



CPAS & ADVISORS

ISD #423 Hutchinson Public Schools

Audit Report

June 30, 2025

Auditor's Opinion

Pages 2-4:

- Financial statements are the responsibility of the District's management
- Our responsibility is to express opinions on these financial statements based on our audit
- Conducted audit in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards*
- Obtain reasonable assurance financials are free from material misstatement

Auditor's Opinion (Cont'd)

Pages 2-4:

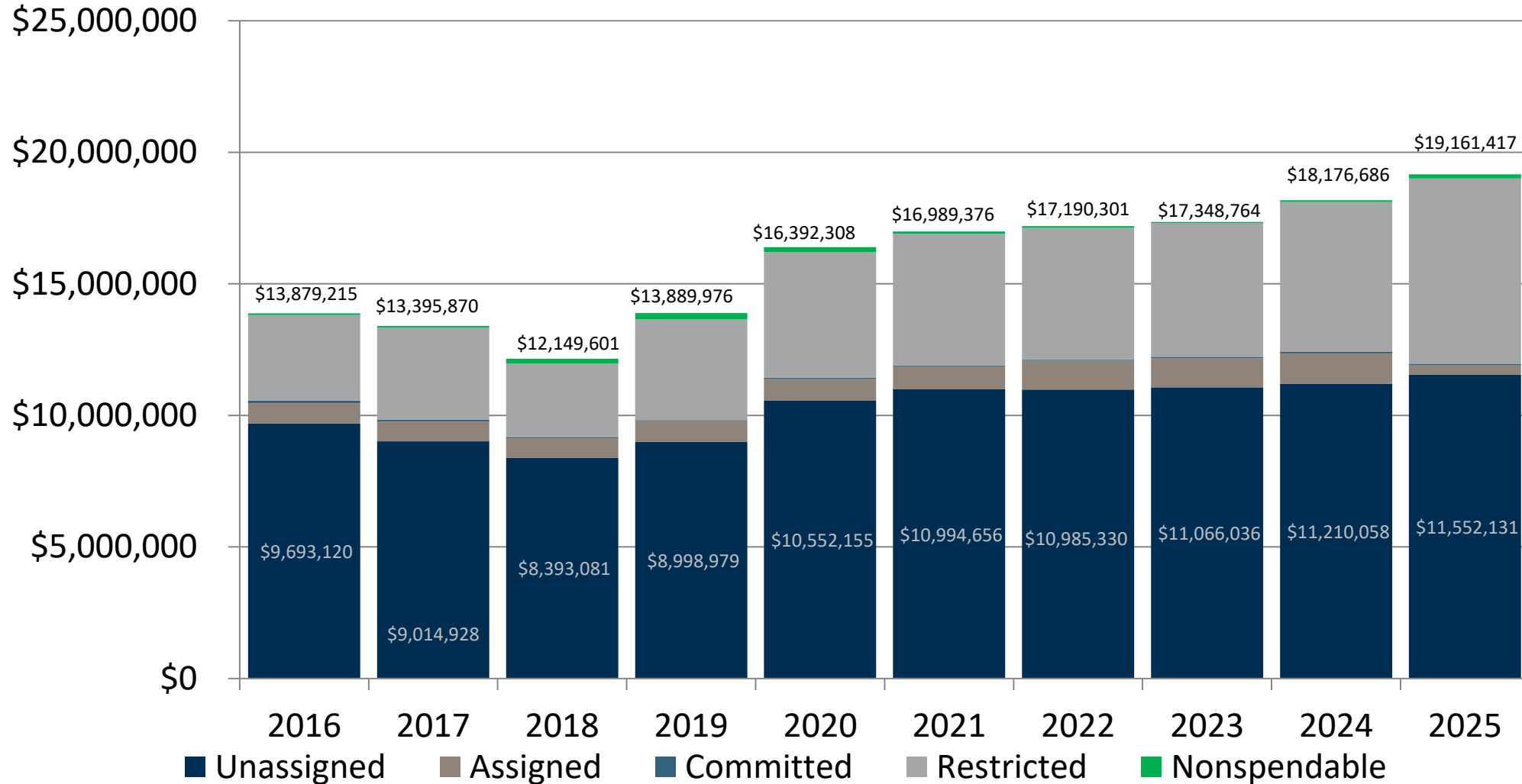
- **Financial statements are presented fairly in our opinion**
- Required Supplementary Information - Management's Discussion & Analysis (pages 5-17)
- Additional Required Supplementary Information (pages 66-82)
- Internal control letter on pages 100-101

