



Waterford School District

Audit Results
June 30, 2025

PRESENTED BY
Jennifer Watkins, CPA
Principal




YEO & YEO
BUSINESS SUCCESS
PARTNERS

Audit Overview

- Highest level of assurance service that a CPA performs
- Intended to provide a user comfort on the accuracy of financial statements
- Procedures are performed to obtain “reasonable assurance” (high but not absolute assurance) about whether the financial statements are free from material misstatement
- Reports any significant deficiencies or material weaknesses in the system of internal control that are identified during the audit
- Formal report that expresses an opinion on the financial statements



Audit Opinion

- Unmodified Opinion
 - Highest Level of Assurance
 - 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 Project Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	2020 Series II	2020 Series III		
Assets					
Cash	\$ 12,199,727	\$ 9,501,104	\$ 45,164,860	\$ 9,967,734	\$ 76,833,425
Accounts receivable	321,058	-	-	252,106	573,164
Leases receivable	3,332,943	-	-	-	3,332,943
Due from other funds	2,185,574	5,425	-	-	2,190,999
Due from other governmental units	19,485,370	-	-	-	19,485,370
Inventory	-	-	-	46,329	46,329
Prepaid items	623,822	-	-	1,487	625,309
Total assets	\$ 38,148,494	\$ 9,506,529	\$ 45,164,860	\$ 10,267,656	\$ 103,087,539
Liabilities					
Accounts payable	\$ 2,651,727	\$ 4,018,753	\$ 224,952	\$ 153,615	\$ 7,049,047
Due to other funds	5,425	-	-	2,185,574	2,190,999
Payroll deductions and withholdings	4,707,712	-	-	-	4,707,712
Accrued expenditures	70,329	-	-	-	70,329
Accrued salaries payable	6,126,176	-	-	-	6,126,176
Unearned revenue	3,624,558	-	-	585,098	4,209,656
Total liabilities	17,185,927	4,018,753	224,952	2,924,287	24,353,919



Balance Sheet

Governmental Funds

	Capital Project Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	2020 Series II	2020 Series III		
Deferred inflows of resources					
Unavailable					
Grants Received	\$ 668,475	\$ -	\$ -	\$ -	\$ 668,475
Leases	3,332,943	-	-	-	3,332,943
Total deferred inflows of resources	4,001,418	-	-	-	4,001,418
Fund Balance					
Non-spendable	623,822	-	-	46,329	670,151
Restricted for					
Food service	-	-	-	2,187,514	2,187,514
Debt service	-	-	-	1,424,743	1,424,743
Capital projects	-	5,487,776	44,939,908	-	50,427,684
Special education center programs	-	-	-	1,313,906	1,313,906
Committed - student activity	-	-	-	1,193,531	1,193,531
Assigned					
Budgeted use of fund balance in subsequent years	1,584,375	-	-	-	1,584,375
Capital projects	-	-	-	1,177,346	1,177,346
Unassigned	14,752,952	-	-	-	14,752,952
Total fund balance	16,961,149	5,487,776	44,939,908	7,343,369	74,732,202
Total liabilities, deferred inflows of resources, and fund balance	\$ 38,148,494	\$ 9,506,529	\$ 45,164,860	\$ 10,267,656	\$ 103,087,539



Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

	Capital Project Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	2020 Series II	2020 Series III		
Revenues and other sources	\$ 127,664,816	\$ 1,129,837	\$ 45,605,740	\$ 49,798,832	\$ 224,199,225
Expenditures and other uses	<u>127,421,896</u>	<u>26,062,517</u>	<u>665,832</u>	<u>50,245,577</u>	<u>204,395,822</u>
Change in fund balance	242,920	(24,932,680)	44,939,908	(446,745)	19,803,403
Fund balance July 1, 2024	<u>16,718,229</u>	<u>30,420,456</u>	<u>-</u>	<u>7,790,114</u>	<u>54,928,799</u>
Fund balance June 30, 2025	<u>\$ 16,961,149</u>	<u>\$ 5,487,776</u>	<u>\$ 44,939,908</u>	<u>\$ 7,343,369</u>	<u>\$ 74,732,202</u>



