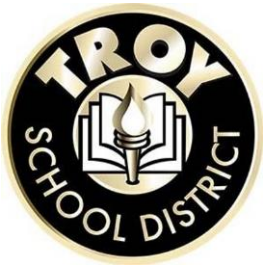




PRESENTED BY
David R. Youngstrom, CPA

Troy School District
June 30, 2019





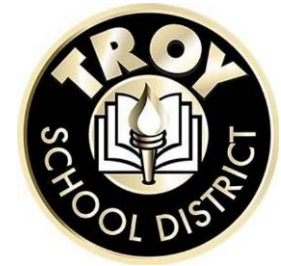
Audit Results

Financial Statements:

•Unmodified Opinion

- Highest level of assurance
- School's financial records and statements are fairly and appropriately presented, and in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

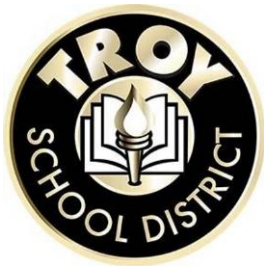




Balance Sheet-Governmental Funds

	Capital Projects Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	2016 Capital Projects	Early Childhood Learning Center	2019 Capital Projects		
Assets						
Cash and investments	\$ 25,963,734	\$ 13,695,431	\$ 4,934,469	\$ 27,059,685	\$ 6,149,493	\$ 77,802,812
Receivables - net	255,223	768	-	-	80,929	336,920
Due from other governmental units	19,297,364	-	-	-	509,373	19,806,737
Prepaid items and inventory	782,875	-	-	-	36,024	818,899
Total assets	\$ 46,299,196	\$ 13,696,199	\$ 4,934,469	\$ 27,059,685	\$ 6,775,819	\$ 98,765,368
Liabilities						
Accounts payable and other liabilities	\$ 3,957,683	\$ 2,457,266	\$ 4,102,263	\$ 119,662	\$ 1,644,792	\$ 12,281,666
Accrued payroll related liabilities	16,438,215	-	-	-	-	16,438,215
Unearned revenues	496,805	-	-	-	446,977	943,782
Total liabilities	20,892,703	2,457,266	4,102,263	119,662	2,091,769	29,663,663
Fund Balance						
Non-spendable - Prepaid items & inventory	782,875	-	-	-	36,024	818,899
Restricted - Food service	-	-	-	-	174,644	174,644
Restricted - Debt service	-	-	-	-	2,392,659	2,392,659
Restricted - Capital projects	-	11,238,933	832,206	26,940,023	271,527	39,282,689
Committed	-	-	-	-	841,222	841,222
Assigned - Capital projects	-	-	-	-	967,974	967,974
Unassigned	24,623,618	-	-	-	-	24,623,618
Total fund balance	25,406,493	11,238,933	832,206	26,940,023	4,684,050	69,101,705
Total liabilities, deferred inflows of resources, and fund balance	\$ 46,299,196	\$ 13,696,199	\$ 4,934,469	\$ 27,059,685	\$ 6,775,819	\$ 98,765,368

