

Regular School Board Meeting

Tuesday, January 10, 2023 5:30 PM

917 Board Room, 130 145th Street East, Rosemount, MN 55068

I. Call to Order - Chair

II. Conduct Pledge of Allegiance - Chair *(This was conducted at the Board Work Session prior to this meeting.)*

III. Visitors Opportunity to be Heard - Chair *(Collaboration)*

IV. Review and Approve the Agenda - Chair

V. Updates from Student Services and Superintendent - Dr. Melissa Schaller, Dr. Michael Favor *(Communications)*

VI. Consent Items - Chair *(Communications)*

VI.A.

- Minutes
- Personnel
- Policies

VII. Executive Director of Business Services Reports - Nicolle Roush *(Stewardship)*

VII.A.

- Bills
- Wire Transfers
- Investment Reports

VIII. Reports

VIII.A. Approve Audit for 2021-2022 - Nicolle Roush

IX. New Business - Chair *(Collaboration)*

IX.A. Review Temporary Employee Report - Nicolle Roush

IX.B. Review Accounts Receivable Aging Report - Nicolle Roush

IX.C. Appoint Calendar Committee Representative - Dr. Michael Favor

IX.D. Approve Paraprofessional Week January 23-27, 2023 Proclamation and Resolution - Dr. Michael Favor

X. Policies - Supt. Dr. Michael Favor *(Integrity)*

X.A.

- Policy 202 School Board Officers

XI. Updates from Member Districts - All

XII. Adjournment - Chair

Executive Director of Student Services
Board Update
January 2023

Values

Collaboration: Working together to achieve more collectively.

- Inclusive Educator Awards: Individuals that won the ISD 917 Inclusive Educator Award for the 2022-2023 School Year are included for your review [here](#). This is a great way to celebrate the partnerships with educators in our member districts.

Empathy: Considering and respecting the perspective and needs of member districts, students, families and staff.

- Staffing and intakes: The special education administrative team has been meeting to review our waitlist, staffing, and the potential for intakes. We have several new intakes underway in the SUN program at Cedar School. Additionally, given some success with staffing paraprofessionals from a staffing agency over break at Concord Education Center, we will be planning more intakes in the SUN program at CEC in the coming weeks.

Innovation: Ongoing improvement of programs and services.

- Board Certified Behavior Analysts: Our team of board certified behavior analysts (BCBAs) will be meeting the second week in January to plan staffing for the upcoming school year. In particular, the team will consider how to create a leadership structure to further enhance our practices and how other roles, like registered behavior technicians (RBTs), can enhance services in Intermediate School District 917 as well as for our member school districts.

Stewardship: Managing financial and human resources carefully and responsibly.

- Occupational Therapy: This year we have worked with a staffing agency to fill vacancies in our district for occupational therapists. Despite these efforts, we are not fully staffed in this department. The team of OTs has been researching and considering how to implement the role of occupational therapy assistants (OTAs) to efficiently and effectively meet the needs of the students that we serve. At this time the group is working to create a job description and plan for implementation of this role in Intermediate School District 917.

Communication: Multi-dimensional, transparent conversation focused on sharing information and creating a positive learning and working environment.

- District Update: Our most recent Smore for district staff from special education and teaching and learning was sent on December 15. You can click [here](#) to read the latest issue.

Integrity: Aligning our actions with our values and beliefs.

- Career and Technical Education: Prior to winter break, Chris Devine, Marci Levy-Maguire, and I met to discuss planning for our career and technical education (CTE) programs moving forward. Marci created a survey for member

districts to understand what is being offered in other districts. She and Chris will be working with contacts in our member districts to gather this information. We will use this information in conjunction with information we have about enrollments in our programs, staffing, and other factors to plan for future CTE programming in Intermediate School District 917.

Personalization: Building on the strengths and addressing the unique needs of individual students.

- Department of Homeland Security: As part of a long standing commitment, the Department of Homeland Security once again provided a generous donation to Alliance Education Center students right before winter break. This year, in consideration of all of our students, gifts were focused on personal needs.

Equity: Intentionally providing opportunities while removing barriers at all levels of the organization.

- Story Circles: With the school year well underway, the educational administrative team has been discussing their implementation of Story Circles across district programs. Through these discussions, it is evident that implementation is at a variety of stages with some more advanced than others. Dr. Brooke Peterson has continued to meet about Story Circles with the Minnesota Humanities Center. Like with Professional Learning Communities (PLCs), we will be considering the development of a Story Circles guide to ensure implementation fidelity with staff as well as students.

Diversity: Appreciating and valuing everyone's unique selves.

- Sheri Frisque: While Sheri is a teacher of the blind/visually impaired, she also possesses other talents, among those is a generous spirit. Earlier this year, Sheri shared a project she has undertaken with her mother to make fleece mittens that are donated to those in need. Sheri and her mom, coordinating with Marci Levy-Maguire, have brought their talents to the district, teaching anyone who could join, how to make fleece mittens. While the weather has prevented the second of the mitten making events, we look forward to gathering together again soon.

INTERMEDIATE SCHOOL DISTRICT 917

A School Board Meeting of the Intermediate School District 917 School Board was held on Tuesday, December 6, 2022, in the Dakota Room at Dakota County Technical College.

Members Present: Tom Bennett, Kathy Lewis, Wendy Felton, Cindy Nordstrom, Lisa Ehleringer, Lisa Hedin, Byron Schwab, Hannah Simmons, and ex-officio member Superintendent Dr. Michael Favor.

Members Absent: Lesley Chester.

Also Present: Nicolle Roush, Brooke Peterson, Jennifer Olson, Marci Levy-Maguire and Linda Berg.

School Board Chair Cindy Nordstrom called the meeting to order at 5:48 PM.

The Pledge of Allegiance was conducted in the Board Work session prior to this meeting.

There were no visitors to be heard.

1. Motion by Byron Schwab, seconded by Lisa Hedin, to approve the agenda. Voting aye: Tom Bennett, Kathy Lewis, Wendy Felton, Cindy Nordstrom, Lisa Ehleringer, Lisa Hedin, Byron Schwab, Hannah Simmons. Voting naye: None. Motion carried.

Dr. Brooke Peterson reported on updates from Student Services.

Jennifer Olson spoke about the Employee of the Fall Quarter Amy Anderson and Brooke Peterson spoke about Dillon Eddy Teacher of the Fall Quarter.

2. Motion by Hannah Simmons, seconded by Wendy Felton, to approve the consent items, as presented. Voting aye: Tom Bennett, Lesley Chester, Kathy Lewis, Wendy Felton, Cindy Nordstrom, Lisa Ehleringer, Lisa Hedin, Byron Schwab, Hannah Simmons. Voting naye: None. Motion carried.
 - **Minutes:** November 1, 2022, Regular School Board Meeting
 - **Personnel: *New Hires:*** Andrew Hardyman, Classroom assistant, effective November 28, 2022. Claire Wells, Classroom Assistant, effective November 28, 2022. Julie Gomes, School Social Worker, effective November 7, 2022. Kylie Peterson, Classroom Assistant, effective October 31, 2022. Laura Miles, Classroom Assistant, effective November 7, 2022. Sophie Devore, Sign Language Interpreter, effective December 2, 2022. ***Change in Status:*** Adam Rachuy, Teacher, decrease to 0.8 FTE effective November 14, 2022. ***Leave of Absence:*** Danny Hoffman, Technical Tutor, effective November 7 – 23, 2022. ***Resignations and Terminations:*** Correction to year for Chad Dougherty, Teacher, change to effective date from June 9, 2022, to June 9, 2023. Alissa Peanasky, School Social Worker, effective November 4, 2022. Amanda Berger, Classroom Assistant, effective October 28, 2022. Darla Donnelly, Technical Tutor, effective November 18, 2022. Jason Kisic, Classroom Assistant, effective November 30, 2022. Karisa Sorenson, Program Assistant, effective December 2, 2022. Lisa Schmotter, Classroom assistant, effective November 23, 2022. Lucretia Andrews, Classroom Assistant, effective October 28, 2022. Martha Davis, Program Assistant, Resignation effective November 4, 2022. Noah Berg, Classroom assistant, resignation effective November 10, 2022. Renee Hieb-Vaughn, Classroom Assistant, Resignation effective November 3, 2022. Riley Schouveller, Intervener, resignation effective December 22, 2022. Srilatha Tippaluri, Classroom Assistant, Resignation effective November 4, 2022. ***Retirements:*** Correction to year for Adam Rachuy, Teacher, change to effective date from June 9, 2022, to June 9, 2023.
 - **Donations:** Donation of a Leckey Squiggles Stander from Katie and Keith Rasmussen of Lakeville.

3. Motion by Byron Schwab, seconded by Kathy Lewis, to approve the bills from October 27, 2022, to November 30, 2022, Investment Report and wire transfers, as presented by the Executive Director of Business Services. Voting aye: Tom Bennett, Kathy Lewis, Wendy Felton, Cindy Nordstrom, Lisa Ehleringer, Lisa Hedin, Byron Schwab, Hannah Simmons. Voting naye: None. Motion carried.
4. Motion by Lisa Hedin, seconded by Tom Bennett, to approve the Classified School Year Contract for 2022-2024, as presented by the Executive Director of Business Services. (Addendum A.) Voting aye: Tom Bennett, Kathy Lewis, Wendy Felton, Cindy Nordstrom, Lisa Ehleringer, Lisa Hedin, Byron Schwab, Hannah Simmons. Voting naye: None. Motion carried.
5. Motion by Tom Bennett, seconded by Hannah Simmona, to approve the Memorandum of Understanding for the Joint Powers Agreement. (Addendum B.) Voting aye: Tom Bennett, Kathy Lewis, Wendy Felton, Cindy Nordstrom, Lisa Ehleringer, Lisa Hedin, Byron Schwab, Hannah Simmons. Voting naye: None. Motion carried.
6. Motion by Lisa Ehleringer, seconded by Kathy Lewis, to approve the following policy: Policy 706 Acceptance of Gifts. (Addendum C.) Voting aye: Tom Bennett, Kathy Lewis, Wendy Felton, Cindy Nordstrom, Lisa Ehleringer, Lisa Hedin, Byron Schwab, Hannah Simmons. Voting naye: None. Motion carried.
7. First reading of policy 208 Development, Adoption and Implementation of Policies (with changes as noted in the work session) and Policy 705 Investment Policy. This will be brought back for a second and final reading at the January 10, 2022, Board meeting.
8. Motion by Byron Schwab, seconded by Tom Bennett, to adjourn the meeting. There was a unanimous vote to adjourn.