Statement of Net Position

	2025	2024	Change
Assets			
Current and Non-Capital	\$ 39,417,042	\$ 41,749,155	\$ (2,332,113)
Capital	96,387,885	94,333,669	2,054,216
Total Assets	<u>135,804,927</u>	<u>136,082,824</u>	<u>(277,897)</u>
 Deferred Outflows of Resources	 <u>7,217,656</u>	 <u>7,641,133</u>	 <u>(423,477)</u>
 Total Assets and Deferred Outflows of Resources	 <u><u>\$ 143,022,583</u></u>	 <u><u>\$ 143,723,957</u></u>	 <u><u>\$ (701,374)</u></u>
 Liabilities			
Current and Short-term	\$ 9,389,204	\$ 9,127,709	\$ 261,495
Long-Term	91,938,060	95,558,494	(3,620,434)
Total Liabilities	<u>101,327,264</u>	<u>104,686,203</u>	<u>(3,358,939)</u>
 Deferred Inflows of Resources	 17,661,806	 12,854,665	 4,807,141
 Net Position			
Net Investment in Capital Assets	29,884,659	27,048,470	2,836,189
Restricted	7,708,335	6,381,987	1,326,348
Unrestricted	<u>(13,559,481)</u>	<u>(7,247,368)</u>	<u>(6,312,113)</u>
Total Net Position	<u>24,033,513</u>	<u>26,183,089</u>	<u>(2,149,576)</u>
 Total Liabilities, Deferred Inflows of Resources and Net Position	 <u><u>\$ 143,022,583</u></u>	 <u><u>\$ 143,723,957</u></u>	 <u><u>\$ (701,374)</u></u>

General Fund – Fund Balance

(Includes Funds 1, 3, and 5)

