



Montcalm Area Intermediate School District

Audit for the year ended June 30, 2022

October 20, 2022 Board Meeting

Sherrie Blankenship, CPA
Partner

2425 E. Grand River Ave., Ste. 1

Lansing, MI 48912-3291

P: 517.323.7500 F: 517.323.6346

www.manercpa.com



Maner Costerisan

Our Expertise

50

STAFF

DEDICATED
TO THE
EDUCATION
NICHE

WE PERFORM
OVER

100

MICHIGAN
SCHOOL DISTRICT
AUDITS
ANNUALLY

STRONG
CREDENTIALS

MEMBERS OF

- MSBO
- MASB
- MDE 1022 COMMITTEE
- MDE SINGLE AUDIT REFERENT GROUP
- MICPA
- AICPA

DEEP EXPERTISE &
RELATIONSHIPS
WITH MICHIGAN'S
EDUCATION COMMUNITY

200+

MICHIGAN
GOVERNMENTAL
CLIENTS

Audit Results

- Financial Statements
 - Unmodified opinion
- Internal Controls
 - No material weaknesses
 - No significant deficiencies



- Compliance for Major Programs
 - Unmodified opinion
 - Special Education Cluster
 - No findings related to federal awards
- Governance Letter
 - Required communication

Government-Wide Net Position

	<u>2022</u>	<u>2021</u>
Current and other assets	\$ 20,242,607	\$ 18,604,537
Capital assets	<u>5,550,380</u>	<u>5,072,699</u>
Total assets	<u>25,792,987</u>	<u>23,677,236</u>
Deferred outflows of resources	<u>9,824,785</u>	<u>13,532,127</u>
Other liabilities	5,921,042	5,796,601
Noncurrent liabilities	710,618	890,200
Net pension liability	29,179,761	41,680,682
Net other postemployment benefits liability	<u>1,897,719</u>	<u>6,576,579</u>
Total liabilities	<u>37,709,140</u>	<u>54,944,062</u>
Deferred inflows of resources	<u>18,784,886</u>	<u>6,823,837</u>
Net position		
Net investment in capital assets	4,973,316	4,305,350
Unrestricted	<u>(25,849,570)</u>	<u>(28,863,886)</u>
Total net position	<u>\$ (20,876,254)</u>	<u>\$ (24,558,536)</u>

Highlights

- Significant changes in pension and OPEB
- Capital outlay of \$1.3 mil

Balance Sheet – Governmental Funds

	General Fund	Special Education	Career Technical Education	Capital Projects	Student/ School activities	Total Governmental Funds
Assets	\$ 5,752,267	\$ 9,202,973	\$ 1,808,238	\$ 3,387,179	\$ 91,950	\$ 20,242,607
Liabilities	4,096,708	1,321,543	199,424	480	448	5,618,603
Fund Balance	1,655,559	7,881,430	1,608,814	3,386,699	91,502	14,624,004