There being no further business the meeting adjourned at 6:31 PM.

The next regular School Board Meeting will be Tuesday, January 10, 2023, at 4:30 PM.

Clerk

**SUMMARY OF PERSONNEL ITEMS RECOMMENDED
FOR ACTION AT BOARD MEETING OF January 10, 2023**

NEW HIRES:

Biles Tatiana, Classroom Assistant, effective January 3, 2023.

Bonnert Eileen, Classroom Assistant, effective January 3, 2023.

Buchanan Emma, Teacher, effective January 3, 2023.

Kent Penny, Classroom Assistant, effective January 3, 2023.

RE-HIRES:

CHANGE IN STATUS:

LEAVES OF ABSENCE:

Bevin Kilpatrick, Program Assistant, effective January 3, 2023, through January 27, 2023.

RESIGNATION & TERMINATIONS:

Dumer Maria, Program Assistant, effective December 22, 2022.

Koch, Nathaniel, Classroom Assistant, effective December 22, 2022.

LaFrance-Warnke Danielle, Teacher, effective June 9, 2023.

Nasal Rachel, Program Assistant, effective January 13, 2023.

Radunz Danielle, Health Associate, effective December 6, 2022.

Rosario Jonathan, Classroom Assistant, effective January 13, 2023.

Rowley Jessica, Teacher, effective December 22, 2022.

RETIREMENTS:



Intermediate School District 917

Purposeful. Personalized. Partners.

1300 145th Street East, Rosemount, MN 55068

(651) 423-8229 * <http://www.isd917.org>

Dr. Michael Favor

TO: School Board

FROM: Dr. Michael Favor

DATE: January 10, 2023

RE: Final reading on policies

The policies listed below are a final reading.

- Policy 208 Development, Adoption and Implementation of Policies. Removed policies 410, 413, 414, 415, 514, 522, 524, and 616. Added policy 722 Public Data Requests.

~~410 Family and Medical Leave Policy; 413 Harassment and Violence; 414 Mandated Reporting of Child Neglect or Physical or Sexual Abuse; 415 Mandated Reporting of Maltreatment of Vulnerable Adults; 506 Student Discipline; 514 Bullying Prohibition Policy; 522 Student Sex Nondiscrimination; 524 Internet Acceptable Use and Safety Policy; 616 School District System Accountability; 722 Public Data Requests, and 806 Crisis Management Policy.~~

- Policy 705 Investments. Added new paragraph XII.A and minor reference changes.

705 INVESTMENTS

I. PURPOSE

The purpose of this policy is to establish guidelines for the investment of school district funds.

II. GENERAL STATEMENT OF POLICY

It is the policy of this school district to comply with all state laws relating to investments and to guarantee that investments meet certain primary criteria.

III. SCOPE

This policy applies to all investments of the surplus funds of the school district, regardless of the fund accounts in which they are maintained, unless certain investments are specifically exempted by the school board through formal action.

IV. AUTHORITY; OBJECTIVES

- A. The funds of the school district shall be deposited or invested in accordance with this policy, ~~Minn. Stat. Ch.~~ **Minnesota Statutes chapter 118A** and any other applicable law or written administrative procedures.
- B. The primary criteria for the investment of the funds of the school district, in priority order, are as follows:
 - 1. **Safety and Security.** Safety of principal is the first priority. The investments of the school district shall be undertaken in a manner that seeks to ensure the preservation of the capital in the overall investment portfolio.
 - 2. **Liquidity.** The funds shall be invested to assure that funds are available to meet immediate payment requirements, including payroll, accounts payable and debt service.
 - 3. **Return and Yield.** The investments shall be managed in a manner to attain a market rate of return through various economic and budgetary cycles, while preserving and protecting the capital in the investment portfolio and taking into account constraints on risk and cash flow requirements.

V. DELEGATION OF AUTHORITY

- A. The Executive Director of Business Services of the school district is designated as the investment officer of the school district and is responsible for investment decisions and activities under the direction of the school board. The investment officer shall operate the school district's investment program consistent with this policy. The investment officer may delegate certain duties to a designee or designees, but shall remain responsible for the operation of the program.
- B. All officials and employees that are a part of the investment process shall act professionally and responsibly as custodians of the public trust, and shall refrain from personal business activity that could conflict with the investment program or which could reasonably cause others to question the process and integrity of the investment program. The investment officer shall avoid any transaction that could impair public confidence in the school district.

VI. STANDARD OF CONDUCT

The standard of conduct regarding school district investments to be applied by the investment officer shall be the "prudent person standard." Under this standard, the investment officer shall exercise that degree of judgment and care, under the circumstances then prevailing, that persons of prudence, discretion and intelligence would exercise in the management of their own affairs, investing not for speculation and considering the probable safety of their capital as well as the probable investment return to be derived from their assets. The prudent person standard shall be applied in the context of managing the overall investment portfolio of the school district. The investment officer, acting in accordance with this policy and exercising due diligence, judgment and care commensurate with the risk, shall not be held personally responsible for a specific security's performance or for market price changes. Deviations from expectations shall be reported in a timely manner and appropriate actions shall be taken to control adverse developments.

VII. MONITORING AND ADJUSTING INVESTMENTS

The investment officer shall routinely monitor existing investments and the contents of the school district's investment portfolio, the available markets and the relative value of competing investment instruments.

VIII. INTERNAL CONTROLS

The investment officer shall establish a system of internal controls which shall be documented in writing. The internal controls shall be reviewed by the school

board and shall be annually reviewed for compliance by the school district's independent auditors. The internal controls shall be designed to prevent and control losses of public funds due to fraud, error, misrepresentation, unanticipated market changes or imprudent actions by officers, employees or others. The internal controls may include, but shall not be limited to, provisions relating to controlling collusion, separating functions, separating transaction authority from accounting and record keeping, custodial safekeeping, avoiding bearer form securities, clearly delegating authority to applicable staff members, limiting securities losses and remedial action, confirming telephone transactions in writing, supervising and controlling employee actions, minimizing the number of authorized investment officials, and documenting transactions and strategies.

IX. PERMISSIBLE INVESTMENT INSTRUMENTS

The school district may invest its available funds in those instruments specified in Minnesota Statutes sections 118A.04 and 118A.05, as these sections may be amended from time to time, or any other law governing the investment of school district funds.

X. PORTFOLIO DIVERSIFICATION; MATURITIES

- A. Limitations on instruments, diversification and maturity scheduling shall depend on whether the funds being invested are considered short-term or long-term funds. All funds shall normally be considered short-term except those reserved for building construction projects or specific future projects and any unreserved funds used to provide financial-related managerial flexibility for future fiscal years.
- B. The school district shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.
 - 1. The investment officer shall prepare and present a table to the school board for review and approval. The table shall specify the maximum percentage of the school district's investment portfolio that may be invested in a single type of investment instrument, such as U.S. Treasury Obligations, certificates of deposit, repurchase agreements, banker's acceptances, commercial paper, etc. The approved table shall be attached as an exhibit to this policy and shall be incorporated herein by reference.
 - 2. The investment officer shall prepare and present to the school board for its review and approval a recommendation as to the maximum percentage of the total investment portfolio that may be held in any one depository. The approved recommendation shall be attached as an exhibit or part of an exhibit to this policy and shall be incorporated herein by reference.

3. Investment maturities shall be scheduled to coincide with projected school district cash flow needs, taking into account large routine or scheduled expenditures, as well as anticipated receipt dates of anticipated revenues. Maturities for short-term and long-term investments shall be timed according to anticipated need. Within these parameters, portfolio maturities shall be staggered to avoid undue concentration of assets and a specific maturity sector. The maturities selected shall provide for stability of income and reasonable liquidity.

XI. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

Before the school district invests any surplus funds in a specific investment instrument, a competitive bid or quotation process shall be utilized. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, quotations or bids shall be requested for instruments which meet the maturity requirement. If no specific maturity is required, a market trend analysis, which includes a yield curve, will normally be used to determine which maturities would be most advantageous. Quotations or bids shall be requested for various options with regard to term and instrument. The school district will accept the quotation or bid which provides the highest rate of return within the maturity required and within the limits of this policy. Generally all quotations or bids will be computed on a consistent basis, i.e., a 360-day or a 365-day yield. Records will be kept of the quotations or bids received, the quotations or bids accepted, and a brief explanation of the decision that was made regarding the investment. If the school district contracts with an investment advisor, bids are not required in those circumstances specified in the contract with the advisor.

XI. QUALIFIED INSTITUTIONS AND BROKER-DEALERS

A. The school district shall maintain a list of the financial institutions that are approved for investment purposes.

~~A.B.~~ Prior to completing an initial transaction with a broker, the school district shall provide to the broker a notification to broker and certification by broker which shall include a provision that all future investments are to be made in accordance with Minnesota statutes governing the investment of public funds. The broker must annually acknowledge receipt of the notification to broker and certification by broker and agree to handle the school district's account in accordance with these restrictions. The school district may not enter into a transaction with a broker until the broker has provided this annual written agreement to the school district. The notification form to be used shall be that prepared by the State Auditor. A copy of this investment policy, including any amendments thereto, shall be provided to each such broker.

XII. SAFEKEEPING AND COLLATERALIZATION

- A. ~~Securities purchased will be retained at the institution where the securities are purchased. Investments shall be safekept in the School's name. Certificates will be held at the financial institution in the School's name. All securities should be a risk category one according to the Governmental Accounting Standard No. 3.~~

All investment securities purchased by the school district shall be held in third-party safekeeping by an institution designated as custodial agent. The custodial agent may be any Federal Reserve Bank, any bank authorized under the laws of the United States or any state to exercise corporate trust powers, a primary reporting dealer in United States Government securities to the Federal Reserve Bank of New York, or a securities broker-dealer defined in Minnesota Statutes section 118A.06. The institution or dealer shall issue a safekeeping receipt to the school district listing the specific instrument, the name of the issuer, the name in which the security is held, the rate, the maturity, serial numbers and other distinguishing marks, and other pertinent information.

- B. Deposit-type securities shall be collateralized as required by ~~Minn. Stat. §~~ **Minnesota Statutes section** 118A.03 for any amount exceeding FDIC, SAIF, BIF, FCUA, or other federal deposit coverage.
- C. Repurchase agreements shall be secured by the physical delivery or transfer against payment of the collateral securities to a third party or custodial agent for safekeeping. The school district may accept a safekeeping receipt instead of requiring physical delivery or third-party safekeeping of collateral on overnight repurchase agreements of less than \$1,000,000.