Budgetary Comparison

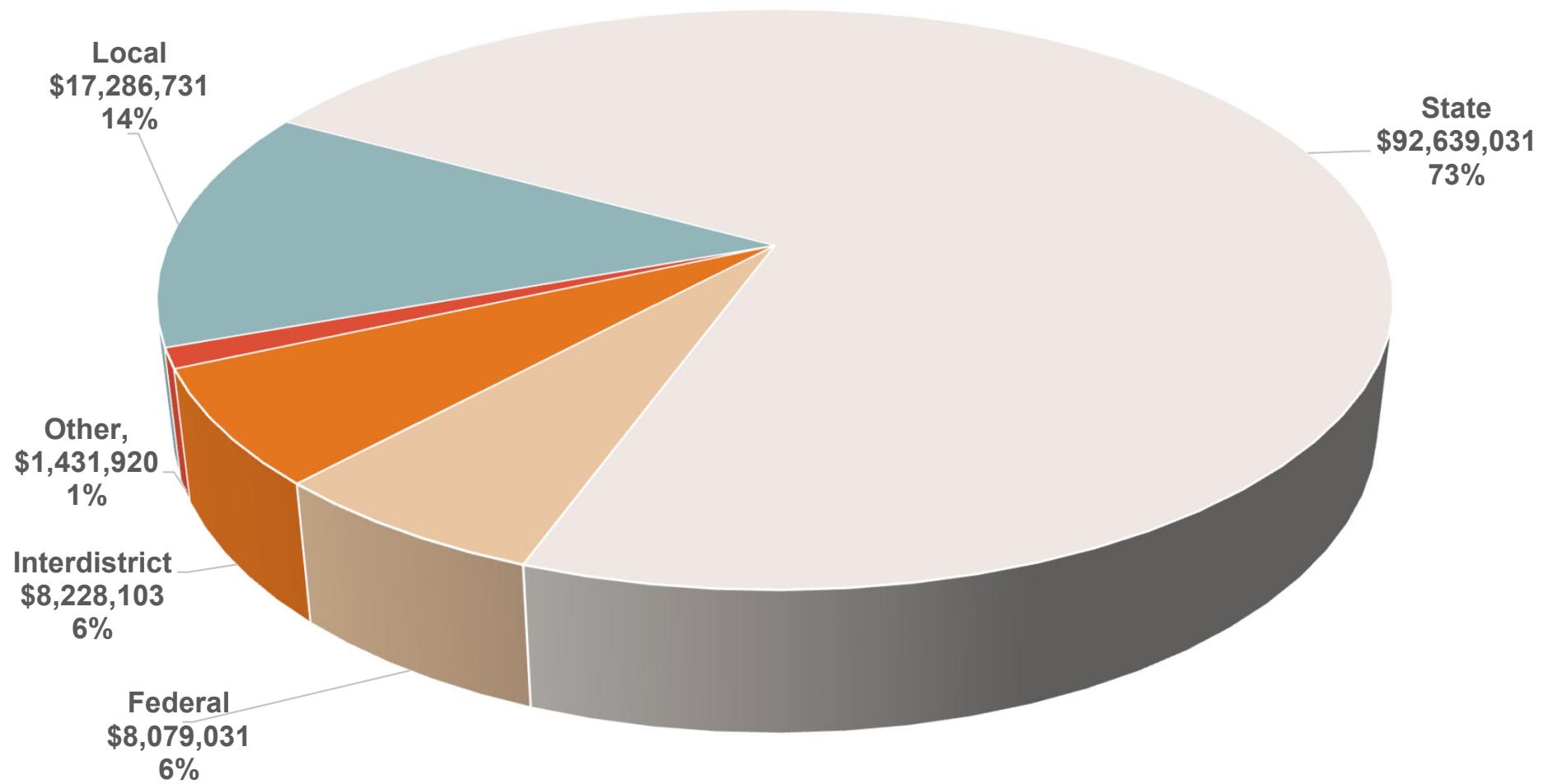
General Fund

	Original Budget	Final Budget	Actual	Percent Accurate
Revenues and other sources	\$ 120,605,495	\$ 128,071,819	\$ 127,664,816	99.68%
Expenditures and other uses	<u>120,182,785</u>	<u>130,800,475</u>	<u>127,421,896</u>	97.42%
	<u>\$ 422,710</u>	<u>\$ (2,728,656)</u>	<u>\$ 242,920</u>	