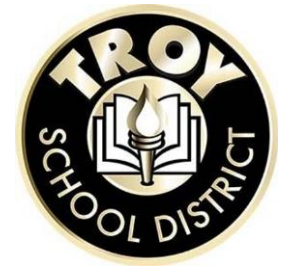




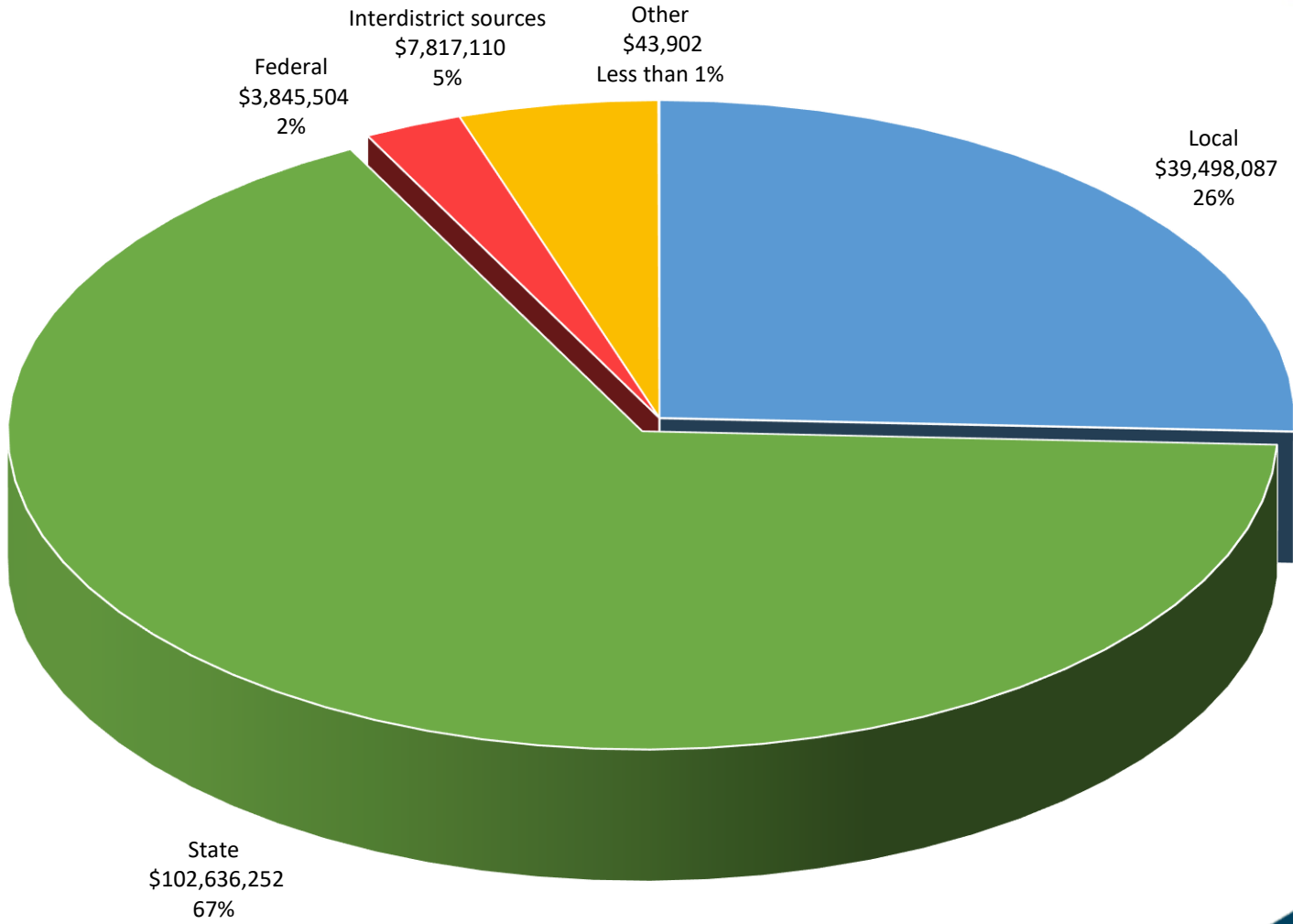
Statement of Revenues, Expenditures and Changes in Fund Balances

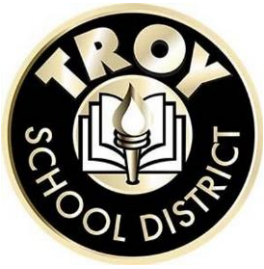
	General Fund	Capital Projects Funds		Nonmajor Governmental Funds	Total Governmental Funds	
		2016 Capital Projects	Early Childhood Learning Center			2019 Capital Projects
Revenues and other sources	\$ 153,840,855	\$ 997,000	\$ 585,196	\$ 27,152,721	\$ 30,864,073	\$ 213,439,845
Expenditures and other uses	<u>153,676,834</u>	<u>12,709,843</u>	<u>14,088,510</u>	<u>212,698</u>	<u>30,659,763</u>	<u>211,347,648</u>
Change in fund balance	164,021	(11,712,843)	(13,503,314)	26,940,023	204,310	2,092,197
Fund balance - July 1, 2018	<u>25,242,472</u>	<u>22,951,776</u>	<u>14,335,520</u>	-	<u>4,479,740</u>	<u>67,009,508</u>
Fund balance - June 30, 2019	<u>\$ 25,406,493</u>	<u>\$ 11,238,933</u>	<u>\$ 832,206</u>	<u>\$ 26,940,023</u>	<u>\$ 4,684,050</u>	<u>\$ 69,101,705</u>