XIII. REPORTING REQUIREMENTS

- A. The investment officer shall generate daily and monthly transaction reports for management purposes. In addition, the school board shall be provided a monthly report that shall include data on investment instruments being held as well as any narrative necessary for clarification.
- B. The investment officer shall prepare and submit to the school board a semi-annual investment report that summarizes recent market conditions, economic developments, and anticipated investment conditions. The report shall summarize the investment strategies employed and describe the investment portfolio in terms of investment securities, maturities, risk characteristics and other features. The report shall summarize changes in investment instruments and asset allocation strategy approved by the investment officer for an OPEB trust in the most recent quarter. The report shall explain the total investment return and compare the return with

budgetary expectations. The report shall include an appendix that discloses all transactions during the year. The annual report shall indicate any areas of policy concern and suggested or planned revisions of investment strategies. Copies of the report shall be provided to the school district's auditor.

- C. Within ninety (90) days after the end of each fiscal year of the school district, the investment officer shall prepare and submit to the school board a comprehensive annual report on the investment program and investment activity of the school district for that fiscal year. The annual report shall include 12-month and separate quarterly comparisons of return and shall suggest revisions and improvements that might be made in the investment program.
- D. If necessary, the investment officer shall establish systems and procedures to comply with applicable federal laws and regulations governing the investment of bond proceeds and funds in a debt service account for a bond issue. The record keeping system shall be reviewed annually by the independent auditor or by another party contracted or designated to review investments for arbitrage rebate or penalty calculation purposes.

XIV. DEPOSITORIES

The school board shall annually designate one or more official depositories for school district funds. The treasurer of the school district may also exercise the power of the school board to designate a depository. The school board shall be provided notice of any such designation by its next regular meeting. The school district and the depository shall each comply with the provisions of ~~Minn. Stat. §~~ **Minnesota Statutes section** 118A.03 and any other applicable law, including any provisions relating to designation of a depository, qualifying institutions, depository bonds, and approval, deposit, assignment, substitution, addition and withdrawal of collateral.

XV. ELECTRONIC FUNDS TRANSFER OF FUNDS FOR INVESTMENT

The school district may make electronic fund transfers for investment of excess funds upon compliance with ~~Minn. Stat. §~~ **Minnesota Statutes section** 471.38.

Legal References:

- Minn. Stat. § 118A.01 (~~Definitions~~ **Public Funds; Depositories and Investments**)
- Minn. Stat. § 118A.02 (~~Depositories; Investing; Sales, Proceeds, Immunity~~ **Authorization for Deposit and Investment**)
- Minn. Stat. § 118A.03 (~~When and What Collateral Required~~ **Depositories and Collateral**)
- Minn. Stat. § 118A.04 (Investments)
- Minn. Stat. § 118A.05 (Contracts and Agreements)

Minn. Stat. § 118A.06 (~~Delivery and Safekeeping~~; **Acknowledgements**)
Minn. Stat. § 471.38 (Claims)
Minn. Stat. § 471.6175 (Trust for Postemployment Benefits)

Cross References:

MSBA/MASA Model Policy 703 (Annual Audit)

~~MSBA Service Manual, Chapter 7, Education Funding~~

Minnesota Legal Compliance Audit Guide **for School Districts** Prepared by the Office of the State Auditor

208 DEVELOPMENT, ADOPTION, AND IMPLEMENTATION OF POLICIES

[Note: The provisions of this policy are recommendations. The procedures for policy development, adoption, and implementation are not specifically provided by statute.]

I. PURPOSE

The purpose of this policy is to emphasize the importance of the policy-making role of the school board and provide the means for it to continue to be an ongoing effort.

II. GENERAL STATEMENT OF POLICY

Formal guidelines are necessary to ensure the school community that the school system responds to its mission and operates in an effective, efficient, and consistent manner. A set of written policy statements shall be maintained and modified as needed. Policies should define the desire and intent of the school board and should be in a form which is sufficiently explicit to guide administrative action.

III. DEVELOPMENT OF POLICY

- A. The school board has jurisdiction to legislate policy for the school district with the force and effect of law. School board policy provides the general direction as to what the school board wishes to accomplish while delegating implementation of policy to the administration.
- B. The school board's written policies provide guidelines and goals to the school community. The policies shall be the basis for the formulation of guidelines and directives by the administration. The school board shall determine the effectiveness of the policies by evaluating periodic reports from the administration.
- C. Policies may be proposed by a school board member, employee, student or resident of the school district. Proposed policies or ideas shall be submitted to the superintendent for review prior to possible placement on the school board agenda.

IV. ADOPTION OF POLICY

- A. The school board shall give notice of proposed policy changes or adoption of new policies by placing the item on the agenda of two school board meetings. The proposals shall be distributed and public comment will be allowed at both meetings ~~prior to final school board action.~~
- B. The final action taken to adopt the proposed policy shall be approved by a simple majority of the **school board.** ~~vote of the school board at a subsequent meeting after the meetings at which public input was received.~~ The policy will be effective on the later of the date of passage or the date stated in the motion.
- C. In the case of an emergency, a new or modified policy may be adopted by a majority vote of a quorum of the school board **in a single meeting.** A statement regarding

the emergency and the need for immediate adoption of the policy shall be included in the minutes. The emergency policy shall expire within one year following the emergency action unless the policy adoption procedure stated above is followed and the policy is reaffirmed. The school board shall have discretion to determine what constitutes an emergency situation.

- D. If a policy is modified with minor changes that do not affect the substance of the policy or because of a legal change over which the school board has no control, the modified policy may be approved at one meeting at the discretion of the school board.

V. IMPLEMENTATION OF POLICY

- A. The superintendent shall be responsible for implementing school board policies, other than the policies that cover how the school board will operate. The superintendent shall develop administrative guidelines and directives to provide greater specificity and consistency in the process of implementation. These guidelines and directives, including employee and student handbooks, shall be subject to annual review and approval by the school board.
- B. Each school board member shall have access to the policies via the website at www.isd917.org.
- C. The superintendent, employees designated by the superintendent, and individual school board members shall be responsible for keeping the policy manuals current.
- D. The school board shall review policies at least once every three years. The superintendent shall be responsible for developing a system of periodic review, addressing approximately one third of the policies annually. In addition, the school board shall review the following policies annually: ~~410 Family and Medical Leave Policy; 413 Harassment and Violence; 414 Mandated Reporting of Child Neglect or Physical or Sexual Abuse; 415 Mandated Reporting of Maltreatment of Vulnerable Adults; 506 Student Discipline; 514 Bullying Prohibition Policy; 522 Student Sex Nondiscrimination; 524 Internet Acceptable Use and Safety Policy; 616 School District System Accountability;~~ **722 Public Data Requests**, and 806 Crisis Management Policy.
- E. When no school board policy exists to provide guidance on a matter, the superintendent is authorized to act appropriately under the circumstances keeping in mind the educational philosophy and financial condition of the school district. Under such circumstances, the superintendent shall advise the school board of the need for a policy and present a recommended policy to the school board for approval.

Legal References: Minn. Stat. § 123B.02, Subd. 1 (School District Powers)
Minn. Stat. § 123B.09, Subd. 1 (School Board Powers)

Cross References: MSBA/MASA Model Policy 305 (Policy Implementation)

DATE: 01/05/2023
TIME: 08:40:24

INTERMEDIATE SCHOOL DISTRICT 917
CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 1
ACCTPA21
ACCOUNTING PERIOD: 7/23

SELECTION CRITERIA: chkstat.rundate between '20221201 00:00:00.000' and '20230105 00:00:00.000'