Statement of Revenues, Expenditures and Changes in Fund Balance– Govt. Funds

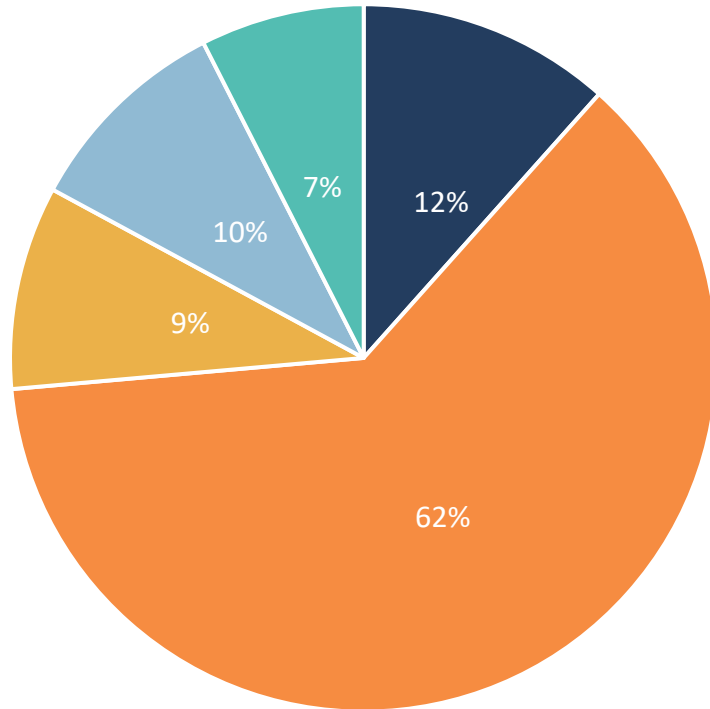
	General Fund	Special Education	Career Technical Education	Capital Projects	Student/School activities	Total Governmental Funds
Revenues and other sources	\$ 9,485,734	\$ 22,358,513	\$ 3,026,997	\$ 871,820	\$ 107,686	\$ 35,850,750
Expenditures and other uses	9,402,275	21,121,079	2,853,856	848,634	109,112	34,334,956
Change in fund balance	83,459	1,237,434	173,141	23,186	(1,426)	1,515,794
Fund balance, beginning of year	1,572,100	6,643,996	1,435,673	3,363,513	92,928	13,108,210
Fund balance, end of year	<u>\$ 1,655,559</u>	<u>\$ 7,881,430</u>	<u>\$ 1,608,814</u>	<u>\$ 3,386,699</u>	<u>\$ 91,502</u>	<u>\$ 14,624,004</u>
Fund balance as a % of expenditures	18%	37%	56%			

Budget Comparison – General Fund

<u>Year Ended June 30, 2022</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
Revenues and other sources	\$ 7,729,673	\$ 10,038,500	\$ 9,485,734	\$ (552,766)	-5.51%
Expenditures and other uses	<u>7,879,673</u>	<u>10,066,232</u>	<u>9,402,275</u>	<u>663,957</u>	6.60%
	<u>\$ (150,000)</u>	<u>\$ (27,732)</u>	<u>\$ 83,459</u>	<u>\$ 111,191</u>	