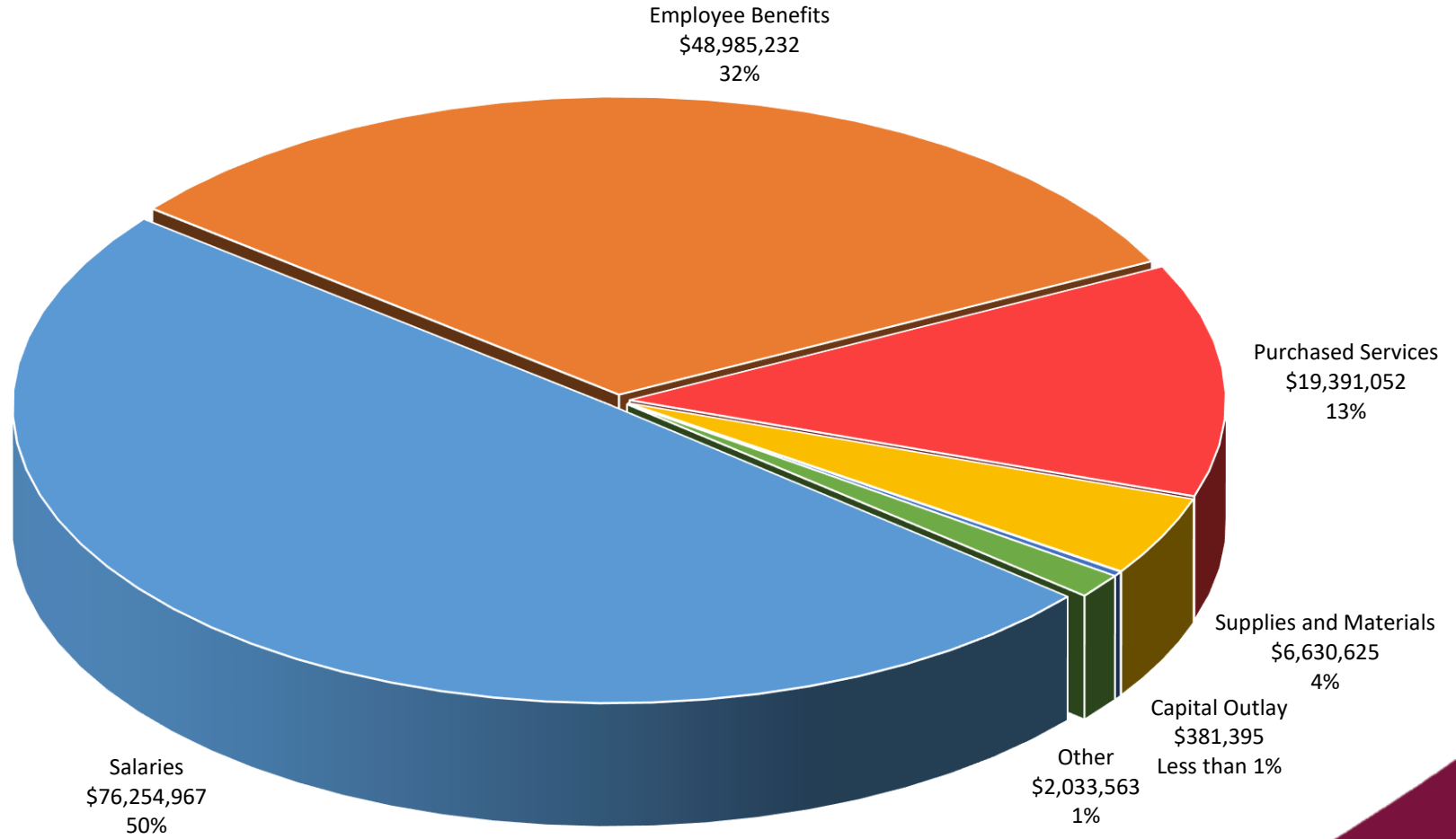


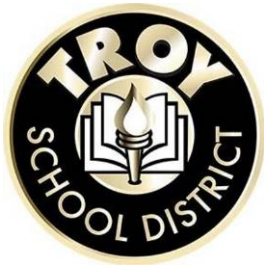
General Fund Revenue (includes Other Sources) Year Ended June 30, 2019