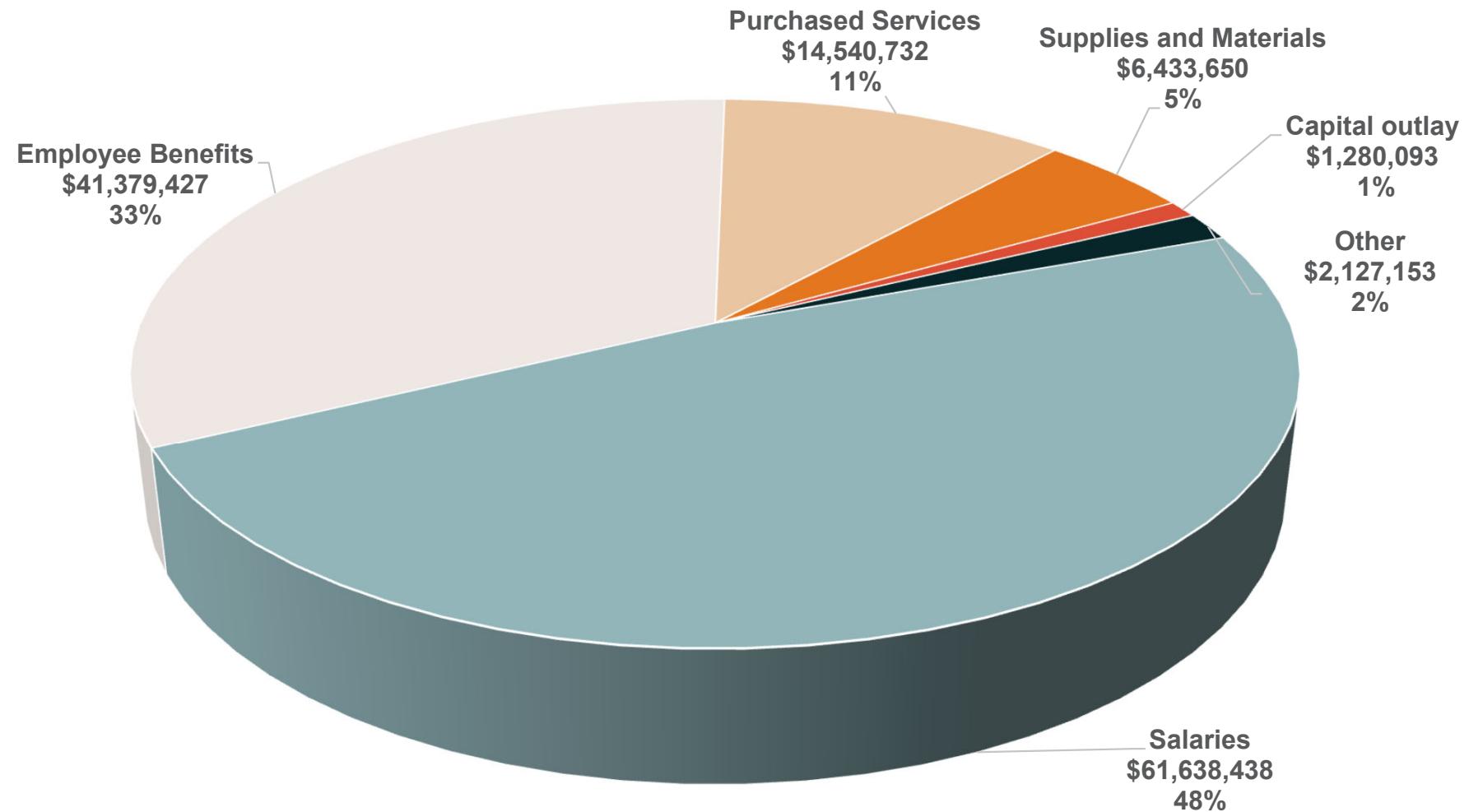
General Fund Revenue

(Includes Other Financing Sources)