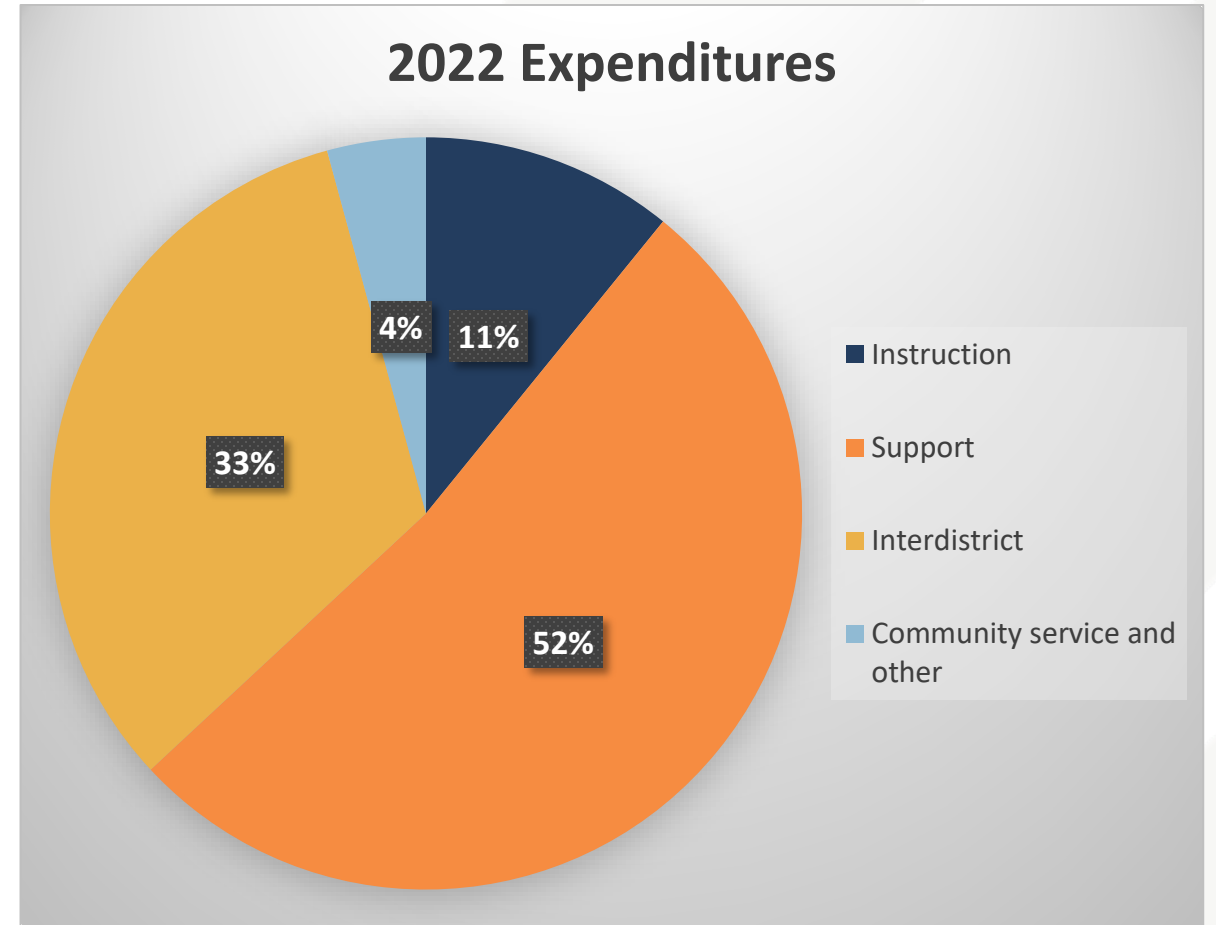
Revenue and Expenditures – General Fund

2022 Revenue



■ Local ■ State ■ Federal ■ Interdistrict and other ■ Incoming transfers and other

2022 Expenditures



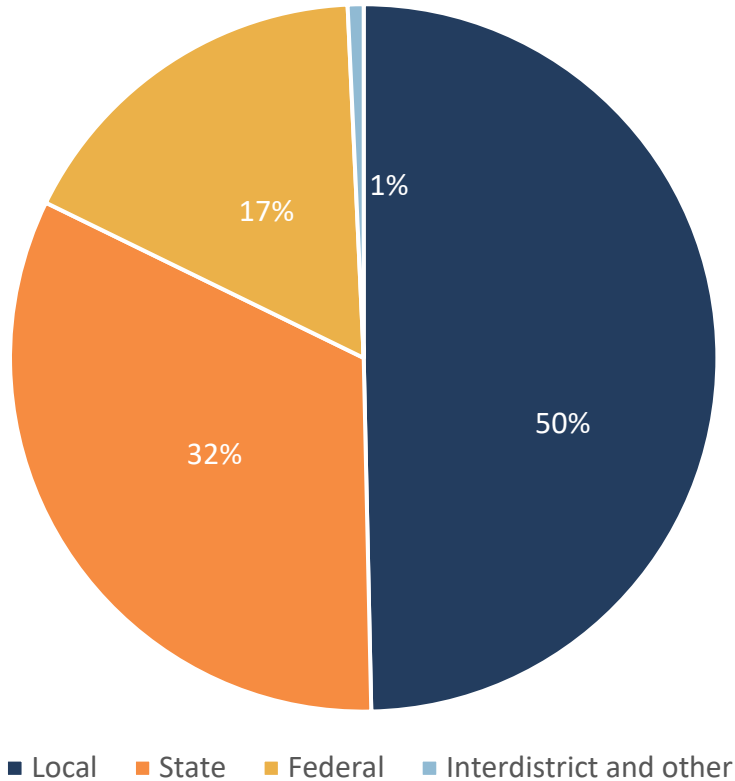
■ Instruction
■ Support
■ Interdistrict
■ Community service and other