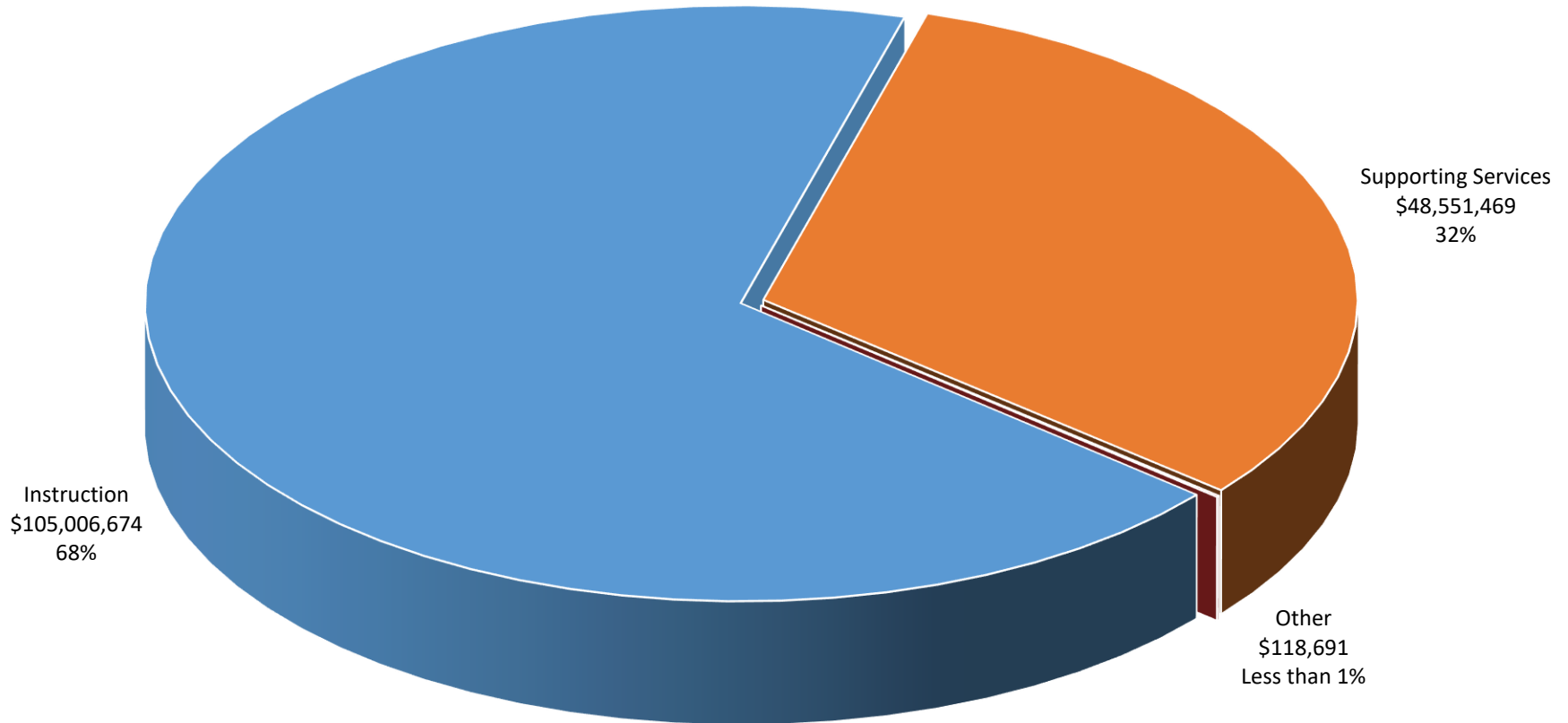


General Fund Expenditures Year Ended June 30, 2019



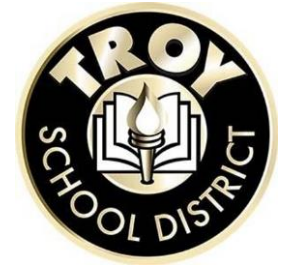


General Fund Expenditures Year Ended June 30, 2019

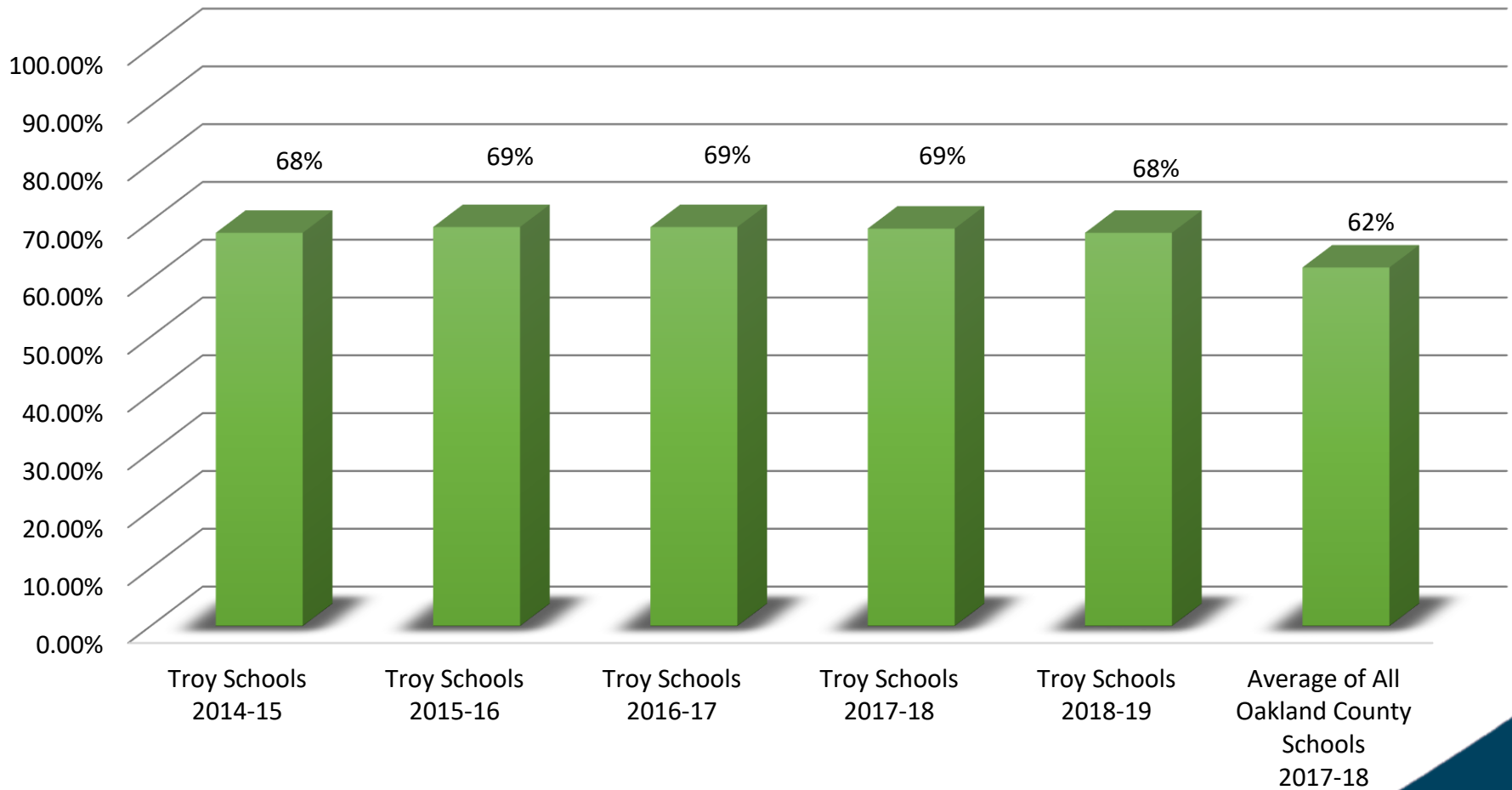


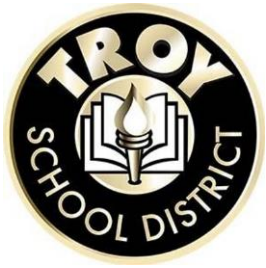
Note: Instruction consists of the following - basic programs (elementary, middle/junior high, high school, pre-kindergarten, summer school), added needs (special education, compensatory education, career and technical education, and adult/continuing education (basic and secondary)). Supporting services consists of the following - pupil, instructional staff, general administration, school administration, business, operations and maintenance, pupil transportation services, central, and athletic activities.