DISTRIBUTION FUND: 01

CHECK NUMBER	ISSUE DATE	VENDOR	STATUS	TOTAL	DESCRIPTION
1906548	12/02/2022	ALL IN ONE TRANSLATION AGENCY, LLC	R	765.00	ACCOUNTS PAYABLE CHECK
1906549	12/02/2022	AUTISM-PRODUCTS	R	56.65	ACCOUNTS PAYABLE CHECK
1906550	12/02/2022	BAMBOO PROFESSIONALS, LLC	R	1933.25	ACCOUNTS PAYABLE CHECK
1906551	12/02/2022	CANON USA	R	208.51	ACCOUNTS PAYABLE CHECK
1906552	12/02/2022	CDWG	R	181.34	ACCOUNTS PAYABLE CHECK
1906553	12/02/2022	CENTERPOINT ENERGY	R	407.78	ACCOUNTS PAYABLE CHECK
1906554	12/02/2022	CENTURYLINK	R	1084.87	ACCOUNTS PAYABLE CHECK
1906555	12/02/2022	CENTURYLINK COMMUNICATONS, LLC	R	463.16	ACCOUNTS PAYABLE CHECK
1906556	12/02/2022	CITI CARDS	R	8.88	ACCOUNTS PAYABLE CHECK
1906557	12/02/2022	DOOR SERVICE CO	R	207.50	ACCOUNTS PAYABLE CHECK
1906558	12/02/2022	HASTINGS CREAMERY LLC	R	791.10	ACCOUNTS PAYABLE CHECK
1906559	12/02/2022	IND SCH DIST 199	R	33417.88	ACCOUNTS PAYABLE CHECK
1906560	12/02/2022	IND SCH DIST 271	R	5554.95	ACCOUNTS PAYABLE CHECK
1906561	12/02/2022	KAREN CASS FELLING, M.A., LP	R	750.00	ACCOUNTS PAYABLE CHECK
1906562	12/02/2022	MALLOY, MONTAGUE, KARNOWSKI, RADOSE	R	5500.00	ACCOUNTS PAYABLE CHECK
1906563	12/02/2022	MARCO INC	V	0.00	VOID: MULTI STUB CHECK
1906564	12/02/2022	MARCO INC	R	1341.38	ACCOUNTS PAYABLE CHECK
* 1906564	12/05/2022	MARCO INC	V	-1341.38	VOID MANUAL CHECK
1906565	12/02/2022	MASTER TECHNOLOGY GROUP INC	R	300.00	ACCOUNTS PAYABLE CHECK
1906566	12/02/2022	MEDICA	R	857.07	ACCOUNTS PAYABLE CHECK
1906567	12/02/2022	MENARDS	R	241.35	ACCOUNTS PAYABLE CHECK
1906568	12/02/2022	MNCDHH	R	1400.00	ACCOUNTS PAYABLE CHECK
1906569	12/02/2022	PAPER DIRECT	R	113.46	ACCOUNTS PAYABLE CHECK
1906570	12/02/2022	PLANSOURCE BENEFITS ADMINISTRATION,	R	6451.19	ACCOUNTS PAYABLE CHECK
1906571	12/02/2022	PROCARE THERAPY	V	0.00	VOID: MULTI STUB CHECK
1906572	12/02/2022	PROCARE THERAPY	R	49576.25	ACCOUNTS PAYABLE CHECK
1906573	12/02/2022	PROFESSIONAL CRISIS MANAGEMENT ASSO	R	1038.00	ACCOUNTS PAYABLE CHECK
1906574	12/02/2022	RATWICK, ROSZAK & MALONEY, P.A.	R	424.00	ACCOUNTS PAYABLE CHECK
1906575	12/02/2022	ROSEMOUNT AUTO SERVICE	R	112.00	ACCOUNTS PAYABLE CHECK
1906576	12/02/2022	SAM'S CLUB/SYNCHRONY BANK	R	585.07	ACCOUNTS PAYABLE CHECK
1906577	12/02/2022	SAM'S CLUB/SYNCHRONY BANK	R	87.84	ACCOUNTS PAYABLE CHECK
1906578	12/02/2022	SCHOLASTIC CLASSROOM MAGAZINES	R	388.85	ACCOUNTS PAYABLE CHECK
1906579	12/02/2022	STRATEGIC STAFFING SOLUTIONS	R	10511.13	ACCOUNTS PAYABLE CHECK
1906580	12/02/2022	SUMMIT PROFESSIONAL EDUCATION	R	434.97	ACCOUNTS PAYABLE CHECK
1906581	12/02/2022	SUPER TEACHERS WORKSHEETS	R	375.00	ACCOUNTS PAYABLE CHECK
1906582	12/02/2022	TEACHERS ON CALL	V	0.00	VOID: MULTI STUB CHECK
1906583	12/02/2022	TEACHERS ON CALL	V	0.00	VOID: MULTI STUB CHECK
1906584	12/02/2022	TEACHERS ON CALL	R	25561.49	ACCOUNTS PAYABLE CHECK
1906585	12/02/2022	TECHNOLOGY BY DESIGN, LLC	R	1952.00	ACCOUNTS PAYABLE CHECK
1906586	12/02/2022	TGK AUTOMOTIVE OF ROSEMOUNT, LLC	R	2075.11	ACCOUNTS PAYABLE CHECK
1906587	12/02/2022	TRIUMPH EDUCATIONAL CONSULTING	R	1365.00	ACCOUNTS PAYABLE CHECK
1906588	12/02/2022	XCEL ENERGY	R	9548.02	ACCOUNTS PAYABLE CHECK
1906589	12/05/2022	AMAZON CAPITAL SERVICES	R	1760.54	ACCOUNTS PAYABLE CHECK
1906590	12/08/2022	ANNE HOFF, SAFE HARBOR COUNSELING	R	2050.00	ACCOUNTS PAYABLE CHECK
1906591	12/08/2022	AI TECHNOLOGIES, LLC	R	2562.50	ACCOUNTS PAYABLE CHECK
1906592	12/08/2022	ARVIG ENTERPRISES, INC	R	2525.71	ACCOUNTS PAYABLE CHECK
1906593	12/08/2022	BLUUM OF MINNESOTA, LLC	R	599.00	ACCOUNTS PAYABLE CHECK
1906594	12/08/2022	CARQUEST AUTO PARTS STORES	R	750.78	ACCOUNTS PAYABLE CHECK
1906595	12/08/2022	CUB FOODS - ROSEMOUNT	R	208.99	ACCOUNTS PAYABLE CHECK
1906596	12/08/2022	ELLISON EDUCATION	R	58.98	ACCOUNTS PAYABLE CHECK
1906597	12/08/2022	HAIRCUT CITY	R	1590.00	ACCOUNTS PAYABLE CHECK
1906598	12/08/2022	IND SCH DIST 191	R	5448.08	ACCOUNTS PAYABLE CHECK
1906599	12/08/2022	KAREN CASS FELLING, M.A., LP	R	750.00	ACCOUNTS PAYABLE CHECK

DATE: 01/05/2023
TIME: 08:40:24

INTERMEDIATE SCHOOL DISTRICT 917
CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 2
ACCTPA21
ACCOUNTING PERIOD: 7/23

SELECTION CRITERIA: chkstat.rundate between '20221201 00:00:00.000' and '20230105 00:00:00.000'

1906600	12/08/2022	MARCO INC	V	0.00	VOID: MULTI STUB	CHECK
1906601	12/08/2022	MARCO INC	R	1359.65	ACCOUNTS PAYABLE	CHECK
1906602	12/08/2022	MARTIN LAW FIRM PLLC	R	968.00	ACCOUNTS PAYABLE	CHECK
1906603	12/08/2022	MENARDS	R	51.56	ACCOUNTS PAYABLE	CHECK
1906604	12/08/2022	PROCARE THERAPY	R	8620.50	ACCOUNTS PAYABLE	CHECK
1906605	12/08/2022	REPUBLIC SERVICES #923	R	659.48	ACCOUNTS PAYABLE	CHECK
1906606	12/08/2022	PATHFUL, INC.	R	22050.00	ACCOUNTS PAYABLE	CHECK
1906607	12/08/2022	TECHNOLOGY BY DESIGN, LLC	R	15285.28	ACCOUNTS PAYABLE	CHECK
1906608	12/08/2022	TOLL GAS & WELDING SUPPLY	R	51.00	ACCOUNTS PAYABLE	CHECK
1906609	12/08/2022	VERIZON WIRELESS	R	1200.88	ACCOUNTS PAYABLE	CHECK
1906610	12/08/2022	WESTONE LABORATORIES INC.	R	313.21	ACCOUNTS PAYABLE	CHECK
1906611	12/08/2022	WH SECURITY, LLC	R	71.85	ACCOUNTS PAYABLE	CHECK
1906612	12/15/2022	ACCELERATED TECHNOLOGIES	R	220.00	ACCOUNTS PAYABLE	CHECK
1906613	12/15/2022	ACCESSIBYTE LLC	R	189.96	ACCOUNTS PAYABLE	CHECK
1906614	12/15/2022	BENEFIT EXTRAS, INC	R	480.06	ACCOUNTS PAYABLE	CHECK
1906615	12/15/2022	CDWG	R	1708.43	ACCOUNTS PAYABLE	CHECK
1906616	12/15/2022	CKC GOOD FOOD	R	13898.05	ACCOUNTS PAYABLE	CHECK
1906617	12/15/2022	COYLE APPLIANCE REPAIR	R	125.00	ACCOUNTS PAYABLE	CHECK
1906618	12/15/2022	CUB FOODS - APPLE VALLEY	R	275.56	ACCOUNTS PAYABLE	CHECK
1906619	12/15/2022	CUB FOODS - LAKEVILLE	R	30.17	ACCOUNTS PAYABLE	CHECK
1906620	12/15/2022	DOOR SERVICE CO	R	233.00	ACCOUNTS PAYABLE	CHECK
1906621	12/15/2022	EDI-DOLEJS CONSULTING ENGINEERS	R	70.00	ACCOUNTS PAYABLE	CHECK
1906622	12/15/2022	GENERATION GENIUS, INC	R	125.00	ACCOUNTS PAYABLE	CHECK
1906623	12/15/2022	THE HANOVER INSURANCE GROUP	R	12722.92	ACCOUNTS PAYABLE	CHECK
1906624	12/15/2022	IND SCH DIST 191	R	5052.48	ACCOUNTS PAYABLE	CHECK
1906625	12/15/2022	IND SCH DIST 192	R	7697.21	ACCOUNTS PAYABLE	CHECK
1906626	12/15/2022	IND SCH DIST 195	R	538.19	ACCOUNTS PAYABLE	CHECK
1906627	12/15/2022	IND SCH DIST 197	R	3548.79	ACCOUNTS PAYABLE	CHECK
1906628	12/15/2022	IND SCH DIST 199	R	3741.00	ACCOUNTS PAYABLE	CHECK
1906629	12/15/2022	IND SCH DIST 200	R	4120.70	ACCOUNTS PAYABLE	CHECK
1906630	12/15/2022	IND SCH DIST 271	R	5095.79	ACCOUNTS PAYABLE	CHECK
1906631	12/15/2022	ISD 194	R	9048.19	ACCOUNTS PAYABLE	CHECK
1906632	12/15/2022	MASA	R	860.00	ACCOUNTS PAYABLE	CHECK
1906633	12/15/2022	MENARDS	R	172.35	ACCOUNTS PAYABLE	CHECK
1906634	12/15/2022	MN ENERGY RESOURCES CORPORATION	R	1877.71	ACCOUNTS PAYABLE	CHECK
1906635	12/15/2022	OUTDOOR IMAGES, INC	R	1030.00	ACCOUNTS PAYABLE	CHECK
1906636	12/15/2022	PROCARE THERAPY	R	14877.00	ACCOUNTS PAYABLE	CHECK
1906637	12/15/2022	SO. ST. PAUL SPECIAL SCHOOL DIST 6	R	2688.84	ACCOUNTS PAYABLE	CHECK
1906638	12/15/2022	SONOVA USA INC.	R	188.99	ACCOUNTS PAYABLE	CHECK
1906639	12/15/2022	ST PAUL PIONEER PRESS	R	136.77	ACCOUNTS PAYABLE	CHECK
1906640	12/15/2022	TEACHERS ON CALL	R	5467.56	ACCOUNTS PAYABLE	CHECK
1906641	12/15/2022	TECHNOLOGY BY DESIGN, LLC	R	704.00	ACCOUNTS PAYABLE	CHECK
1906642	12/15/2022	TRANE U.S. INC.	R	1490.14	ACCOUNTS PAYABLE	CHECK
1906643	12/16/2022	WISCONSIN SCTF	R	845.39	ACCOUNTS PAYABLE	CHECK
1906644	12/16/2022	917 PROGRAM ASST EDU ASSOCIATION	R	3293.99	ACCOUNTS PAYABLE	CHECK
1906645	12/16/2022	D.S. ERICKSON & ASSOCIATES, PLLC	R	239.44	ACCOUNTS PAYABLE	CHECK
1906646	12/16/2022	EDUCATION MINNESOTA, LOCAL 3904	R	9332.73	ACCOUNTS PAYABLE	CHECK
1906647	12/16/2022	FTC	R	1730.83	ACCOUNTS PAYABLE	CHECK
1906648	12/16/2022	NCPERS GROUP LIFE INS	R	16.00	ACCOUNTS PAYABLE	CHECK
1906649	12/16/2022	O.P.E.I.U., LOCAL 12	R	435.11	ACCOUNTS PAYABLE	CHECK
1906650	12/16/2022	RELATED SERVICES NURSES ESP	R	189.04	ACCOUNTS PAYABLE	CHECK
1906651	12/19/2022	AMAZON CAPITAL SERVICES	V	0.00	VOID: MULTI STUB	CHECK
1906652	12/19/2022	AMAZON CAPITAL SERVICES	V	0.00	VOID: MULTI STUB	CHECK
1906653	12/19/2022	AMAZON CAPITAL SERVICES	R	6099.46	ACCOUNTS PAYABLE	CHECK
1906654	12/20/2022	CANON USA	R	208.51	ACCOUNTS PAYABLE	CHECK
1906655	12/20/2022	CUB FOODS BLOOMINGTON	R	39.48	ACCOUNTS PAYABLE	CHECK
1906656	12/20/2022	CUB FOODS - EAGAN	R	101.66	ACCOUNTS PAYABLE	CHECK