Budget Comparison – Special Education

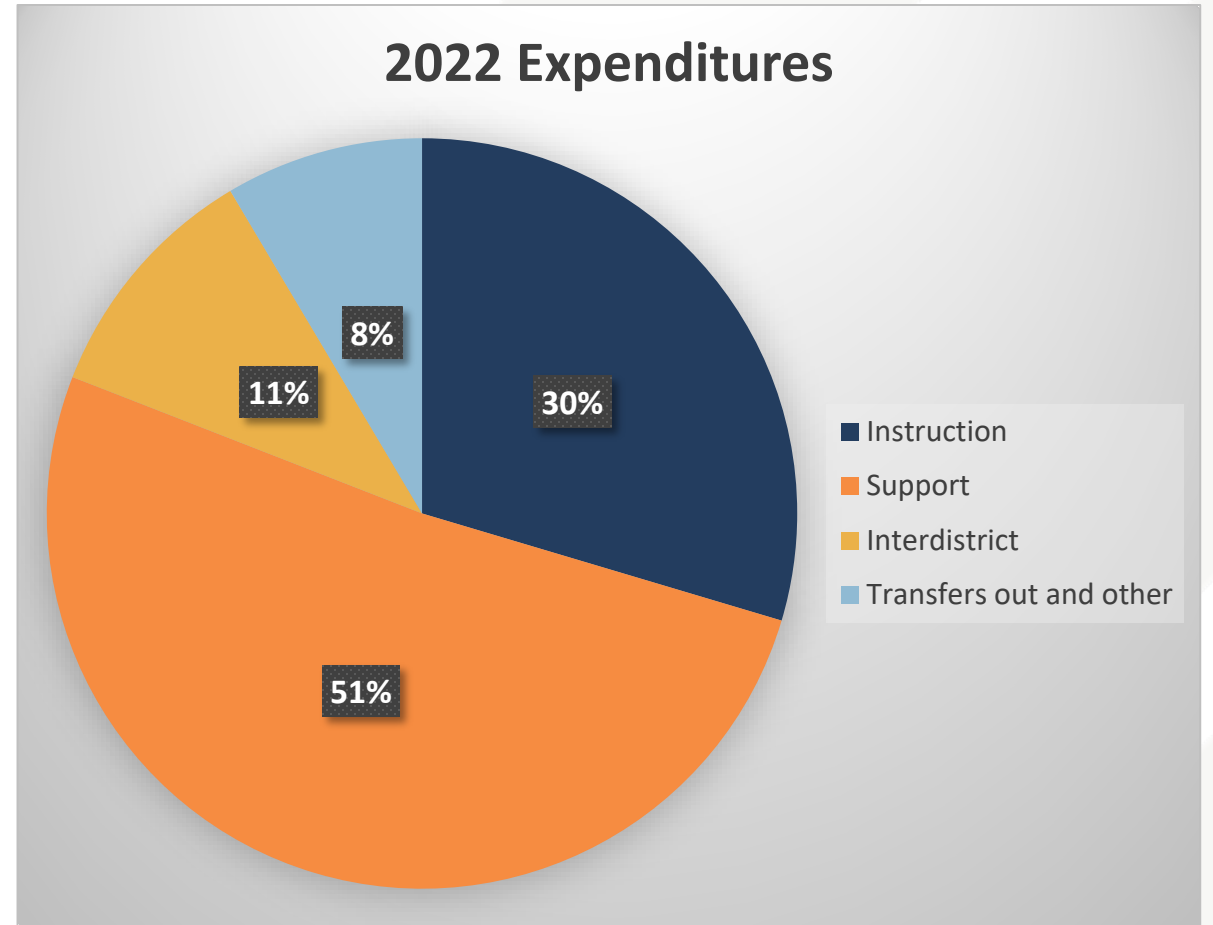
<u>Year Ended June 30, 2022</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
Revenues and other sources	\$ 21,757,502	\$ 23,426,488	\$ 22,358,513	\$ (1,067,975)	-4.56%
Expenditures and other uses	<u>21,587,502</u>	<u>22,926,488</u>	<u>21,121,079</u>	<u>1,805,409</u>	7.87%
	<u>\$ 170,000</u>	<u>\$ 500,000</u>	<u>\$ 1,237,434</u>	<u>\$ 737,434</u>	

