

# **CEDAR FALLS COMMUNITY SCHOOL DISTRICT**

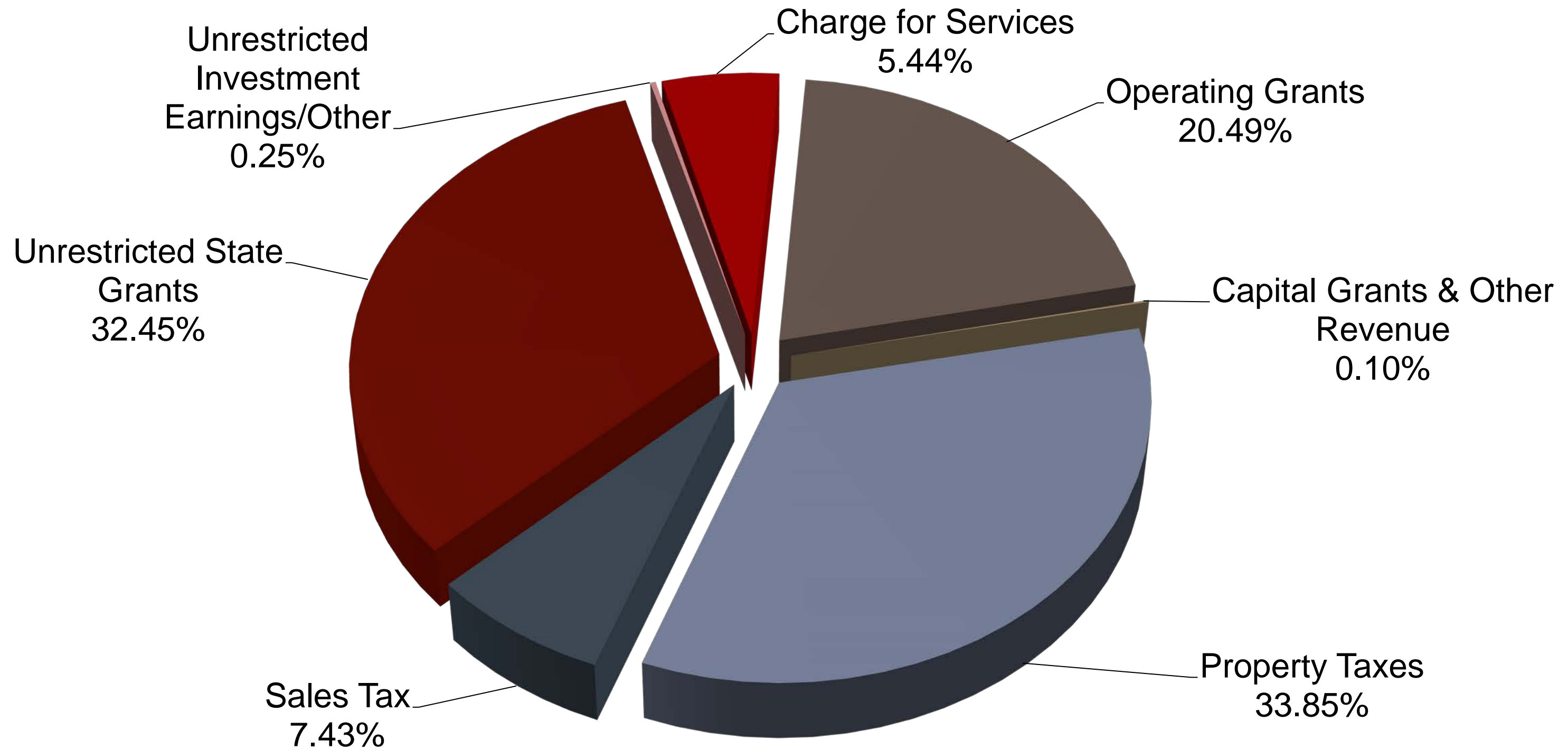


**Audit Report for the Year Ending June 30, 2022**  
**Presented to the Board of Education on January 23, 2023**

# Audit

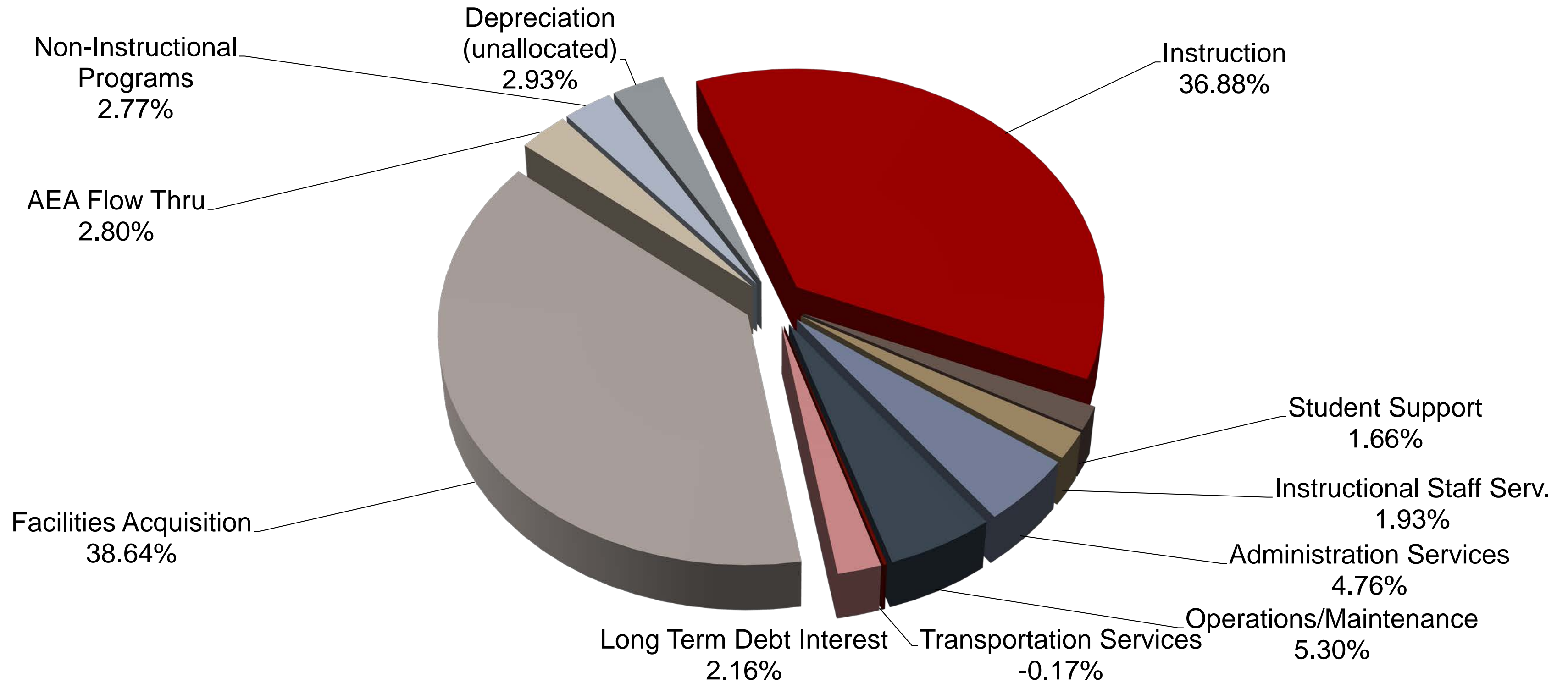
- Auditors' responsibility is to express an opinion on the management's (District) financial statements in accordance with U.S. generally accepted accounting principals.
- Auditors' responsibility is to express an opinion on these financial statements based on their audit. Audit is conducted in accordance with United States generally accepted auditing standards and the standards applicable to financial audits contained in Governmental Audit Standards, issued by the Comptroller General of the United States.