DATE: 01/05/2023
TIME: 08:40:24

INTERMEDIATE SCHOOL DISTRICT 917
CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 3
ACCTPA21
ACCOUNTING PERIOD: 7/23

SELECTION CRITERIA: chkstat.rundate between '20221201 00:00:00.000' and '20230105 00:00:00.000'

1906657	12/20/2022	EDI-DOLEJS COSULTING ENGINEERS	R	1260.00	ACCOUNTS PAYABLE CHECK
1906658	12/20/2022	EDUCATORS BENEFIT CONSULTANTS, LLC	R	239.94	ACCOUNTS PAYABLE CHECK
1906659	12/20/2022	HITESMAN & WOLD, PA	R	270.00	ACCOUNTS PAYABLE CHECK
1906660	12/20/2022	MDE-MCIS	V	0.00	VOID: MULTI STUB CHECK
1906661	12/20/2022	MDE-MCIS	V	0.00	VOID: MULTI STUB CHECK
1906662	12/20/2022	MDE-MCIS	R	950.00	ACCOUNTS PAYABLE CHECK
1906663	12/20/2022	PROCARE THERAPY	R	13916.50	ACCOUNTS PAYABLE CHECK
1906664	12/20/2022	SCHMITTY & SONS	R	815.10	ACCOUNTS PAYABLE CHECK
1906665	12/20/2022	SCHOLASTIC CLASSROOM MAGAZINES	R	378.13	ACCOUNTS PAYABLE CHECK
1906666	12/20/2022	TEACHERS ON CALL	R	10128.86	ACCOUNTS PAYABLE CHECK
1906667	12/27/2022	BRO-TEX CO.	R	388.80	ACCOUNTS PAYABLE CHECK
1906668	12/27/2022	CHEROKEE PARK UNITED CHURCH	R	150.00	ACCOUNTS PAYABLE CHECK
1906669	12/27/2022	IND SCH DIST 191	R	27486.85	ACCOUNTS PAYABLE CHECK
1906670	12/27/2022	J.R.'S ADVANCED RECYCLERS	R	148.13	ACCOUNTS PAYABLE CHECK
1906671	12/27/2022	MALLOY, MONTAGUE, KARNOWSKI, RADOSE	R	7500.00	ACCOUNTS PAYABLE CHECK
1906672	12/27/2022	PTM DOCUMENT SYSTEMS	R	122.67	ACCOUNTS PAYABLE CHECK
1906673	12/27/2022	RUPP ANDERSON SQUIRES & WALDSPURGER	R	211.50	ACCOUNTS PAYABLE CHECK
1906674	12/27/2022	U.S. BANK CHARLOTTE	R	419750.00	ACCOUNTS PAYABLE CHECK
1906675	12/30/2022	WISCONSIN SCTF	R	845.39	ACCOUNTS PAYABLE CHECK
1906676	12/30/2022	917 PROGRAM ASST EDU ASSOCIATION	R	3342.38	ACCOUNTS PAYABLE CHECK
1906677	12/30/2022	D.S. ERICKSON & ASSOCIATES, PLLC	R	450.27	ACCOUNTS PAYABLE CHECK
1906678	12/30/2022	EDUCATION MINNESOTA, LOCAL 3904	R	9347.31	ACCOUNTS PAYABLE CHECK
1906679	12/30/2022	FTC	R	1730.83	ACCOUNTS PAYABLE CHECK
1906680	12/30/2022	O.P.E.I.U., LOCAL 12	R	435.11	ACCOUNTS PAYABLE CHECK
1906681	12/30/2022	RELATED SERVICES NURSES ESP	R	189.04	ACCOUNTS PAYABLE CHECK
1906682	12/30/2022	RIVERVIEW LAW OFFICE PLLC	R	151.37	ACCOUNTS PAYABLE CHECK
1906683	12/30/2022	D.S. ERICKSON & ASSOCIATES, PLLC	R	88.07	ACCOUNTS PAYABLE CHECK
*V4001631	12/08/2022	ABLENET INC.	R	995.00	ACCOUNTS PAYABLE VOUCHER
*V4001632	12/08/2022	ARK THERAPEUTIC	R	291.76	ACCOUNTS PAYABLE VOUCHER
*V4001633	12/08/2022	BARNES & NOBLE	R	981.51	ACCOUNTS PAYABLE VOUCHER
*V4001634	12/08/2022	WELLS FARGO	R	6623.92	ACCOUNTS PAYABLE VOUCHER
*V4001635	12/08/2022	CITY OF INVER GROVE HTS	R	560.07	ACCOUNTS PAYABLE VOUCHER
*V4001636	12/08/2022	DICKS SPORTING GOODS	R	460.52	ACCOUNTS PAYABLE VOUCHER
*V4001637	12/08/2022	DUNGAREES, LLC	R	171.95	ACCOUNTS PAYABLE VOUCHER
*V4001638	12/08/2022	ESTR PUBLICATIONS	R	414.20	ACCOUNTS PAYABLE VOUCHER
*V4001639	12/08/2022	FRONTIER COMMUNICATIONS	R	2583.19	ACCOUNTS PAYABLE VOUCHER
*V4001640	12/08/2022	FUN AND FUNCTION	R	473.94	ACCOUNTS PAYABLE VOUCHER
*V4001641	12/08/2022	GOPHER SPORT	R	245.17	ACCOUNTS PAYABLE VOUCHER
*V4001642	12/08/2022	HEALTHIEST YOU	R	3410.00	ACCOUNTS PAYABLE VOUCHER
*V4001643	12/08/2022	INNOVATIVE OFFICE SOLUTIONS	V	0.00	VOID: MULTI STUB VOUCHER
*V4001644	12/08/2022	INNOVATIVE OFFICE SOLUTIONS	R	8740.83	ACCOUNTS PAYABLE VOUCHER
*V4001645	12/08/2022	LAKESHORE LEARNING MATERIALS	R	1877.08	ACCOUNTS PAYABLE VOUCHER
*V4001646	12/08/2022	LOW VISION STORE	R	299.85	ACCOUNTS PAYABLE VOUCHER
*V4001647	12/08/2022	MCGRAW-HILL EDUCATION	V	0.00	VOID: MULTI STUB VOUCHER
*V4001648	12/08/2022	MCGRAW-HILL EDUCATION	R	1142.21	ACCOUNTS PAYABLE VOUCHER
*V4001649	12/08/2022	MCKESSON MEDICAL	R	1157.34	ACCOUNTS PAYABLE VOUCHER
*V4001650	12/08/2022	MINNESOTA CONTINUING LEGAL EDUC	R	395.00	ACCOUNTS PAYABLE VOUCHER
*V4001651	12/08/2022	MN ASSO FOR CHILDRENS MENTAL HEALTH	R	30.00	ACCOUNTS PAYABLE VOUCHER
*V4001652	12/08/2022	MN SCHOOL BOARDS ASSN	R	80.00	ACCOUNTS PAYABLE VOUCHER
*V4001653	12/08/2022	OFFICE DEPOT	R	805.21	ACCOUNTS PAYABLE VOUCHER
*V4001654	12/08/2022	PEARSON ASSESSMENT/NCS PEARSON	R	128.50	ACCOUNTS PAYABLE VOUCHER
*V4001655	12/08/2022	PROFESSIONAL CRISIS MANAGEMENT ASSO	R	18108.20	ACCOUNTS PAYABLE VOUCHER
*V4001656	12/08/2022	SAFE FOOD TRAINING	R	175.00	ACCOUNTS PAYABLE VOUCHER
*V4001657	12/08/2022	SCHOOL NURSE SUPPLY	R	106.29	ACCOUNTS PAYABLE VOUCHER
*V4001658	12/08/2022	SCHOOL SPECIALTY, LLC	R	374.80	ACCOUNTS PAYABLE VOUCHER
*V4001659	12/08/2022	SEESAW	R	600.00	ACCOUNTS PAYABLE VOUCHER
*V4001660	12/08/2022	SOUTHPAW ENTERPRISES	R	125.97	ACCOUNTS PAYABLE VOUCHER

DATE: 01/05/2023
TIME: 08:40:24

INTERMEDIATE SCHOOL DISTRICT 917
CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 4
ACCTPA21
ACCOUNTING PERIOD: 7/23

SELECTION CRITERIA: chkstat.rundate between '20221201 00:00:00.000' and '20230105 00:00:00.000'