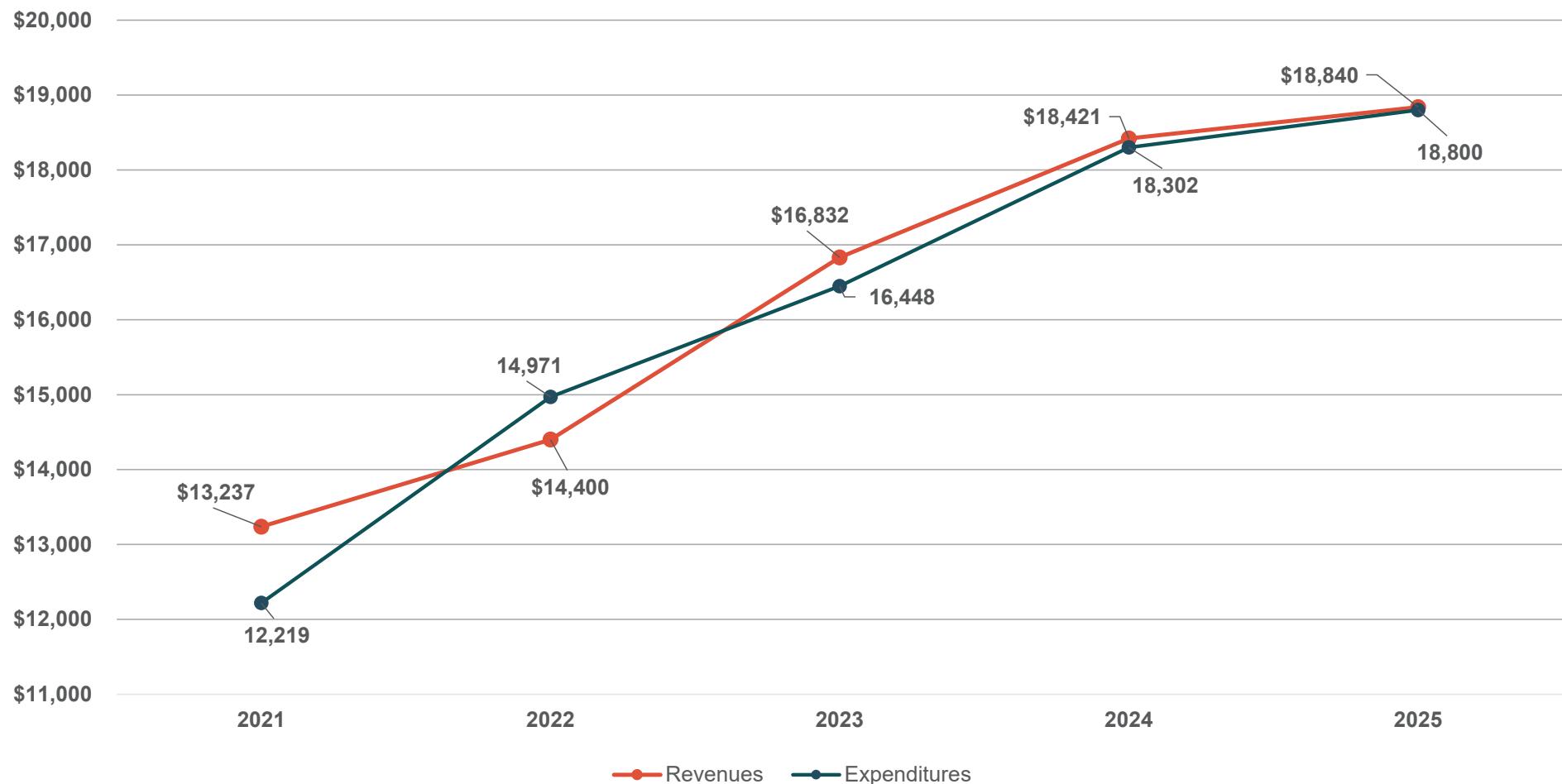
General Fund Expenditures

(Includes Other Financing Uses)

