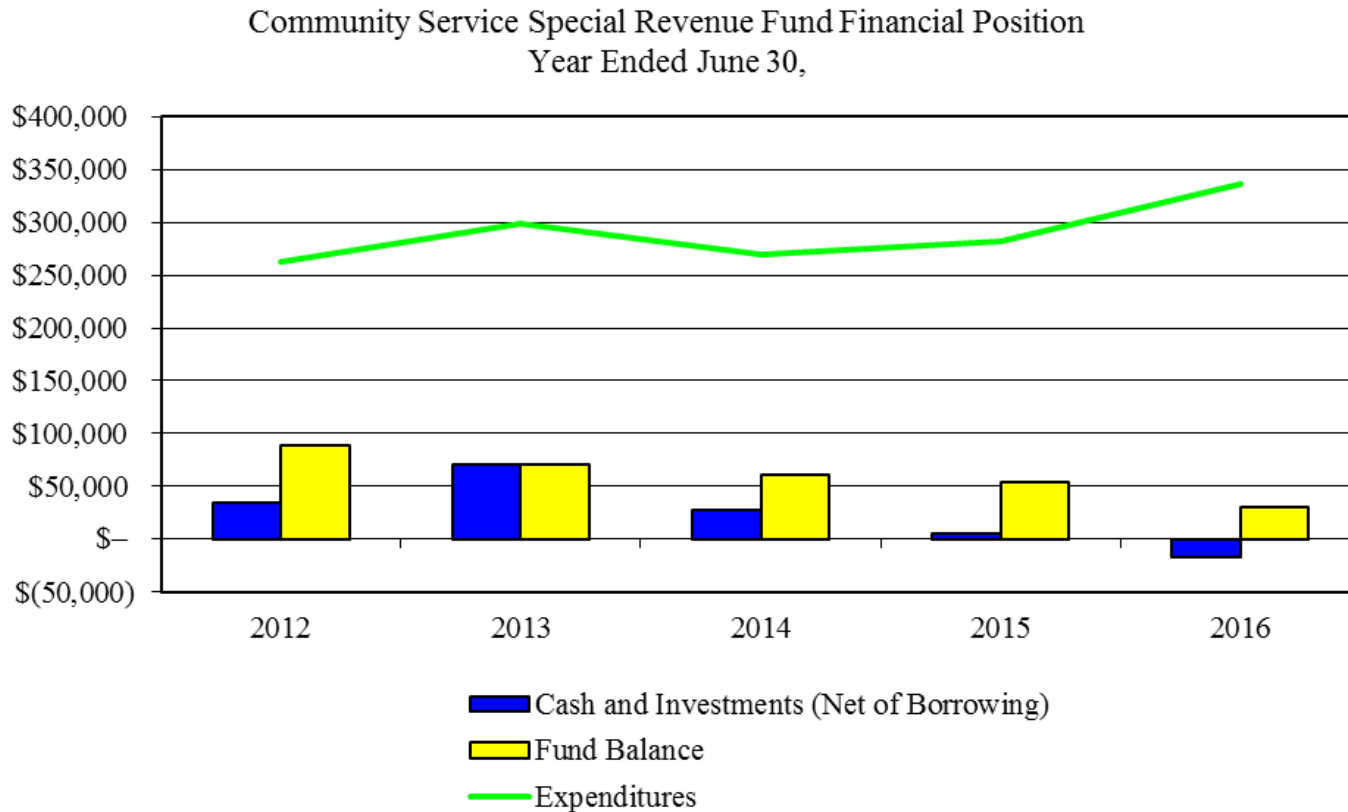


GENERAL FUND EXPENDITURES

General Fund Expenditures



COMMUNITY SERVICE SPECIAL REVENUE FUND FINANCIAL POSITION



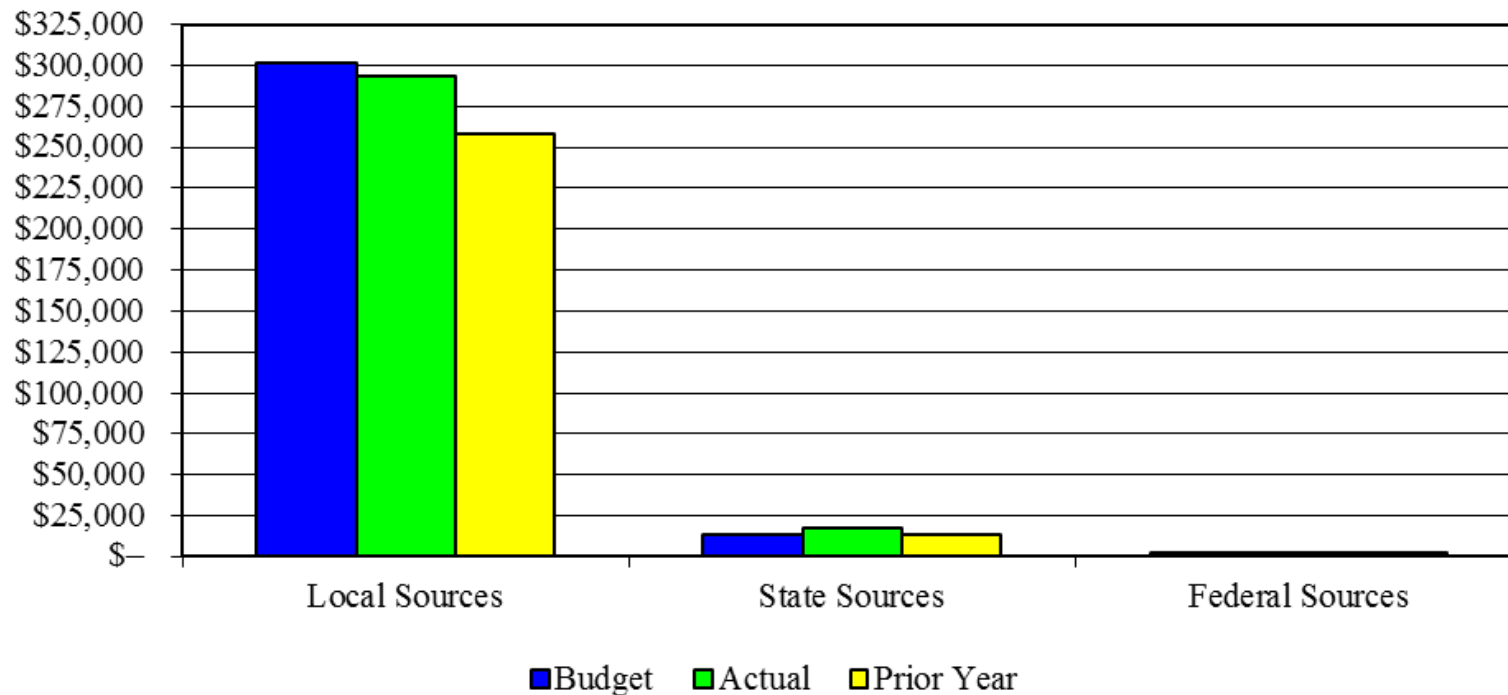


COMMUNITY SERVICE SPECIAL REVENUE FUND FINANCIAL POSITION (CONT.)

	Year Ended June 30,				
	2012	2013	2014	2015	2016
Restricted for community education	<u>\$ 88,952</u>	<u>\$ 70,364</u>	<u>\$ 60,918</u>	<u>\$ 53,300</u>	<u>\$ 30,723</u>
Total fund balances as a percentage of expenditures	<u>29.2%</u>	<u>33.9%</u>	<u>23.6%</u>	<u>18.9%</u>	<u>9.1%</u>