*V4001661	12/08/2022	SUDDORA	R	109.99	ACCOUNTS PAYABLE VOUCHER
*V4001662	12/08/2022	TFH SPECIAL NEEDS TOYS	R	429.00	ACCOUNTS PAYABLE VOUCHER
*V4001663	12/08/2022	THE COLLINS SCHOOL OF DATA	R	212.11	ACCOUNTS PAYABLE VOUCHER
*V4001664	12/08/2022	THE HOME DEPOT	R	1338.58	ACCOUNTS PAYABLE VOUCHER
*V4001665	12/08/2022	THE HOME DEPOT PRO	R	1966.46	ACCOUNTS PAYABLE VOUCHER
*V4001666	12/08/2022	THERAPY NOTES, LLC	R	325.00	ACCOUNTS PAYABLE VOUCHER
*V4001667	12/08/2022	UNIVERSAL CLEANING SERVICES	R	10487.50	ACCOUNTS PAYABLE VOUCHER
*V4001668	12/08/2022	VARIDESK, LLC	R	446.25	ACCOUNTS PAYABLE VOUCHER
*V4001669	12/08/2022	VIRCO MFG CORP	R	869.04	ACCOUNTS PAYABLE VOUCHER
*V6605106	12/08/2022	ELIZABETH SHAWL ANNONI	R	118.13	ACCOUNTS PAYABLE VOUCHER
*V6605107	12/08/2022	CARMEN RUTH BAKER	R	37.50	ACCOUNTS PAYABLE VOUCHER
*V6605108	12/08/2022	MICHAEL JASON BIBRO	R	276.25	ACCOUNTS PAYABLE VOUCHER
*V6605109	12/08/2022	AMANDA MICHELLE BLANCHETTE	R	10.00	ACCOUNTS PAYABLE VOUCHER
*V6605110	12/08/2022	LOREEN M. BOHNERT	R	6.25	ACCOUNTS PAYABLE VOUCHER
*V6605111	12/08/2022	MATTHEW KYLE BRUNS	R	55.00	ACCOUNTS PAYABLE VOUCHER
*V6605112	12/08/2022	KAYLA NICOLE BUCHMANN	R	18.75	ACCOUNTS PAYABLE VOUCHER
*V6605113	12/08/2022	DON JAMES BUDACH	R	363.38	ACCOUNTS PAYABLE VOUCHER
*V6605114	12/08/2022	MICHAEL ROBERT BURGIO	R	56.87	ACCOUNTS PAYABLE VOUCHER
*V6605115	12/08/2022	MARISSA ANN CALANDER-ROLL	R	6.25	ACCOUNTS PAYABLE VOUCHER
*V6605116	12/08/2022	EMILY MARGARET CLARK	R	313.75	ACCOUNTS PAYABLE VOUCHER
*V6605117	12/08/2022	ANNA JEANNE CORSELLO	R	4.38	ACCOUNTS PAYABLE VOUCHER
*V6605118	12/08/2022	JAMIE AUTUMN DALBESIO	R	295.00	ACCOUNTS PAYABLE VOUCHER
*V6605119	12/08/2022	MEGAN ROSE DIETRICH	R	25.00	ACCOUNTS PAYABLE VOUCHER
*V6605120	12/08/2022	JACOB MICHAEL DONALDSON	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605121	12/08/2022	KATHERINE DIANE ENGEL	R	96.25	ACCOUNTS PAYABLE VOUCHER
*V6605122	12/08/2022	JONI KAY ERIE	R	91.25	ACCOUNTS PAYABLE VOUCHER
*V6605123	12/08/2022	MICHAEL LEONARD FAVOR	R	337.51	ACCOUNTS PAYABLE VOUCHER
*V6605124	12/08/2022	ANGELITA LEE FLEMING	R	125.00	ACCOUNTS PAYABLE VOUCHER
*V6605125	12/08/2022	MEGAN MARIE HALEY	R	73.75	ACCOUNTS PAYABLE VOUCHER
*V6605126	12/08/2022	KELLY JEAN HANKES	R	50.00	ACCOUNTS PAYABLE VOUCHER
*V6605127	12/08/2022	JANA LEE HEIDEMANN	R	111.88	ACCOUNTS PAYABLE VOUCHER
*V6605128	12/08/2022	SARA ASHLEY HENRY	R	321.88	ACCOUNTS PAYABLE VOUCHER
*V6605129	12/08/2022	MELISSA ROCHELL HO	R	95.62	ACCOUNTS PAYABLE VOUCHER
*V6605130	12/08/2022	CINDY LOU JACOBS	R	70.63	ACCOUNTS PAYABLE VOUCHER
*V6605131	12/08/2022	JENNIFER M. KLAUSTERMEIER	R	110.24	ACCOUNTS PAYABLE VOUCHER
*V6605132	12/08/2022	CAROL LEIGH KURTEN	R	37.50	ACCOUNTS PAYABLE VOUCHER
*V6605133	12/08/2022	BETSY SUE LARSEN	R	10.63	ACCOUNTS PAYABLE VOUCHER
*V6605134	12/08/2022	MARGARET K. LOCKE	R	18.75	ACCOUNTS PAYABLE VOUCHER
*V6605135	12/08/2022	SARAH MARIE LUDEWIG	R	110.63	ACCOUNTS PAYABLE VOUCHER
*V6605136	12/08/2022	EMMA IRENE KAE MAYES	R	22.50	ACCOUNTS PAYABLE VOUCHER
*V6605137	12/08/2022	ALISON KENNIS-LYNN MCCUSKER	R	26.95	ACCOUNTS PAYABLE VOUCHER
*V6605138	12/08/2022	ALICIA JOY ODELL	R	19.38	ACCOUNTS PAYABLE VOUCHER
*V6605139	12/08/2022	JENNIFER LEE OLSON	R	270.63	ACCOUNTS PAYABLE VOUCHER
*V6605140	12/08/2022	RACHAEL MARIE OPSETH	R	120.00	ACCOUNTS PAYABLE VOUCHER
*V6605141	12/08/2022	AMANDA LYNN PETERS	R	135.00	ACCOUNTS PAYABLE VOUCHER
*V6605142	12/08/2022	JENNIFER MAE PETERSEN	R	166.69	ACCOUNTS PAYABLE VOUCHER
*V6605143	12/08/2022	EMILY ANN PFISTERER	R	261.88	ACCOUNTS PAYABLE VOUCHER
*V6605144	12/08/2022	WENDI MARLAINA RENKEN	R	46.88	ACCOUNTS PAYABLE VOUCHER
*V6605145	12/08/2022	MELISSA RAE SCHALLER	R	90.63	ACCOUNTS PAYABLE VOUCHER
*V6605146	12/08/2022	ROLAND ARTHUR SESSIONS III	R	48.12	ACCOUNTS PAYABLE VOUCHER
*V6605147	12/08/2022	NORMAN C. SMITH III	R	101.08	ACCOUNTS PAYABLE VOUCHER
*V6605148	12/08/2022	STEFANIE CATHERINE SOUKUP	R	385.00	ACCOUNTS PAYABLE VOUCHER
*V6605149	12/08/2022	MARY ELIZABETH TAYLOR	R	229.38	ACCOUNTS PAYABLE VOUCHER
*V6605150	12/08/2022	SONIA LYNN TENDRICH	R	115.63	ACCOUNTS PAYABLE VOUCHER
*V6605151	12/08/2022	GRETCHEN ANN TOAY	R	13.13	ACCOUNTS PAYABLE VOUCHER
*V6605152	12/08/2022	ADRIENNE KATE TURZYNSKI	R	61.25	ACCOUNTS PAYABLE VOUCHER
*V6605153	12/08/2022	IBNPLONGSAB SUNSHINE VANG	R	25.00	ACCOUNTS PAYABLE VOUCHER

DATE: 01/05/2023
TIME: 08:40:24

INTERMEDIATE SCHOOL DISTRICT 917
CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 5
ACCTPA21
ACCOUNTING PERIOD: 7/23

SELECTION CRITERIA: chkstat.rundate between '20221201 00:00:00.000' and '20230105 00:00:00.000'

*V6605154	12/08/2022	BRIAN MATTHEW WATERS	R	23.74	ACCOUNTS PAYABLE VOUCHER
*V6605155	12/08/2022	LORI JAYNE WILSON	R	41.46	ACCOUNTS PAYABLE VOUCHER
*V6605156	12/22/2022	JOAN MARIE ABDULKADIR	R	13.75	ACCOUNTS PAYABLE VOUCHER
*V6605157	12/22/2022	MARTHA JOAN ALLEN	R	159.38	ACCOUNTS PAYABLE VOUCHER
*V6605158	12/22/2022	ELIZABETH SHAWL ANNONI	R	27.50	ACCOUNTS PAYABLE VOUCHER
*V6605159	12/22/2022	GINA MARIE ASHLEY	R	15.00	ACCOUNTS PAYABLE VOUCHER
*V6605160	12/22/2022	KIM MARIE AUSTIN	R	296.25	ACCOUNTS PAYABLE VOUCHER
*V6605161	12/22/2022	CARMEN RUTH BAKER	R	27.50	ACCOUNTS PAYABLE VOUCHER
*V6605162	12/22/2022	KEITH JAMES BARTHOLOMAEUS	R	156.88	ACCOUNTS PAYABLE VOUCHER
*V6605163	12/22/2022	SAMANTHA JO BECK	R	34.38	ACCOUNTS PAYABLE VOUCHER
*V6605164	12/22/2022	THOMAS RICHARD BENNETT	R	21.25	ACCOUNTS PAYABLE VOUCHER
*V6605165	12/22/2022	LINDA JO BERG	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605166	12/22/2022	STEPHANIE BETLEY	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605167	12/22/2022	MICHAEL JASON BIBRO	R	283.75	ACCOUNTS PAYABLE VOUCHER
*V6605168	12/22/2022	TARA JO BLACKERT	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605169	12/22/2022	AMANDA JO BOEHMER	R	6.25	ACCOUNTS PAYABLE VOUCHER
*V6605170	12/22/2022	LOREEN M. BOHNERT	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605171	12/22/2022	TARA LYNN BRENNER	R	12.50	ACCOUNTS PAYABLE VOUCHER
*V6605172	12/22/2022	MATTHEW KYLE BRUNS	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605173	12/22/2022	DON JAMES BUDACH	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605174	12/22/2022	ANNE LOUISE BYER	R	125.00	ACCOUNTS PAYABLE VOUCHER
*V6605175	12/22/2022	JESSICA DAWN CHAMBLIN	R	349.38	ACCOUNTS PAYABLE VOUCHER
*V6605176	12/22/2022	LESLEY ANNE CHESTER	R	16.25	ACCOUNTS PAYABLE VOUCHER
*V6605177	12/22/2022	CRAIG ALAN CURTIS	R	323.13	ACCOUNTS PAYABLE VOUCHER
*V6605178	12/22/2022	JAMIE AUTUMN DALBESIO	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605179	12/22/2022	PEARL SUSAN DEVENOW	R	151.88	ACCOUNTS PAYABLE VOUCHER
*V6605180	12/22/2022	CHRISTOPHER GORDON DEVINE	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605181	12/22/2022	SOPHIE A DEVORE	R	4.38	ACCOUNTS PAYABLE VOUCHER
*V6605182	12/22/2022	CHAD MICHAEL DOUGHERTY	R	90.63	ACCOUNTS PAYABLE VOUCHER
*V6605183	12/22/2022	LISA A EHLERINGER	R	23.75	ACCOUNTS PAYABLE VOUCHER
*V6605184	12/22/2022	KATHERINE DIANE ENGEL	R	80.00	ACCOUNTS PAYABLE VOUCHER
*V6605185	12/22/2022	WENDY CATHERINE FELTON	R	17.50	ACCOUNTS PAYABLE VOUCHER
*V6605186	12/22/2022	ANGELITA LEE FLEMING	R	118.75	ACCOUNTS PAYABLE VOUCHER
*V6605187	12/22/2022	SHERILYN FAYE FRISQUE	R	400.63	ACCOUNTS PAYABLE VOUCHER
*V6605188	12/22/2022	ADDIE SUZANNE GESKE	R	192.50	ACCOUNTS PAYABLE VOUCHER
*V6605189	12/22/2022	CHRISTINA ANN GILLARD	R	155.00	ACCOUNTS PAYABLE VOUCHER
*V6605190	12/22/2022	KELLY JEAN HANKES	R	160.63	ACCOUNTS PAYABLE VOUCHER
*V6605191	12/22/2022	LISA HEDIN	R	21.25	ACCOUNTS PAYABLE VOUCHER
*V6605192	12/22/2022	HEIDI LEE HELM	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605193	12/22/2022	PETER ALLYN HENDRICKS	R	210.63	ACCOUNTS PAYABLE VOUCHER
*V6605194	12/22/2022	SARA ASHLEY HENRY	R	417.50	ACCOUNTS PAYABLE VOUCHER
*V6605195	12/22/2022	JENNIFER AMY HETLAND	R	172.53	ACCOUNTS PAYABLE VOUCHER
*V6605196	12/22/2022	HANNAH ROSE HILLS	R	5.63	ACCOUNTS PAYABLE VOUCHER
*V6605197	12/22/2022	MELISSA ROCHELL HO	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605198	12/22/2022	JUSTIN DAVID HOELSCHER	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605199	12/22/2022	KATE SCHNEEWEIS HULSE	R	274.38	ACCOUNTS PAYABLE VOUCHER
*V6605200	12/22/2022	COURTNEY ELIZABETH INMAN	R	43.75	ACCOUNTS PAYABLE VOUCHER
*V6605201	12/22/2022	SARAH LYNN JOHNSON	R	273.13	ACCOUNTS PAYABLE VOUCHER
*V6605202	12/22/2022	MONICA ANN JOUBERT	R	50.01	ACCOUNTS PAYABLE VOUCHER
*V6605203	12/22/2022	AMY TAMARAH WOLF KAUFMAN	R	318.75	ACCOUNTS PAYABLE VOUCHER
*V6605204	12/22/2022	JENNIFER M. KLAUSTERMEIER	R	79.14	ACCOUNTS PAYABLE VOUCHER
*V6605205	12/22/2022	LORI ANN KLEIN	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605206	12/22/2022	SHANNA MARIE KNUTSON	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605207	12/22/2022	DANIELLE MARIE LAFRANCE-WARNKE	R	224.38	ACCOUNTS PAYABLE VOUCHER
*V6605208	12/22/2022	CORY LEE LANGENFELD	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605209	12/22/2022	BETSY SUE LARSEN	R	10.63	ACCOUNTS PAYABLE VOUCHER
*V6605210	12/22/2022	CHARITY JOY LAST	R	4.38	ACCOUNTS PAYABLE VOUCHER