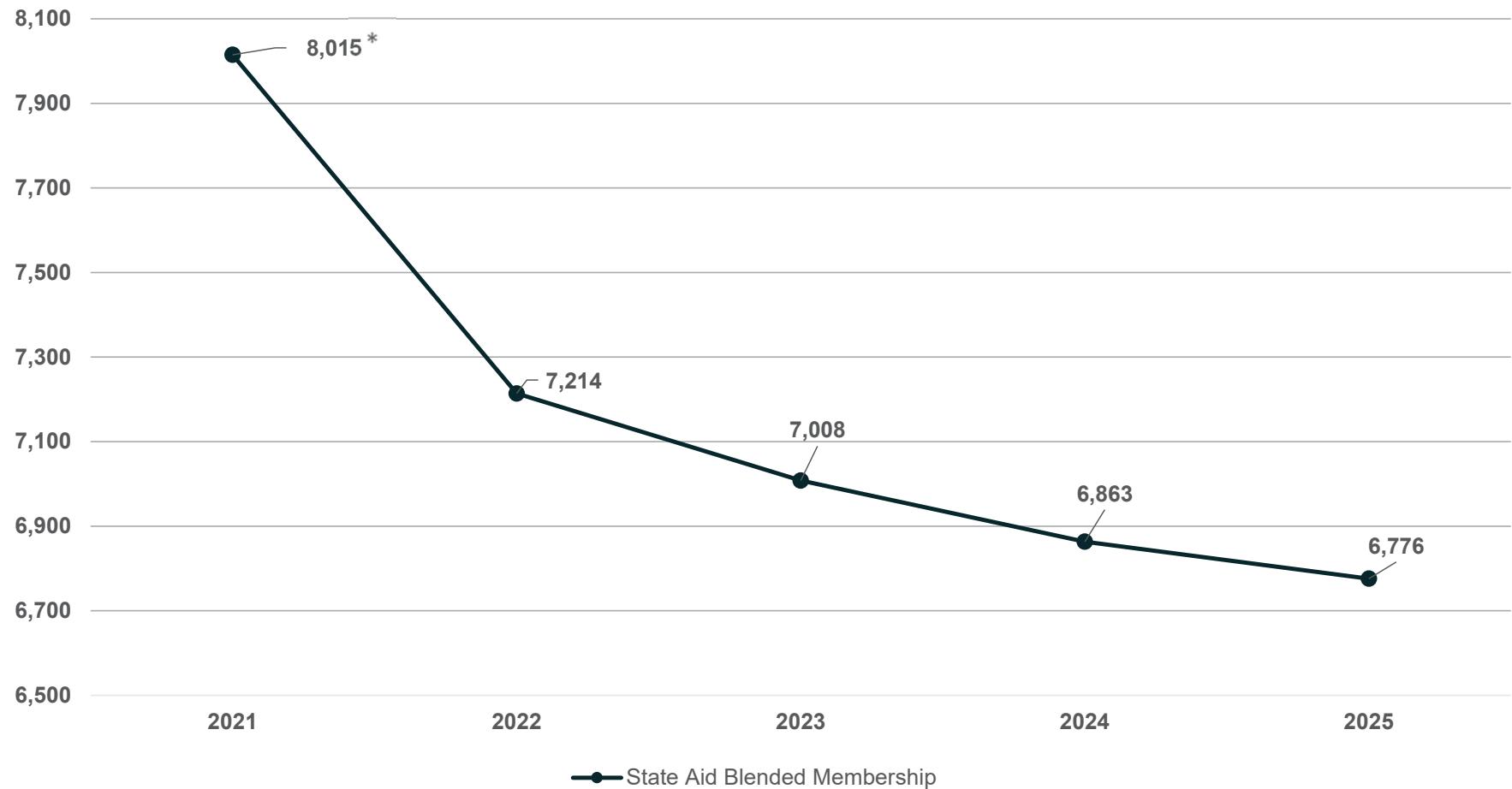


Per-Pupil Analysis of Revenues, Expenditures, and Transfers

General Fund



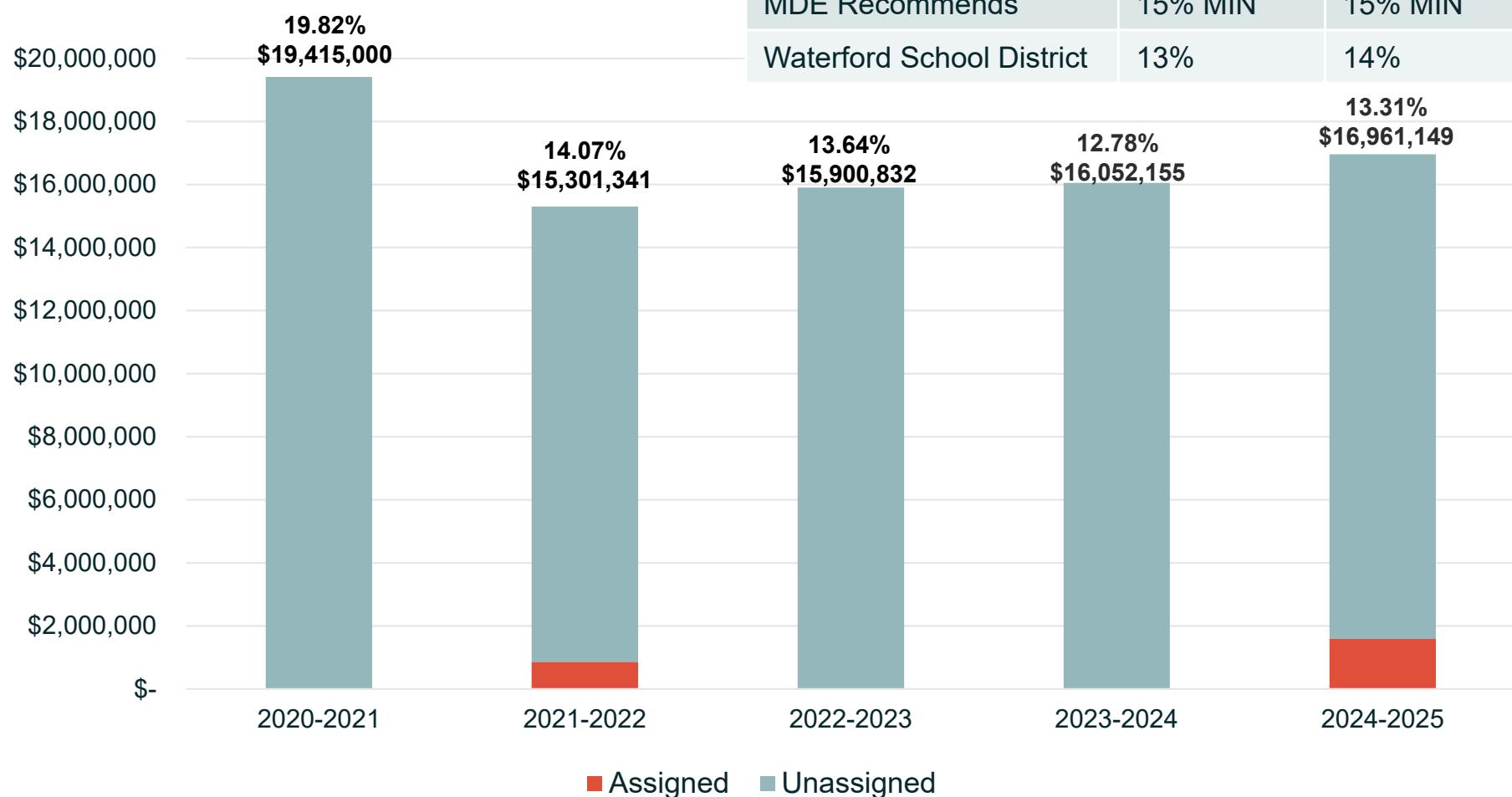
Five Year Enrollment Trend Analysis



* State aid blended membership was based on the “super blend”, calculated on 25% of the 2020-21 student blend and 75% of the 2019-20 student blend due to COVID-19

Fund Balance as Percentage of Expenditures

General Fund



Internal Controls and Compliance

Financial Statements

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



Single Audit Overview

- Financial and compliance audit that assesses whether a non-federal entity is spending federal funds properly
- Applies to non-federal entities that receive at least \$750,000 in federal financial assistance in a year
- Major Programs - Unmodified Opinion
 - Child Nutrition Cluster
 - Education Stabilization Fund (ESSER)



Internal Controls and Compliance

Federal Awards

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



Governance Letter

- Required Communication
 - Adoption of GASB 101 – Compensated Absences
 - Adoption of GASB 102 – Certain Risk Disclosures
- Management Comments
 - None



Prior Year Follow-up

- Prior Year Findings
 - Budget Overages – Resolved
- Prior Year Management Recommendations
 - Budget Overages – Resolved



Report Card

- Financials Statements
 - Unmodified opinion 
 - General fund balance – within 2% of MDE recommendation 
- Single Audit
 - Unmodified opinion on major programs 
- Findings
 - No Material Weaknesses 
 - No Material Noncompliance 
 - No Significant Deficiency 
- Audit submitted timely to the state and feds 
- Management Comments 

Let's thrive.

Through our family of companies, we work with you to achieve your unique goals.

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CONNECT



Disclaimer

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Due to a delay in the U.S Office of Management and Budget (OMB) issuing the final Compliance Supplement for 2025 Federal Single Audits, the final audit reports for the School District have not been issued. Information contained in this presentation is in draft form.