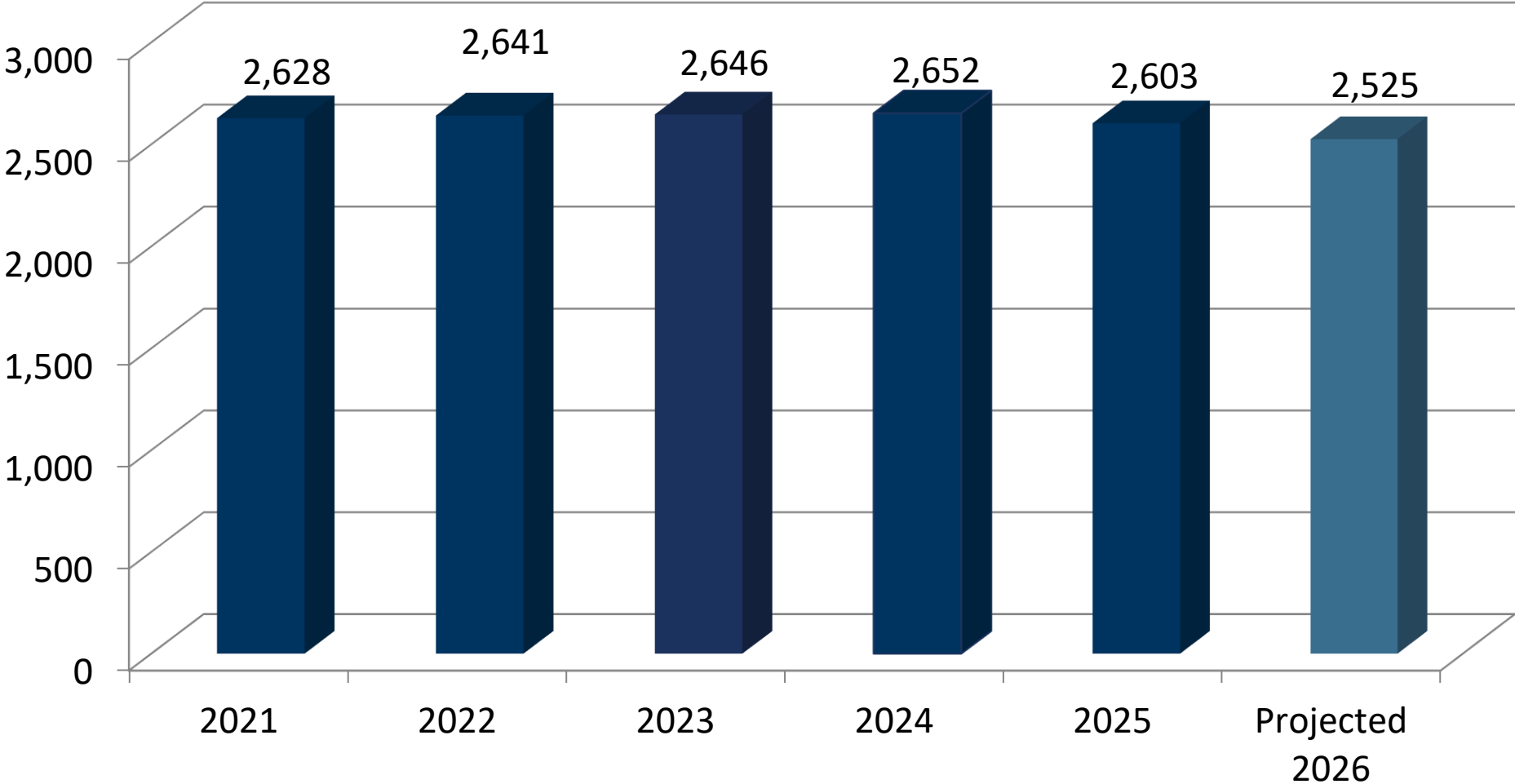


(Cont'd)

**Independent School District #423
General Fund Balance Level Calculation
June 30, 2025**

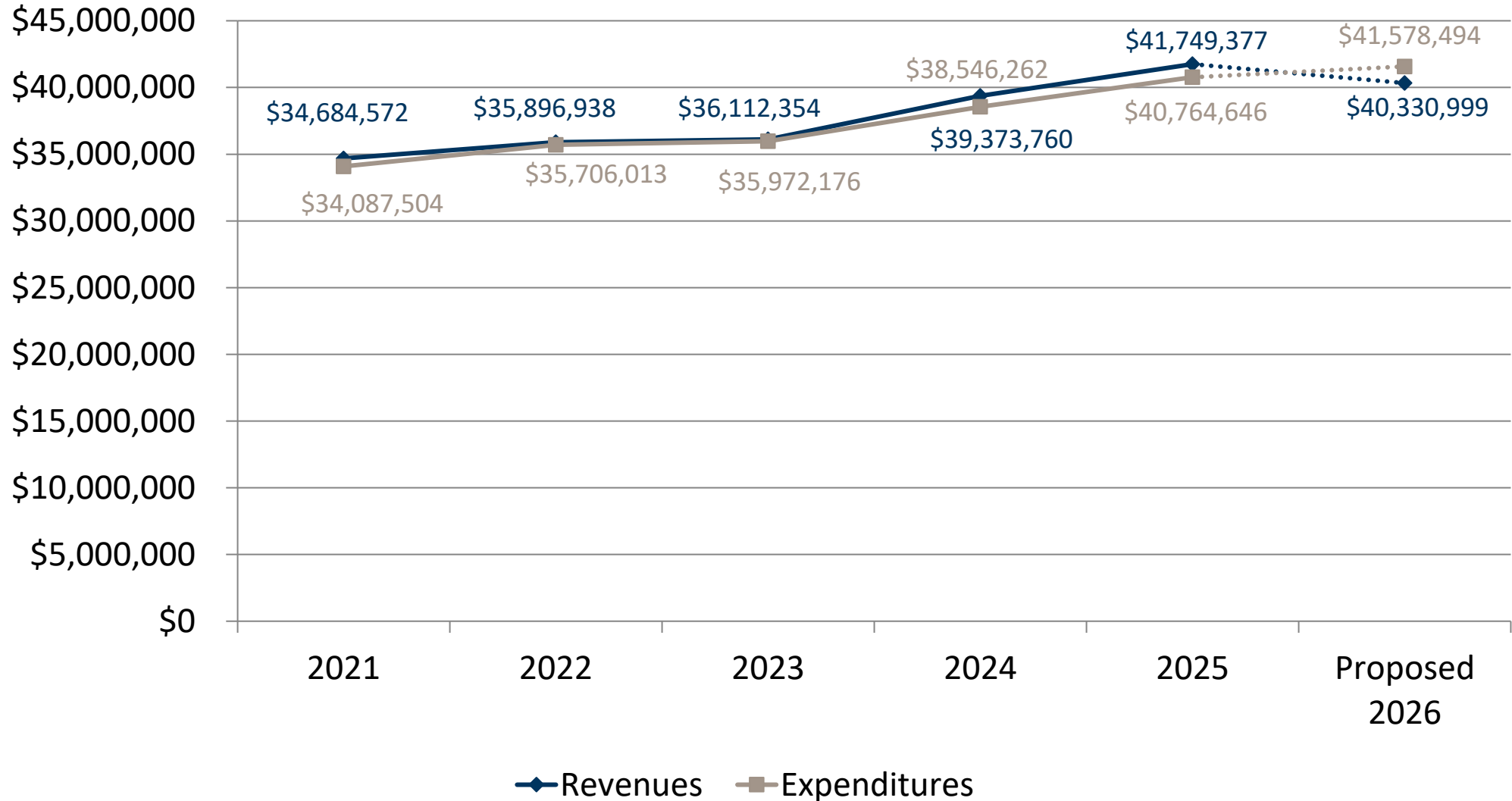
Unassigned General Fund Balance:	\$ 11,552,131
Divided By	/
General Fund Expenditures:	\$ 40,764,646
Equals Months' Worth of Expenditures Percentage:	28.3%
Multiplied By 12 Months:	<u>12</u>
Equals Months' Worth of Expenditures (Rounded):	3 Months