# FY 2022 Revenue – All Funds



Due to rounding percentages may not total 100.00%

# FY 2022 Expenditures – All Funds

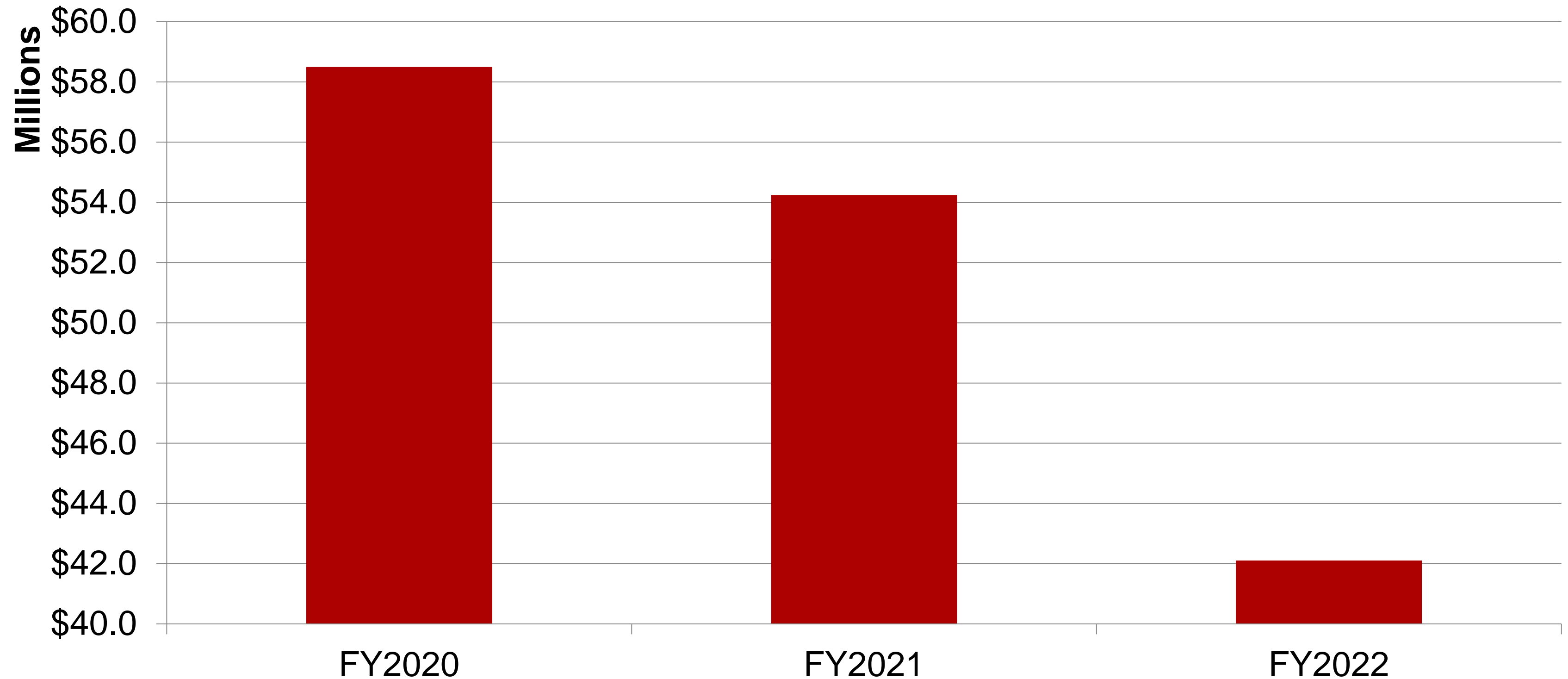


Due to rounding percentages may not total 100.00%

# Condensed Statement of Net Position – Governmental Funds

	FY2020	FY2021	FY2022
Total Assets	\$175,636,521	\$203,345,769	\$280,665,188
Less Total Liabilities	\$90,995,182	\$126,922,982	\$182,056,653
Less Net Deferred Inflows/Outflows	\$26,147,802	\$22,178,465	\$56,500,638
Less Restatement Value	\$ --	\$ --	\$ --
<b>Net Assets</b>	<b>\$ 58,493,537</b>	<b>\$54,244,322</b>	<b>\$42,107,697</b>