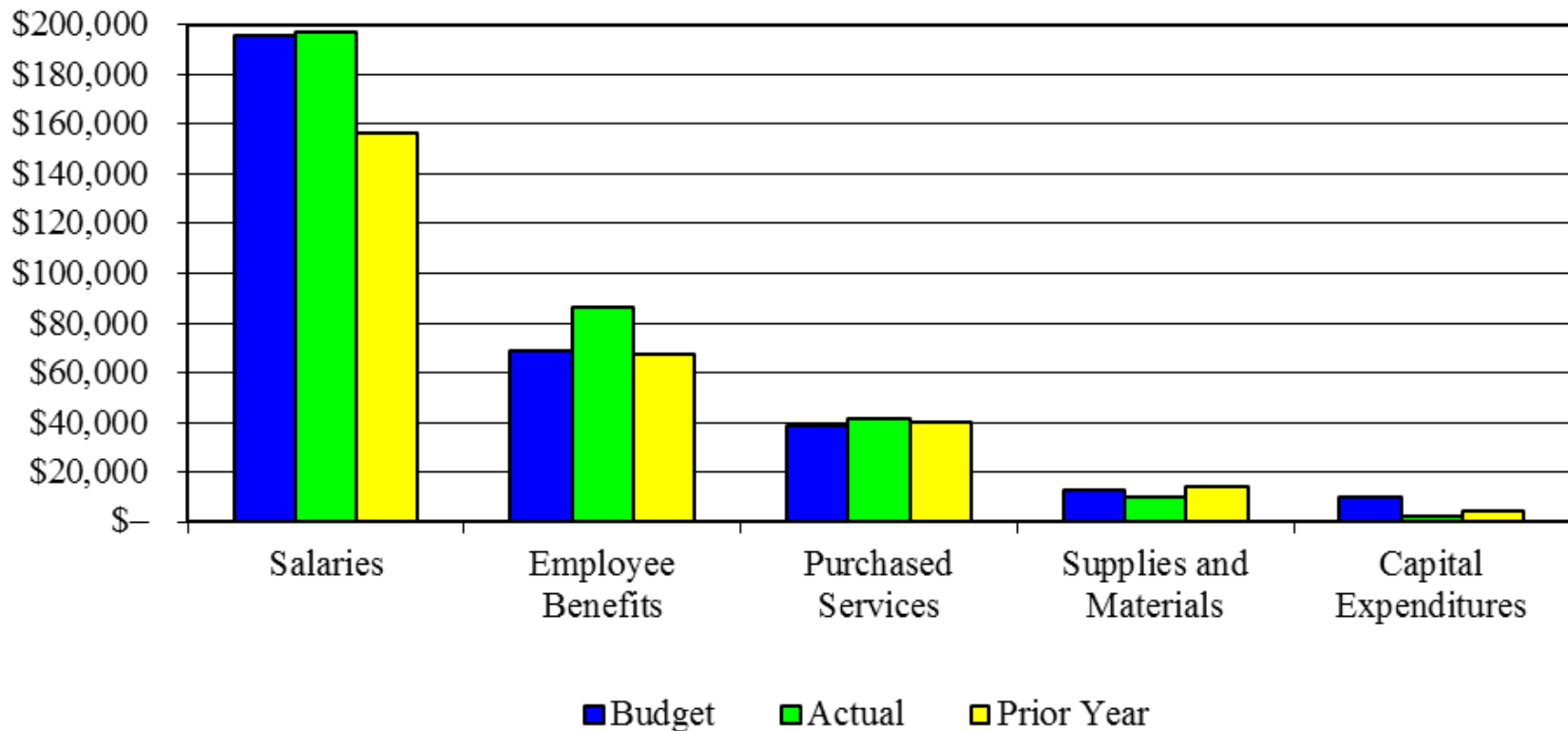
COMMUNITY SERVICE SPECIAL REVENUE FUND REVENUES

Community Service Special Revenue Fund Revenues



COMMUNITY SERVICE SPECIAL REVENUE FUND EXPENDITURES

Community Service Special Revenue Fund Expenditures





DISTRICT-WIDE STATEMENT OF NET POSITION

	June 30,		Increase (Decrease)
	2016	2015	
Net position – governmental activities			
Total fund balances – governmental funds	\$ 391,230	\$ 289,761	\$ 101,469
Total capital assets, net of depreciation	1,834,867	1,902,101	(67,234)
Total long-term debt	(5,338,148)	(4,467,917)	(870,231)
Other adjustments	341,511	(383,909)	725,420
Total net position – governmental activities	<u>\$ (2,770,540)</u>	<u>\$ (2,659,964)</u>	<u>\$ (110,576)</u>
Net position			
Net investment in capital assets	\$ 292,920	\$ 243,213	\$ 49,707
Restricted for community service	30,723	53,300	(22,577)
Unrestricted	<u>(3,094,183)</u>	<u>(2,956,477)</u>	<u>(137,706)</u>
Total net position	<u>\$ (2,770,540)</u>	<u>\$ (2,659,964)</u>	<u>\$ (110,576)</u>