Hutchinson Enrollment

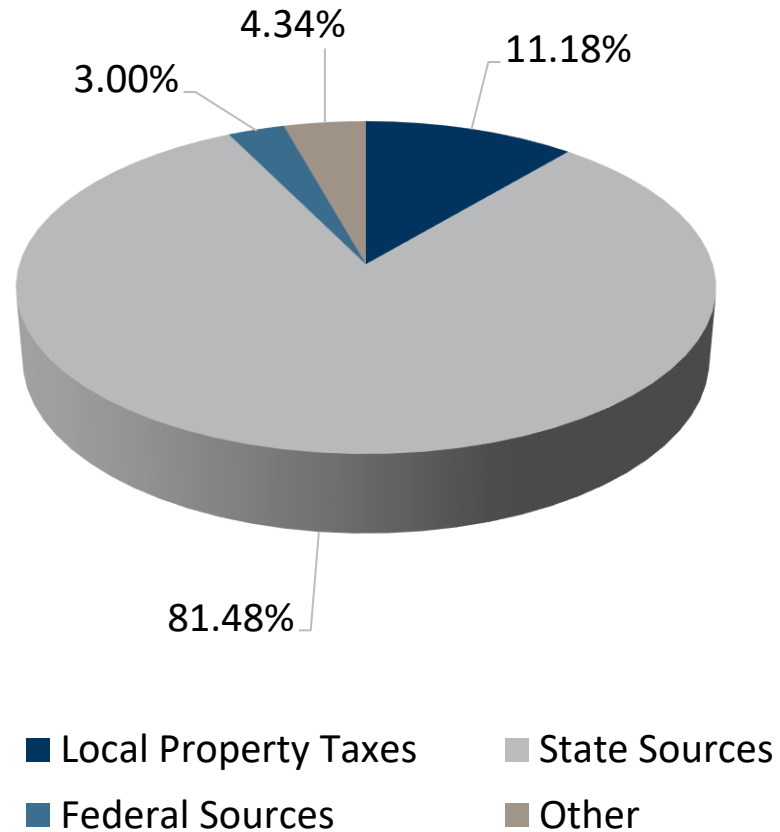


Average Daily Membership (ADM)