DATE: 01/05/2023
TIME: 08:40:24

INTERMEDIATE SCHOOL DISTRICT 917
CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 6
ACCTPA21
ACCOUNTING PERIOD: 7/23

SELECTION CRITERIA: chkstat.rundate between '20221201 00:00:00.000' and '20230105 00:00:00.000'

*V6605211	12/22/2022	MARCI LEVY-MAGUIRE	R	139.62	ACCOUNTS PAYABLE VOUCHER
*V6605212	12/22/2022	KATHRYN ANN LEWIS	R	30.00	ACCOUNTS PAYABLE VOUCHER
*V6605213	12/22/2022	SARAH MARIE LUDEWIG	R	99.38	ACCOUNTS PAYABLE VOUCHER
*V6605214	12/22/2022	ERIN JEAN MAHNKE	R	143.75	ACCOUNTS PAYABLE VOUCHER
*V6605215	12/22/2022	CRAIG MICHAEL MARES	R	13.75	ACCOUNTS PAYABLE VOUCHER
*V6605216	12/22/2022	MONIQUE NICOLE MARPLE	R	25.00	ACCOUNTS PAYABLE VOUCHER
*V6605217	12/22/2022	CATHLEEN CAROL MATTICE	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605218	12/22/2022	EMMA IRENE KAE MAYES	R	24.69	ACCOUNTS PAYABLE VOUCHER
*V6605219	12/22/2022	ALISON KENNIS-LYNN MCCUSKER	R	7.50	ACCOUNTS PAYABLE VOUCHER
*V6605220	12/22/2022	SHANNON F BRENNAN	R	126.88	ACCOUNTS PAYABLE VOUCHER
*V6605221	12/22/2022	JO ANN MARISKA NAGY	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605222	12/22/2022	CINDY L NORDSTROM	R	10.63	ACCOUNTS PAYABLE VOUCHER
*V6605223	12/22/2022	RACHEL ERIN NOVY	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605224	12/22/2022	JENNIFER LEE OLSON	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605225	12/22/2022	JACKIE MARIE PAULEY	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605226	12/22/2022	HOLLY MARIE PEMBLE	R	131.88	ACCOUNTS PAYABLE VOUCHER
*V6605227	12/22/2022	AMANDA LYNN PETERS	R	45.00	ACCOUNTS PAYABLE VOUCHER
*V6605228	12/22/2022	JENNIFER MAE PETERSEN	R	107.11	ACCOUNTS PAYABLE VOUCHER
*V6605229	12/22/2022	BROOKE ALLYSON PETERSON	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605230	12/22/2022	CAROLINE ROSE PETERSON	R	190.63	ACCOUNTS PAYABLE VOUCHER
*V6605231	12/22/2022	ANJALI RAO	R	12.50	ACCOUNTS PAYABLE VOUCHER
*V6605232	12/22/2022	WENDI MARLAINA RENKEN	R	77.50	ACCOUNTS PAYABLE VOUCHER
*V6605233	12/22/2022	KENZIE JEAN RICHARDS	R	7.50	ACCOUNTS PAYABLE VOUCHER
*V6605234	12/22/2022	MELANIE ANN RIX	R	96.02	ACCOUNTS PAYABLE VOUCHER
*V6605235	12/22/2022	SARAH CATHERINE ROWLEY	R	113.75	ACCOUNTS PAYABLE VOUCHER
*V6605236	12/22/2022	MELISSA RAE SCHALLER	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605237	12/22/2022	IRENE ELIZABETH SCHULTZ-ALBERT	R	202.50	ACCOUNTS PAYABLE VOUCHER
*V6605238	12/22/2022	BYRON LEITH SCHWAB	R	18.75	ACCOUNTS PAYABLE VOUCHER
*V6605239	12/22/2022	HANNAH GRACE SIMMONS	R	10.63	ACCOUNTS PAYABLE VOUCHER
*V6605240	12/22/2022	HEATHER LYNN STOESZ	R	78.75	ACCOUNTS PAYABLE VOUCHER
*V6605241	12/22/2022	AMY LYNN SWANEY	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605242	12/22/2022	KAYLEEN LAVONNE TAFFE	R	44.38	ACCOUNTS PAYABLE VOUCHER
*V6605243	12/22/2022	TAYLOR MAY THOMAS	R	90.00	ACCOUNTS PAYABLE VOUCHER
*V6605244	12/22/2022	SHANYN NICOLE TUFTEE	R	190.00	ACCOUNTS PAYABLE VOUCHER
*V6605245	12/22/2022	JANEL LYNN VRIEZE	R	78.75	ACCOUNTS PAYABLE VOUCHER
*V6605246	12/22/2022	ASHLEY LYNNETTE WARD	R	353.76	ACCOUNTS PAYABLE VOUCHER
*V6605247	12/22/2022	BRIAN MATTHEW WATERS	R	23.76	ACCOUNTS PAYABLE VOUCHER
*V6605248	12/22/2022	SCOTT MICHAEL ZEHNDER	R	140.06	ACCOUNTS PAYABLE VOUCHER
*V6605249	12/22/2022	MICHAEL PATRICK ZICKRICK	R	87.50	ACCOUNTS PAYABLE VOUCHER
*V7702382	12/05/2022	FIDELITY SECURITY LIFE INS CO	R	1663.51	ACCOUNTS PAYABLE VOUCHER
*V7702383	12/05/2022	NATIONAL INSURANCE SERVICES OF WI,	R	9320.48	ACCOUNTS PAYABLE VOUCHER
*V7702384	12/07/2022	APPLE VALLEY ISD LLC	R	42161.47	ACCOUNTS PAYABLE VOUCHER
*V7702385	12/07/2022	SE ISD, DST	R	78266.67	ACCOUNTS PAYABLE VOUCHER
*V7702386	12/16/2022	MEDICA	R	42127.48	ACCOUNTS PAYABLE VOUCHER
*V7702387	12/16/2022	MEDICA	R	64166.01	ACCOUNTS PAYABLE VOUCHER
*V7702388	12/16/2022	PLANSOURCE FLEX BEN.	R	1421.82	ACCOUNTS PAYABLE VOUCHER
*V7702389	12/16/2022	MEDICA	R	65265.05	ACCOUNTS PAYABLE VOUCHER
*V7702390	12/16/2022	MN CHILD SUPPORT PAYMENT CENTER	R	220.80	ACCOUNTS PAYABLE VOUCHER
*V7702391	12/16/2022	AMERIPRISE FINANCIAL ADVISORS	R	7407.26	ACCOUNTS PAYABLE VOUCHER
*V7702392	12/16/2022	AXA EQUITABLE LIFE INS CO	R	4413.88	ACCOUNTS PAYABLE VOUCHER
*V7702393	12/16/2022	FIDELITY INVSTMT TAX-EX SVC CO	R	8909.16	ACCOUNTS PAYABLE VOUCHER
*V7702394	12/16/2022	HEALTHQUITY, INC.	R	25494.39	ACCOUNTS PAYABLE VOUCHER
*V7702395	12/16/2022	HORACE MANN LIFE INS	R	2231.66	ACCOUNTS PAYABLE VOUCHER
*V7702396	12/16/2022	INTERNAL REVENUE SERVICE	R	234949.76	ACCOUNTS PAYABLE VOUCHER
*V7702397	12/16/2022	EDUCATION MN ESI BILLING TRUST	R	11181.37	ACCOUNTS PAYABLE VOUCHER
*V7702398	12/16/2022	MN DEPT OF REVENUE	R	40498.67	ACCOUNTS PAYABLE VOUCHER
*V7702399	12/16/2022	MN DEPT OF REVENUE(C)	R	454.52	ACCOUNTS PAYABLE VOUCHER

DATE: 01/05/2023
TIME: 08:40:24

INTERMEDIATE SCHOOL DISTRICT 917
CHECK REGISTER INCLUDING SYSTEM VOIDS

PAGE NUMBER: 7
ACCTPA21
ACCOUNTING PERIOD: 7/23

SELECTION CRITERIA: chkstat.rundate between '20221201 00:00:00.000' and '20230105 00:00:00.000'