# Historical Statement of Net Position – Governmental Funds



# Condensed Balance Sheet – Governmental Funds

	General Fund	Debt Service	Capital Projects	Non-Major	Total
<i>Assets</i>					
Cash	\$ 14,445,058	\$ 63,112	\$ 80,588,807	\$ 1,482,056	\$ 96,579,033
Receivables	\$ 2,121,428	\$ 13,171	\$ 525,857	\$ 5,965	\$ 2,666,421
Succeeding Year	\$ 23,406,605	\$ 7,409,358	\$ 3,965,893	\$ 807,229	\$ 35,589,085
Inventories	\$ 40,031	\$ -	\$ -	\$ -	\$ 40,031
Total Assets	\$ 40,013,122	\$ 7,485,641	\$ 85,080,557	\$ 2,295,250	\$ 134,874,570
<i>Liabilities/Inflows/Balance</i>					
<i>Liabilities</i>					
Accounts Payable	\$ 943,150	\$ -	\$ 696,500	\$ 18,996	\$ 1,658,646
Salaries/Benefits Payable	\$ 7,105,613	\$ -	\$ -	\$ -	\$ 7,105,613
Total Liabilities	\$ 8,048,763	\$ -	\$ 696,500	\$ 18,996	\$ 8,764,259
Deferred Inflows	\$ 23,406,605	\$ 7,409,358	\$ 3,965,893	\$ 807,229	\$ 35,589,085
<i>Fund Balance</i>					
Nonspendable	\$ 40,031	\$ -	\$ -	\$ -	\$ 40,031
Restricted	\$ 1,167,816	\$ 76,283	\$ 80,418,164	\$ 1,469,025	\$ 83,131,288
Unassigned	\$ 7,349,907	\$ -	\$ -	\$ -	\$ 7,349,907
Total Fund Balance	\$ 8,557,754	\$ 76,283	\$ 80,418,164	\$ 1,469,025	\$ 90,521,226
T Liabilities/Inflows/Balance	\$ 40,013,122	\$ 7,485,641	\$ 85,080,557	\$ 2,295,250	\$ 134,874,570

# Statement of Net Position – Proprietary Funds

	School Nutrition	Coffee Shop	Total
<b>Current Assets</b>			
Cash	\$ 2,364,657	\$ 15,675	\$ 2,380,332
Receivables	\$ 10,858		\$ 10,858
Inventories	\$ 76,791	\$ -	\$ 76,791
<i>Total Current Assets</i>	\$ 2,452,306	\$ 15,675	\$ 2,467,981
<b>Noncurrent Assets</b>			
Capital Assets, net of accumulated depreciation	\$ 111,285	\$ -	\$ 111,285
<b>Total Assets</b>	<b>\$ 2,563,591</b>	<b>\$ 15,675</b>	<b>\$ 2,579,266</b>
<b>Deferred Pension Related Outflows</b>	<b>\$ 104,719</b>	<b>\$ -</b>	<b>\$ 104,719</b>
<b>Current Liabilities</b>			
Accounts Payable	\$ 138,126	\$ -	\$ 138,126
Salaries/Benefits Payable	\$ 37,215	\$ -	\$ 37,215
Total Current Liabilities	\$ 175,341	\$ -	\$ 175,341
<b>Noncurrent Pension Liability</b>	<b>\$ 14,062</b>	<b>\$ -</b>	<b>\$ 14,062</b>
<b>Total Liabilities</b>	<b>\$ 189,403</b>	<b>\$ -</b>	<b>\$ 189,403</b>
<b>Deferred Pension Related Inflows</b>	<b>\$ 518,013</b>	<b>\$ -</b>	<b>\$ 518,013</b>
<b>Net Position</b>			
Invested in capital assets	\$ 111,285	\$ -	\$ 111,285
Unrestricted	\$ 1,849,609	\$ 15,675	\$ 1,865,284
Total net position	\$ 1,960,894	\$ 15,675	\$ 1,976,569