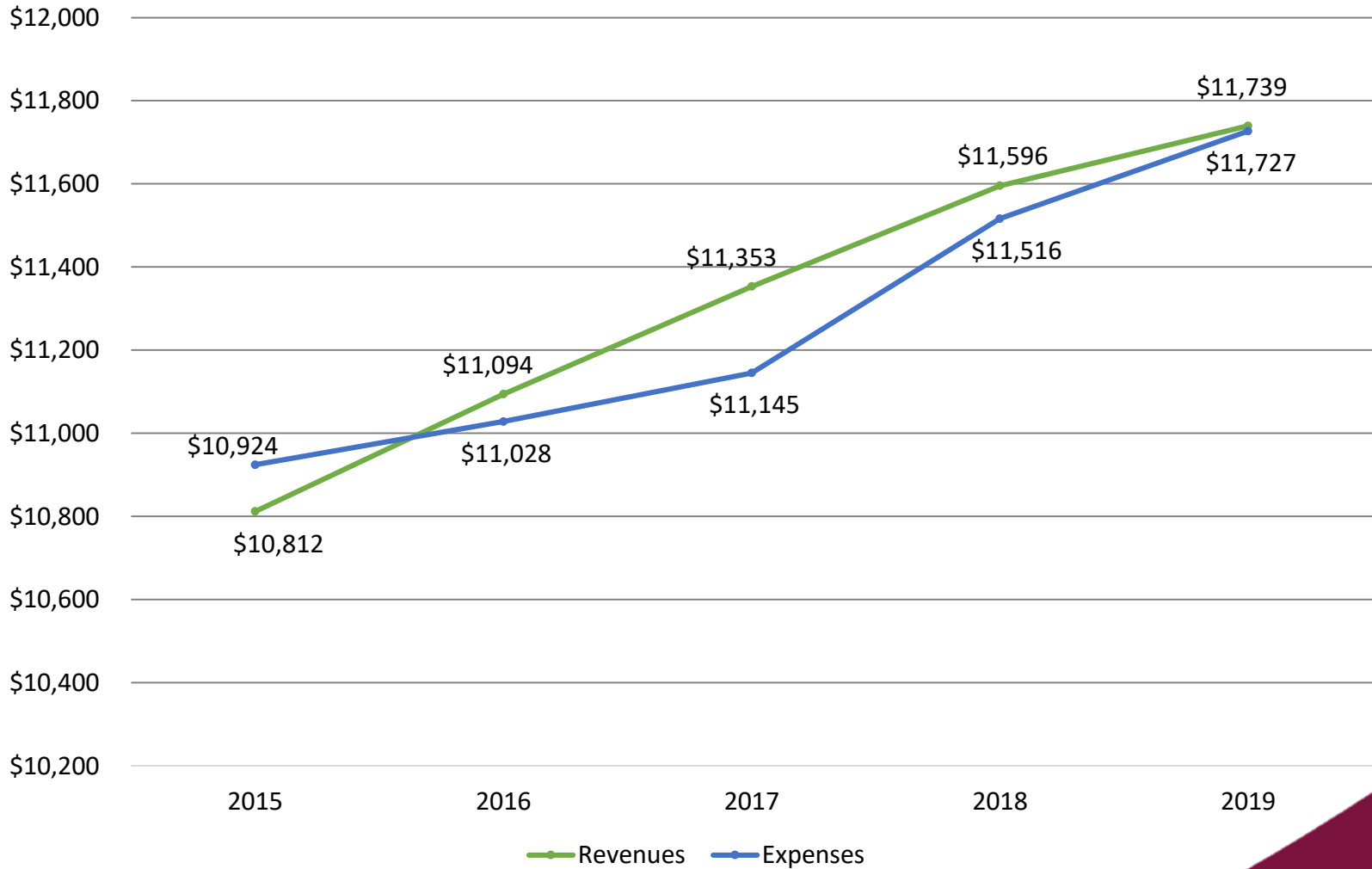


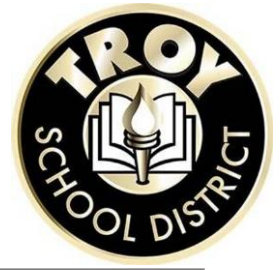
Instructional Expenditures Comparison