Expenditures



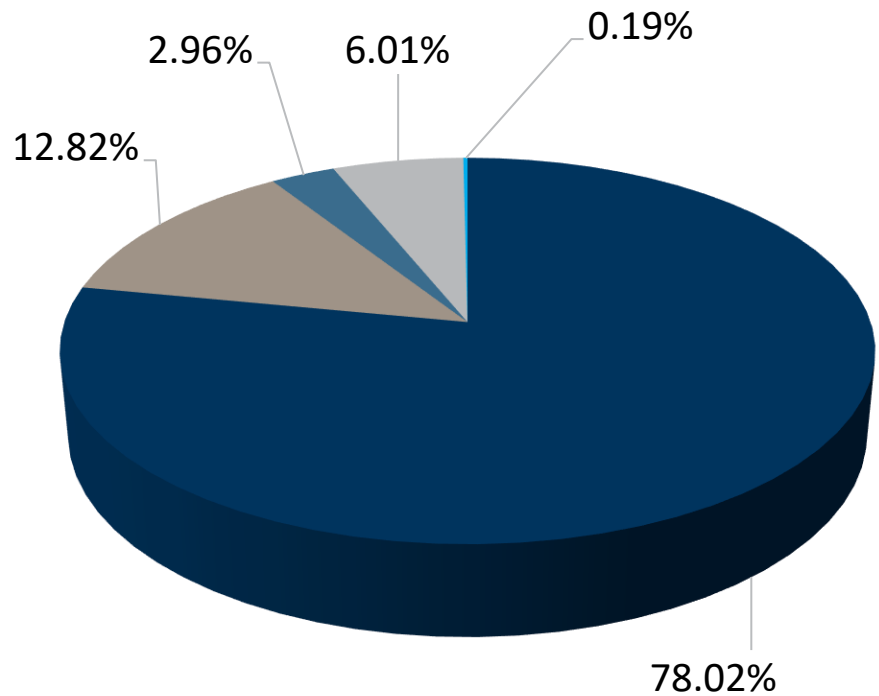
General Fund Revenues



In Thousands

	Local Property Taxes	State Sources	Federal Sources	Other
2025	\$ 4,669	\$ 34,017	\$ 1,253	\$ 1,810
2024	4,636	31,482	1,576	1,679
2023	4,380	27,915	2,562	1,255
2022	4,686	27,293	3,172	747
2021	4,224	27,422	2,339	700

General Fund Expenditures

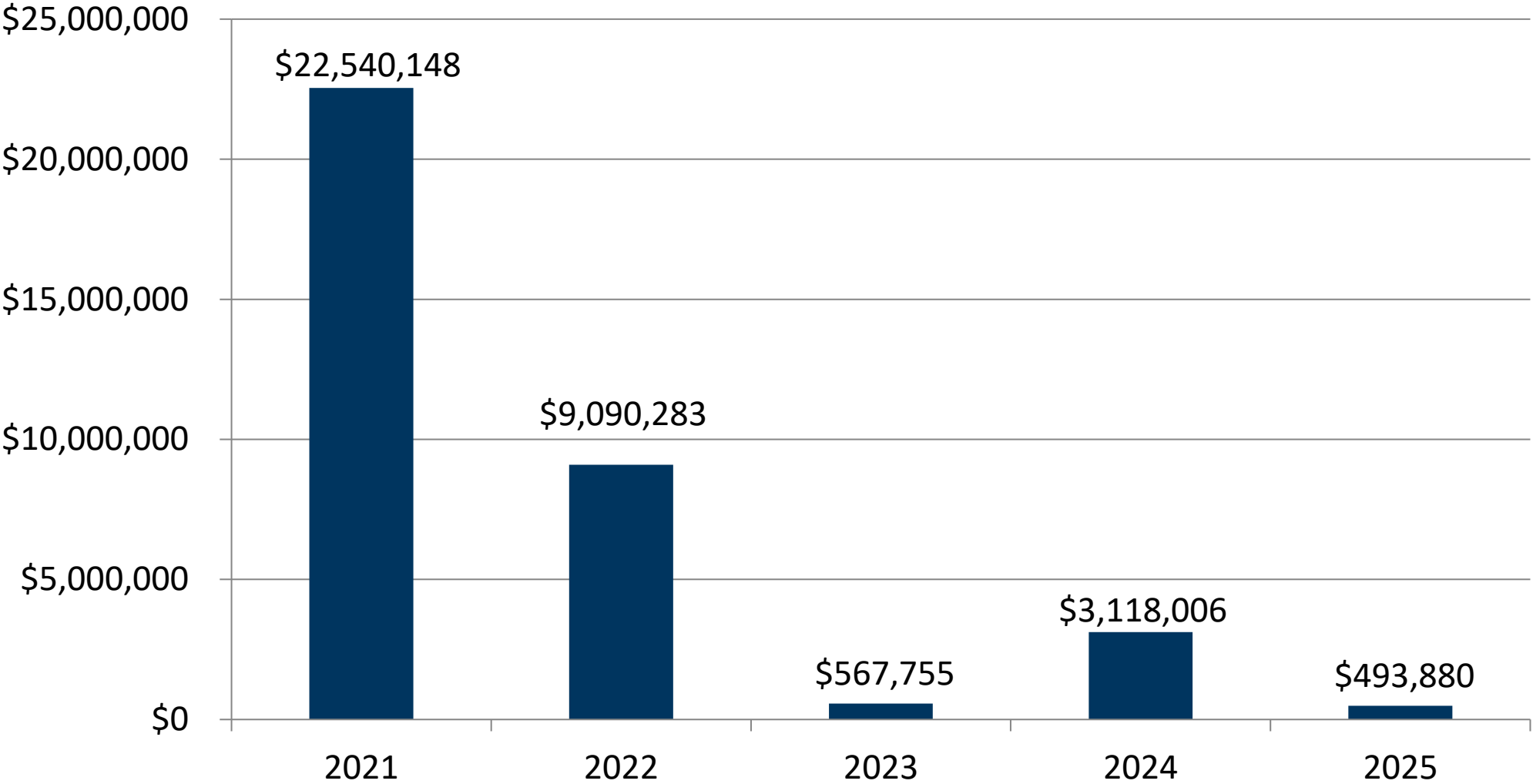


- Salaries and Benefits
- Purchased Services
- Supplies and Materials
- Capital
- Other