# Governmental Capital Assets

		2020	2021	2022	3 Yr. % Change
<i>Assets Not Depreciated</i>					
A.	Land	\$ 3,745,334	\$ 3,745,334	\$ 3,745,334	0.00%
B.	Construction in Progress	\$ 363,223	\$ 363,223	\$ 37,267,773	99.03%
C.	Total (A + B)	\$ 4,108,557	\$ 4,108,557	\$ 41,013,107	89.98%
	Assets Depreciated				
D.	Land Improvements	\$ 3,169,966	\$ 3,169,966	\$ 3,153,099	-0.53%
E.	Buildings	\$ 143,934,539	\$ 143,934,539	\$ 143,922,047	-0.01%
F.	Furniture & Equipment	\$ 6,725,823	\$ 6,889,185	\$ 7,033,297	4.37%
G.	Total (C + D + E)	\$ 153,830,328	\$ 153,993,690	\$ 154,108,443	0.18%
	<i>Less Accumulated Depreciation</i>				
H.	Bldgs & Improvements	\$ 35,096,728	\$ 37,923,742	\$ 40,743,799	13.86%
I.	Improve. Other than Bldg.	\$ 2,935,020	\$ 2,960,850	\$ 3,009,671	2.48%
J.	Furniture & Equipment	\$ 1,796,791	\$ 1,644,224	\$ 1,980,843	9.29%
K.	Vehicles	\$ 3,269,760	\$ 3,666,474	\$ 3,596,619	9.09%
	Net Depreciated Assets				
L.	(G - H - I - J - K)	\$ 110,732,029	\$ 107,798,400	\$ 104,777,511	-5.68%
	Gov't Activities Net Capital Assets (C + L)	\$ 114,840,586	\$ 111,906,957	\$ 145,790,618	21.23%

# Business & District Total Capital Assets

		2020	2021	2022	3 Yr. % Change
Business type Activities					
	Furniture/Equip./Vehicles	\$ 537,505	\$ 537,505	\$ 612,960	12.31%
	Less Accum. Depreciation	\$ 461,930	\$ 481,266	\$ 501,674	7.92%
	Business type Activities Net Capital Assets	\$ 75,575	\$ 56,239	\$ 111,286	32.09%
Total Net Capital Assets		\$ 114,916,161	\$ 111,963,196	\$ 145,901,904	21.24%

# Debt

	Balance 6/30/20	Balance 6/30/21	Balance 6/30/2022	Due Within 1 Year
Government Activities				
General Obligation Bonds				
Bonds Payable	\$ 28,220,000	\$ 26,795,000	\$ 25,345,000	\$ 1,475,000
Bonds Payable Premium	\$ 745,920	\$ 699,300	\$ 652,680	\$ 46,620
Total G.O. Bonds	\$ 28,965,920	\$ 27,494,300	\$ 25,997,680	\$ 1,521,620
Revenue Bonds				
Bonds Payable (2011 & 2013)	\$ 2,860,000	\$ -	\$ 69,900,000	\$ 2,345,000
Discount	\$ -	\$ -	\$ -	\$ -
Premium	\$ 15,165	\$ -	\$ 136,652	\$ 6,507
Bonds Payable (2016)	\$ 11,055,000	\$ 9,920,000	\$ 8,760,000	\$ 1,180,000
Bonds Payable (2019)	\$ 9,050,000	\$ 8,825,000	\$ 8,600,000	\$ 755,000
Bonds Payable (2021)	\$ -	\$ 32,900,000	\$ 31,400,000	\$ 1,000,000
Total Revenue Bonds	\$ 22,980,165	\$ 51,645,000	\$ 118,796,652	\$ 5,286,507.00
Total Bonds	\$ 51,946,085	\$ 79,139,300	\$ 144,794,332	\$ 6,808,127.00
Other Liabilities				
Note Payable	\$ -			\$ -
Compensated Absences	\$ 246,388	\$ 233,779	\$ 234,071	\$ 234,071
Net OPEB Liability	\$ 2,603,205	\$ 2,964,534	\$ 2,527,478	\$ -
Total Other Liabilities	\$ 2,849,593	\$ 3,198,313	\$ 2,761,549	\$ 234,071
Long-term Debt less Pension	\$ 54,795,678	\$ 82,337,613	\$ 147,555,881	\$ 7,042,198
Net Pension Liability	\$ 28,478,270	\$ 34,313,136	\$ 25,368,025	\$ -
Total Gov't Long-term Debt	\$ 83,273,948	\$ 116,650,749	\$ 172,923,906	\$ 7,042,198
Business Type Activities				
Net Pension Liability	\$ 581,189	\$ 700,268	\$ 14,062	\$ -
Grand Total - Government & Business Type Activities	\$ 83,855,137	\$ 117,351,017	\$ 172,937,968	\$ 7,042,198