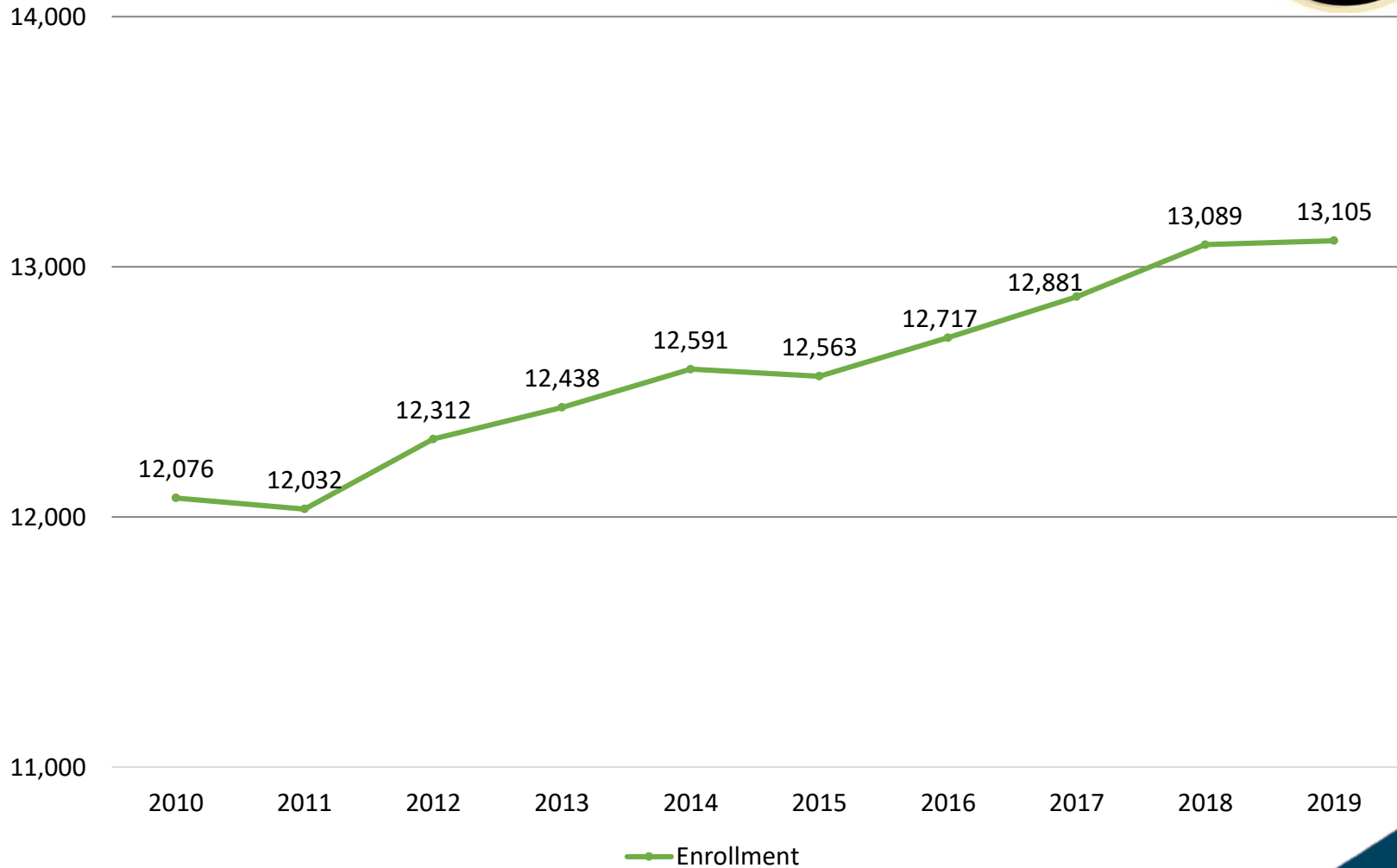


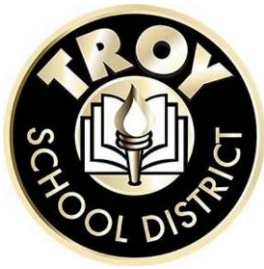
Per-Pupil Analysis of General Fund Revenues and Expenditures