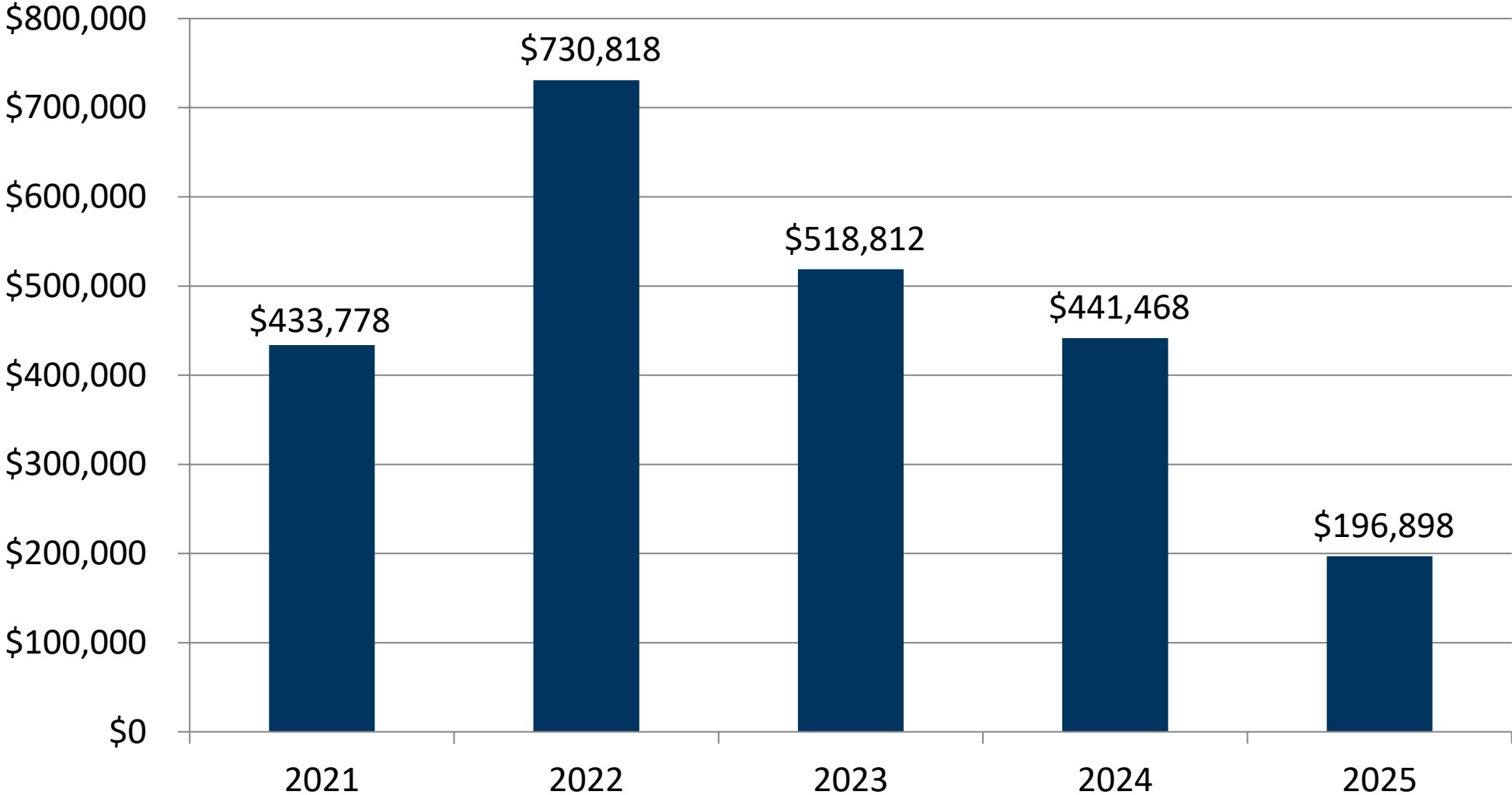
In Thousands

	Salaries & Benefits	Purchased Services	Supplies & Materials	Capital	Other
2025	\$ 31,804	\$ 5,229	\$ 1,207	\$ 2,448	\$ 77
2024	30,892	4,918	1,182	1,212	343
2023	27,515	4,959	1,332	2,015	152
2022	27,290	4,960	1,045	2,261	148
2021	25,586	3,903	1,119	3,340	139