# Component Unit

- District component unit (Cedar Falls Schools Foundation) activities are included.

Net Position - July 1, 2021		\$ 3,959,887
Income		
Contributions/Restricted Income	\$ 1,328,768	
Other Income	\$ 115,871	
Investment Income	\$ (614,062)	
		<u>\$ 830,577</u>
Total Available		\$ 4,790,464
Expenses		
		<u>\$ 181,583</u>
Net Position - June 30, 2022		<u>\$ 4,608,881</u>

# Part I: Summary of the Independent Auditors' Results

- a. Unmodified opinion was issued on the financial statements prepared in accordance with U.S. generally accepted accounting principals.
- b. The audit did not disclose any significant deficiencies in internal controls over financial reporting.
- c. The audit did not disclose any non-compliance which is material to the financial statements.
- d. The audit did not disclose any significant deficiencies in internal control over major programs.

# Part I: Summary of the Independent Auditors' Results

- e. An unmodified opinion was issued on compliance with requirements applicable to each major program
- f. The audit did not disclose any findings which were required to be reported in accordance with the Uniform Guidance, Section 200.515.
- g. Major programs were as follows:
  - Child Nutrition Cluster
  - ESSER
- h. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
- i. Cedar Falls Community School **did qualify** as a low-risk auditee.

# Part II: Findings Related to the Financial Statements

## Instances of Non-Compliance

No matters were noted.

## Internal Control Deficiencies:

No matters were noted.

# Part III: Findings and Questioned Costs for Federal Awards

## Instances of Non-Compliance

No matters were noted.

## Internal Control Deficiencies:

No matters were noted.

## Part IV: Other Findings Related to Required Statutory Reporting

- A. Certified Budget – Expenditures for the year ending June 30, 2022 did not exceed the amended certified budget amounts.
- B. No expenditures we believe may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979 were noted.
- C. No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.
- D. No business transactions between the District and District officials or employees were noted.

## Part IV: Other Findings Related to Required Statutory Reporting

- E. No transactions were noted between the District, District officials or District employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.
- F. Surety bond coverage of District officials and employees is in accordance with statutory provisions.
- G. No transactions requiring Board approval which had not been approved by the Board were noted.
- H. No variances in the basic enrollment data certified to the Iowa Department of Education were noted.
- I. No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.

## Part IV: Other Findings Related to Required Statutory Reporting

- J. No instances of non-compliance with the deposit and investment provisions of Chapter 12B & Chapter 12C of the Code of Iowa and District investment policy were noted.
- K. Certified Annual Report was filed with the Department of Education timely with no significant deficiencies in the amounts reported.
- L. No instances of categorical funding used to supplant rather than supplement other funds.

## Part IV: Other Findings Related to Required Statutory Reporting

- M.** No instances of non-compliance with the use of Statewide Sales and Service Tax revenue provisions of Chapter 423F of the Code of Iowa were noted.

# Acknowledgements

- Special thank you to the staff at Carney, Alexander, Marold & Co.
- Special thank you to the entire business office staff
  - Jana Speck
  - Lisa Voves
  - Michelle Weber
  - Lori Wiley
- Also a special thank you to
  - Carrie DeBerg (Special Ed)
  - Pam Zeigler (Title I)
  - Jill White (Medicaid)
  - Allison Ketter & Deana Owens (Food Service)