Revenue and Expenditures – Special Education

2022 Revenue



2022 Expenditures

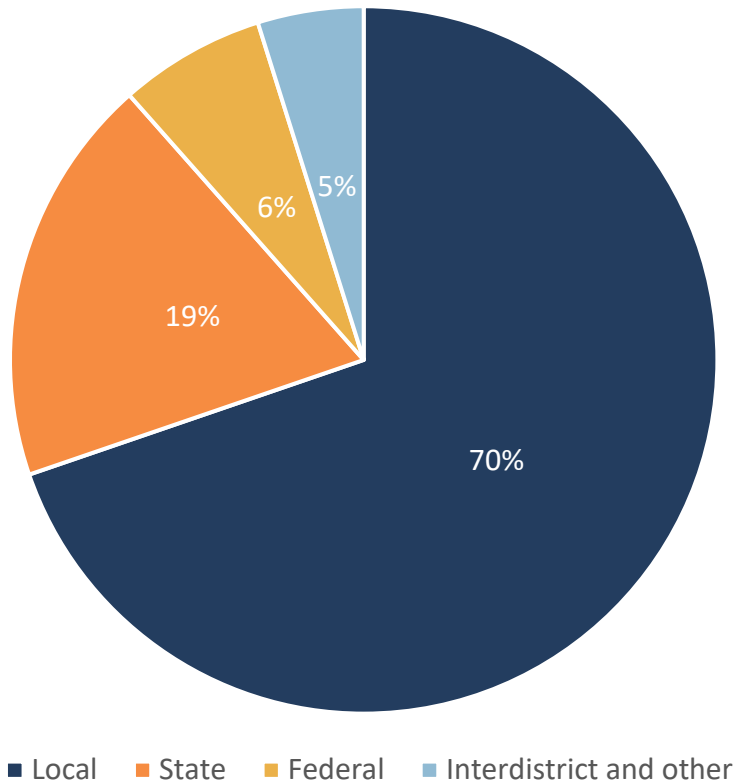


Budget Comparison – Career Technical Education

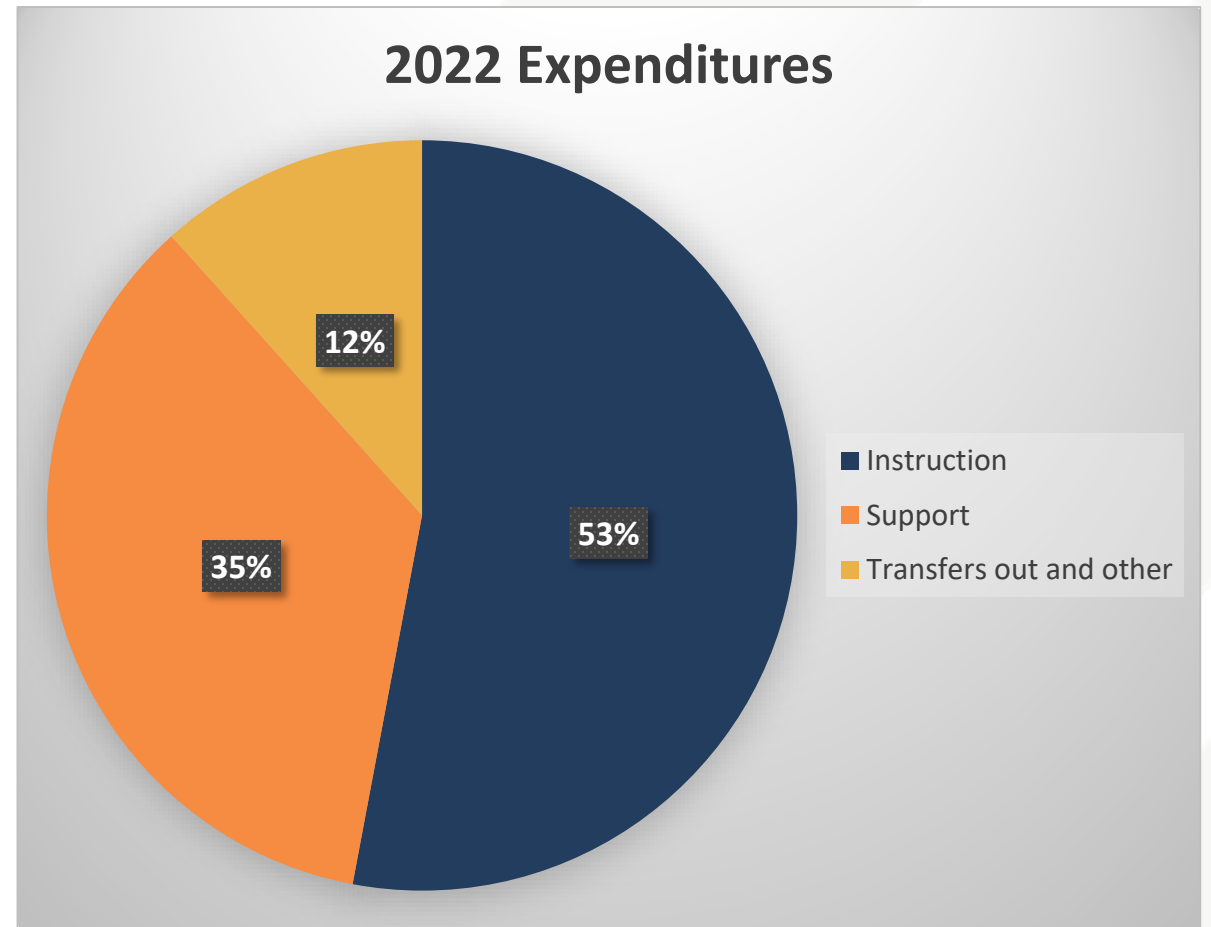
<u>Year Ended June 30, 2022</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
Revenues and other sources	\$ 2,784,192	\$ 3,051,810	\$ 3,026,997	\$ (24,813)	-0.81%
Expenditures and other uses	<u>2,724,192</u>	<u>2,936,353</u>	<u>2,853,856</u>	<u>82,497</u>	2.81%
	<u>\$ 60,000</u>	<u>\$ 115,457</u>	<u>\$ 173,141</u>	<u>\$ 57,684</u>	