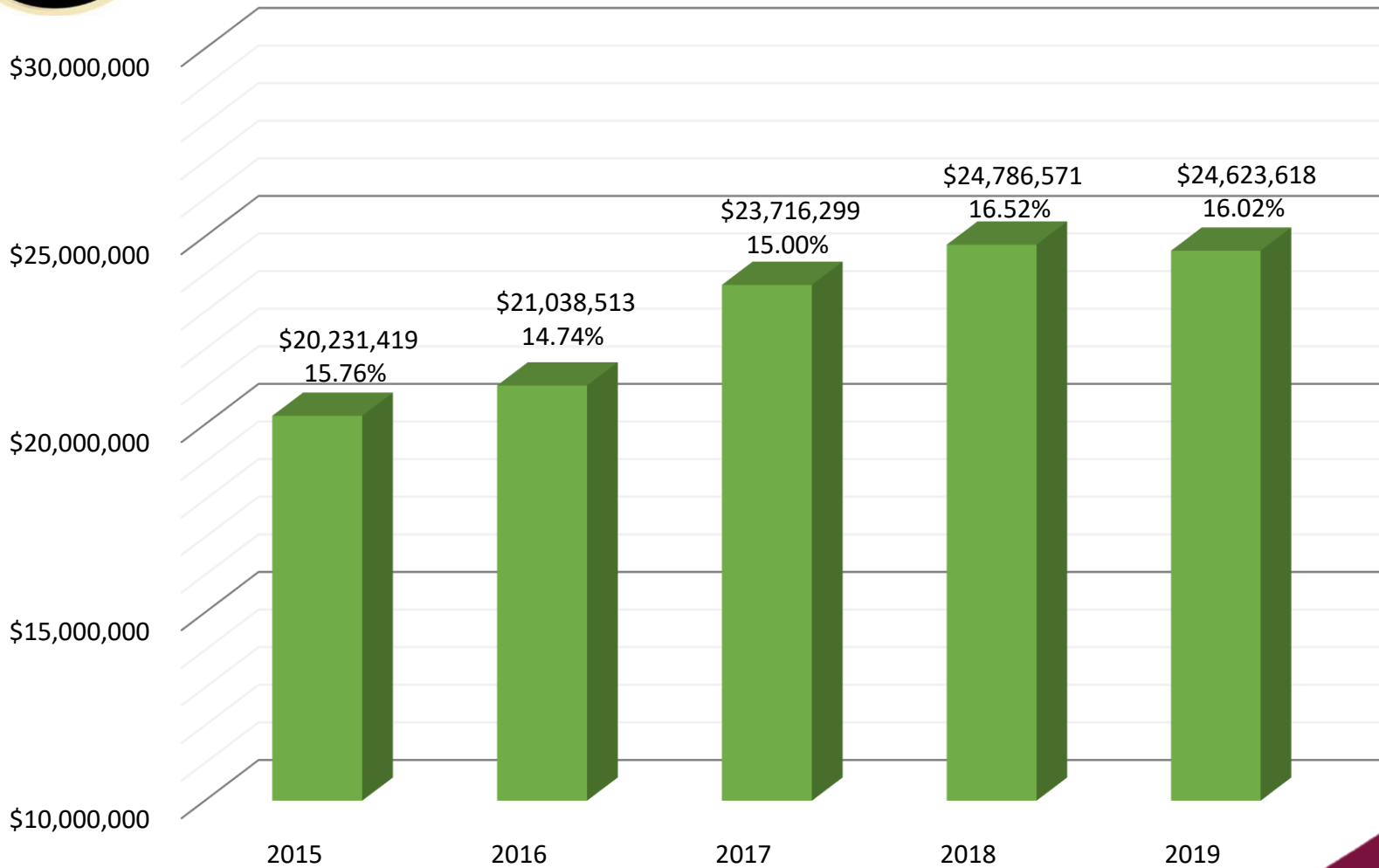


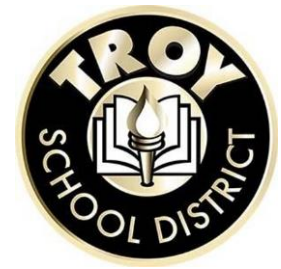
Ten Year Enrollment Trend Analysis





General Fund Unassigned Balance (with percentage of expenditures)





Internal Controls and Compliance

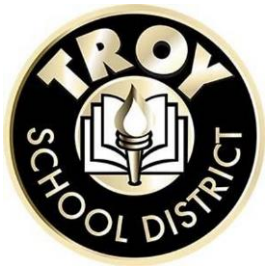
Financial Statements:

- No Material Weaknesses Identified
- No Significant Deficiencies Identified
- No Material Noncompliance

Federal Awards:

- Major Program –
 - Special Education Cluster – Unmodified Opinion
 - Title II, Part A – Supporting Effective Instruction – Unmodified Opinion
- No Material Weaknesses Identified
- No Significant Deficiencies Identified
- No Material Noncompliance

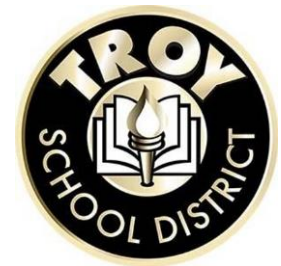




Required Communication Management Comments

- Prior Year –
 - Federal Procedures – See below, in progress
 - Athletic Receipt Procedures - Corrected
- Current Year –
 - Federal Policies and Procedures





Future Challenges

- State economic/political condition
- Rising fringe benefit costs
- Retirement rate increase
- Post employment benefit obligation - over \$68M
- Net pension liability - over \$260M



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Thank you!

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davyou@yeoandyeo.com