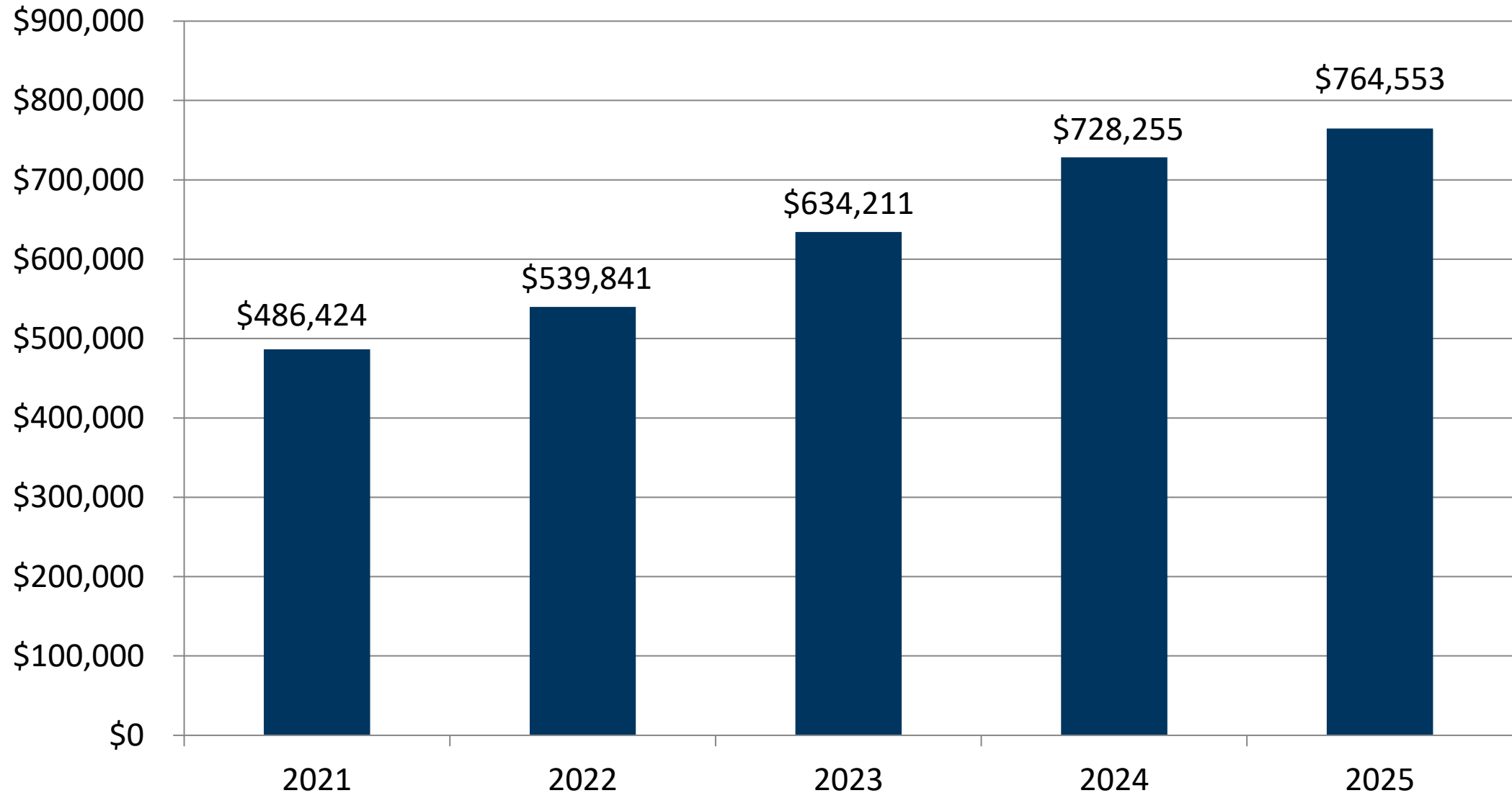
Building Construction Fund Balance



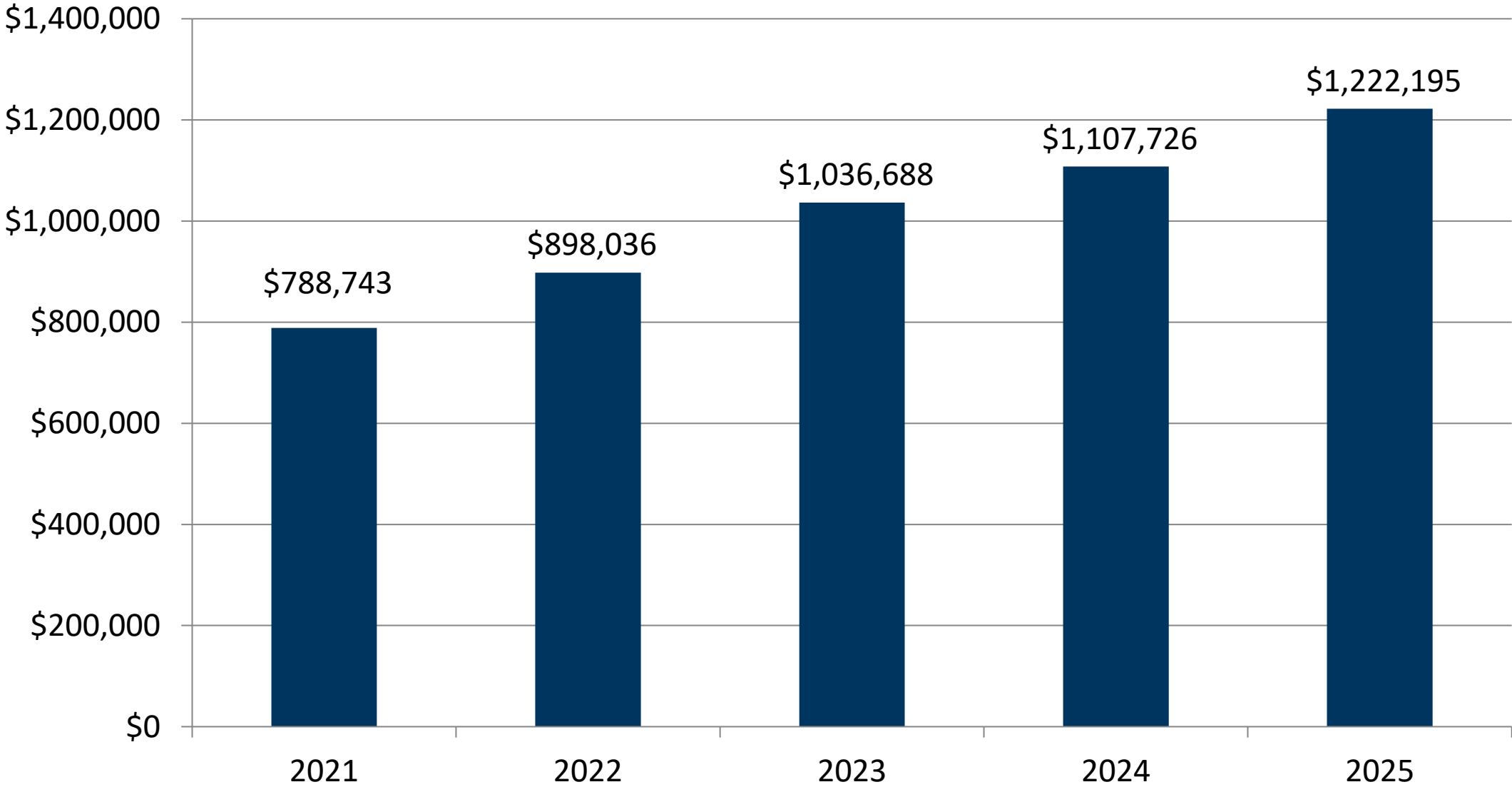
Food Service Fund Balance



Community Service Fund Balance



Debt Service Fund Balance



Compliance Section

Minnesota Legal Compliance (page 99)

- In accordance with Audit Guide issued by OSA
- Compliance
 - No compliance issues noted

Government Auditing Standards (pages 100-101)

- Internal Control
 - Significant Deficiency
 - Limited Segregation of Duties
 - Auditor Prepared Financial Statements
- Compliance and Other Matters
 - No instances noted

Communications

- Accounting Practices
- No Difficulties Encountered
- Corrected and Uncorrected Misstatements
- No Disagreements with Management
- Management Representations
- No Management Consultations with Other Accountants
- Other Audit Findings or Issues

Questions or Comments?

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