Revenue and Expenditures – CTE

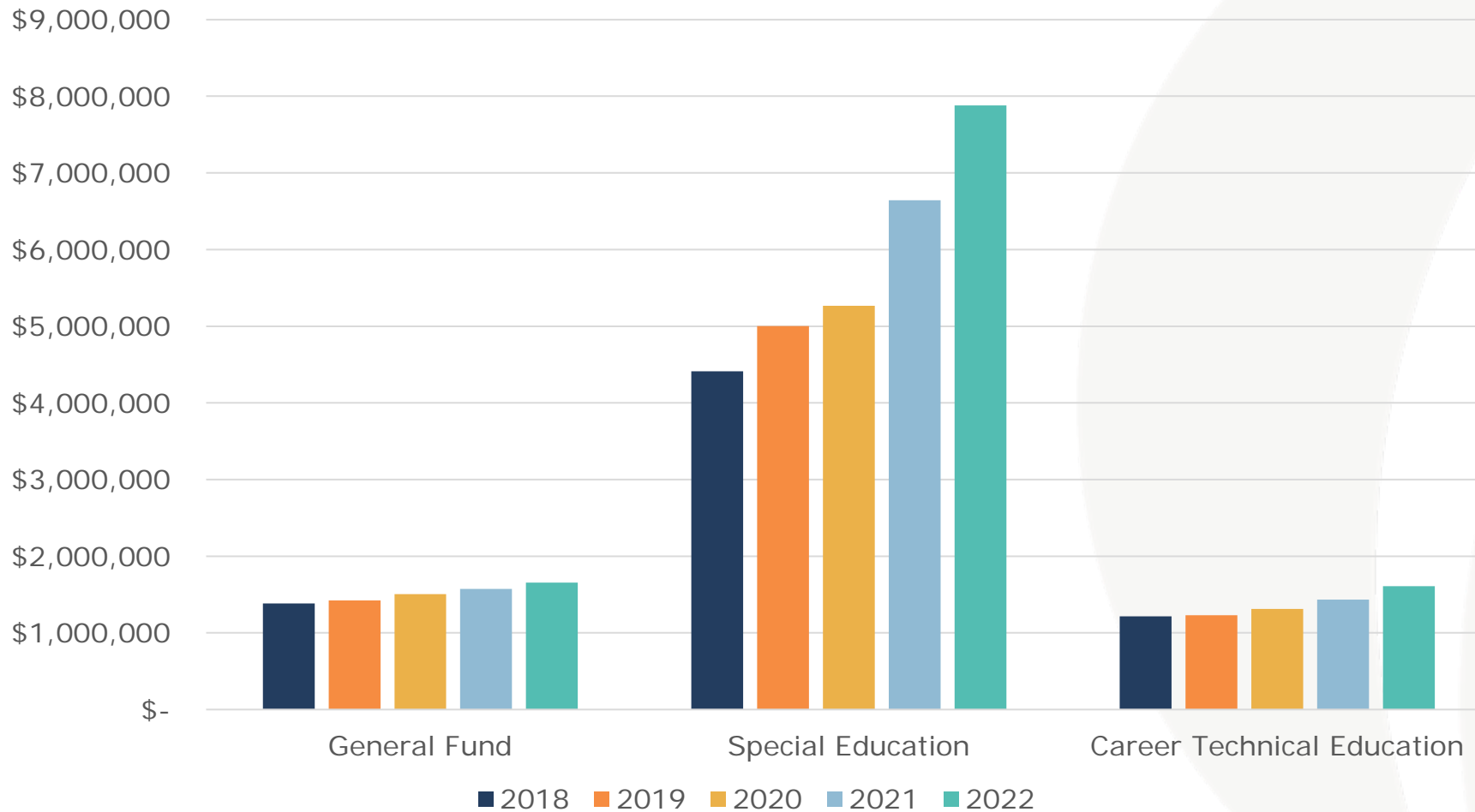
2022 Revenue



2022 Expenditures



Fund Balance Comparison



Notes to the Financial Statements

Note 3

- Capital asset detail – Net capital assets as of 6/30/2022 totaling \$5.55 mil

Note 5

- Detail of long-term obligations at 6/30/2022 totaling \$1.0 million

Note 6

- Detail of pension and other postemployment benefits

Future Considerations:

*GASB 96, Subscription-based
Information Technology
Arrangements, effective for June
30, 2023*





Questions

Sherrie Blankenship, Partner

sblankenship@manercpa.com