*V7702400	12/16/2022	MN STATE RETIREMENT SYSTEM	R	2145.83	ACCOUNTS PAYABLE VOUCHER
*V7702401	12/16/2022	EXECUTIVE DIRECTOR	R	51872.99	ACCOUNTS PAYABLE VOUCHER
*V7702402	12/16/2022	STATE TREASURER, TRA	R	110642.53	ACCOUNTS PAYABLE VOUCHER
*V7702403	12/16/2022	VARIABLE ANNUITY LIFE INS CO	R	8690.89	ACCOUNTS PAYABLE VOUCHER
*V7702404	12/16/2022	VOYA	R	1754.02	ACCOUNTS PAYABLE VOUCHER
*V7702405	12/21/2022	DELTA DENTAL OF MINNESOTA	R	32047.04	ACCOUNTS PAYABLE VOUCHER
*V7702406	12/30/2022	MEDICA	R	155678.47	ACCOUNTS PAYABLE VOUCHER
*V7702407	12/30/2022	MEDICA	R	86678.66	ACCOUNTS PAYABLE VOUCHER
*V7702408	12/30/2022	PLANSOURCE FLEX BEN.	R	3098.16	ACCOUNTS PAYABLE VOUCHER
*V7702409	12/30/2022	MN CHILD SUPPORT PAYMENT CENTER	R	220.80	ACCOUNTS PAYABLE VOUCHER
*V7702410	12/30/2022	AFLAC	R	1662.78	ACCOUNTS PAYABLE VOUCHER
*V7702411	12/30/2022	AMERIPRISE FINANCIAL ADVISORS	R	7407.26	ACCOUNTS PAYABLE VOUCHER
*V7702412	12/30/2022	AXA EQUITABLE LIFE INS CO	R	4413.88	ACCOUNTS PAYABLE VOUCHER
*V7702413	12/30/2022	FIDELITY INVSTMT TAX-EX SVC CO	R	8909.16	ACCOUNTS PAYABLE VOUCHER
*V7702414	12/30/2022	HEALTHQUITY, INC.	R	25573.81	ACCOUNTS PAYABLE VOUCHER
*V7702415	12/30/2022	HORACE MANN LIFE INS	R	2231.66	ACCOUNTS PAYABLE VOUCHER
*V7702416	12/30/2022	INTERNAL REVENUE SERVICE	R	233057.30	ACCOUNTS PAYABLE VOUCHER
*V7702417	12/30/2022	EDUCATION MN ESI BILLING TRUST	R	11181.37	ACCOUNTS PAYABLE VOUCHER
*V7702418	12/30/2022	MN DEPT OF REVENUE	R	40396.87	ACCOUNTS PAYABLE VOUCHER
*V7702419	12/30/2022	MN DEPT OF REVENUE(C)	R	250.00	ACCOUNTS PAYABLE VOUCHER
*V7702420	12/30/2022	MN STATE RETIREMENT SYSTEM	R	2145.83	ACCOUNTS PAYABLE VOUCHER
*V7702421	12/30/2022	EXECUTIVE DIRECTOR	R	51476.89	ACCOUNTS PAYABLE VOUCHER
*V7702422	12/30/2022	STATE TREASURER, TRA	R	111010.05	ACCOUNTS PAYABLE VOUCHER
*V7702423	12/30/2022	VARIABLE ANNUITY LIFE INS CO	R	8690.89	ACCOUNTS PAYABLE VOUCHER
*V7702424	12/30/2022	VOYA	R	1754.02	ACCOUNTS PAYABLE VOUCHER
TOTAL FUND				2540757.15	
TOTAL REPORT				2540757.15	



Customer Service
PO Box 11760
Harrisburg, PA 17108-11760

ACCOUNT STATEMENT

For the Month Ending
November 30, 2022

INTERMEDIATE SCHOOL DISTRICT 917

Client Management Team

Amber Cannegieter

Key Account Manager
213 Market Street
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Brian Johnson

Director
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Contents

Cover/Disclosures
Summary Statement
Individual Accounts

Accounts included in Statement

600430 STATE PAYMENTS

Important Messages

MSDLAF will be closed on 12/26/2022 for Christmas Day (Observed).
MSDLAF will be closed on 01/02/2023 for New Year's Day (Observed).

INTERMEDIATE SCHOOL DISTRICT 917
AMY D ALEXANDER
1300 145TH STREET E
ROSEMOUNT, MN 55068

Online Access www.msdlaf.org

Customer Service 1-888-4-MSDLAF



Account Statement

For the Month Ending **November 30, 2022**

Important Disclosures

Important Disclosures

This statement is for general information purposes only and is not intended to provide specific advice or recommendations. PFM Asset Management LLC ("PFMAM") is an investment adviser registered with the U.S. Securities and Exchange Commission and a subsidiary of U.S. Bancorp Asset Management, Inc. ("USBAM"). USBAM is a subsidiary of U.S. Bank National Association ("U.S. Bank"). U.S. Bank is a separate entity and subsidiary of U.S. Bancorp. U.S. Bank is not responsible for and does not guarantee the products, services or performance of PFMAM. PFMAM maintains a written disclosure statement of our background and business experience. If you would like to receive a copy of our current disclosure statement, please contact Service Operations at the address below.

Proxy Voting PFMAM does not normally receive proxies to vote on behalf of its clients. However, it does on occasion receive consent requests. In the event a consent request is received the portfolio manager contacts the client and then proceeds according to their instructions. PFMAM's Proxy Voting Policy is available upon request by contacting Service Operations at the address below.

Questions About an Account PFMAM's monthly statement is intended to detail our investment advisory activity as well as the activity of any accounts held by clients in pools that are managed by PFMAM. The custodian bank maintains the control of assets and executes (i.e., settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. PFMAM recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the PFMAM statement should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

Account Control PFMAM does not have the authority to withdraw funds from or deposit funds to the custodian outside the scope of services provided by PFMAM. Our clients retain responsibility for their internal accounting policies; implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

Market Value Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv or Bloomberg. For certain short-term investments or where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.

Amortized Cost The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.

Tax Reporting Cost data and realized gains / losses are provided for informational purposes only. Please review for accuracy and consult your tax advisor to determine the tax consequences of your security transactions. PFMAM does not report such information to the IRS or other taxing authorities and is not responsible for the accuracy of such information that may be required to be reported to federal, state or other taxing authorities.

Financial Situation In order to better serve you, PFMAM should be promptly notified of any material change in your investment objective or financial situation.

Callable Securities Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented.

Portfolio The securities in this portfolio, including shares of mutual funds, are not guaranteed or otherwise protected by PFMAM, the FDIC (except for certain non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested. Actual settlement values, accrued interest, and amortized cost amounts may vary for securities subject to an adjustable interest rate or subject to principal paydowns. Any changes to the values shown may be reflected within the next monthly statement's beginning values.

Rating Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.

Shares of some local government investment programs and TERM funds are marketed through representatives of PFMAM's affiliate, PFM Fund Distributors, Inc. which is registered with the SEC as a broker/dealer and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Municipal Securities Rulemaking Board ("MSRB"). You may reach the FINRA by calling the FINRA Hotline at 1-800-289-9999 or at the FINRA website address <https://www.finra.org/investors/investor-contacts>. A brochure describing the FINRA Regulation Public Disclosure Program is also available from FINRA upon request.

Key Terms and Definitions

Dividends on local government investment program funds consist of interest earned, plus any discount ratably amortized to the date of maturity, plus all realized gains and losses on the sale of securities prior to maturity, less ratably amortization of any premium and all accrued expenses to the fund. Dividends are accrued daily and may be paid either monthly or quarterly. The monthly earnings on this statement represent the estimated dividend accrued for the month for any program that distributes earnings on a quarterly basis. There is no guarantee that the estimated amount will be paid on the actual distribution date.

Current Yield is the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical fund account with a balance of one share over the seven-day base period including the statement date, expressed as a percentage of the value of one share (normally \$1.00 per share) at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by

365 and dividing the result by 7. The yields quoted should not be considered a representation of the yield of the fund in the future, since the yield is not fixed. **Average maturity** represents the average maturity of all securities and investments of a portfolio, determined by multiplying the par or principal value of each security or investment by its maturity (days or years), summing the products, and dividing the sum by the total principal value of the portfolio. The stated maturity date of mortgage backed or callable securities are used in this statement. However the actual maturity of these securities could vary depending on the level or prepayments on the underlying mortgages or whether a callable security has or is still able to be called.

Monthly distribution yield represents the net change in the value of one share (normally \$1.00 per share) resulting from all dividends declared during the month by a fund expressed as a percentage of the value of one share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

YTM at Cost The yield to maturity at cost is the expected rate of return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis.

YTM at Market The yield to maturity at market is the rate of return, based on the current market value, the annual interest receipts, maturity value and the time period remaining until maturity, stated as a percentage, on an annualized basis.

Managed Account A portfolio of investments managed discretely by PFMAM according to the client's specific investment policy and requirements. The investments are directly owned by the client and held by the client's custodian.

Unsettled Trade A trade which has been executed however the final consummation of the security transaction and payment has not yet taken place.

Please review the detail pages of this statement carefully. If you think your statement is wrong, missing account information, or if you need more information about a transaction, please contact PFMAM within 60 days of receipt. If you have other concerns or questions regarding your account, or to request an updated copy of PFMAM's current disclosure statement, please contact a member of your client management team at PFMAM Service Operations at the address below.

PFM Asset Management LLC
Attn: Service Operations
213 Market Street
Harrisburg, PA 17101

NOT FDIC INSURED NO BANK GUARANTEE MAY LOSE VALUE

PFM Fund Distributors, Inc. (PFMFD), an affiliate of PFM Asset Management LLC, is registered with the U.S. Securities and Exchange Commission (SEC) and is subject to the rules of the Municipal Securities Rulemaking Board (MSRB) as it relates to the distribution of shares of local government investment pools. PFMFD is required to inform you of the availability of the MSRB Investor Brochure which describes the protections that may be provided by the MSRB rules and how to file a complaint with an appropriate regulatory authority. The MSRB Investor Brochure can be found on the MSRB's website at www.msrb.org



Account Statement - Transaction Summary

For the Month Ending **November 30, 2022**

INTERMEDIATE SCHOOL DISTRICT 917 - STATE PAYMENTS - 600430

MSDLAF+ Liquid Class

Opening Market Value	3,526,427.80
Purchases	10,605.91
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	0.00

Closing Market Value **\$3,537,033.71**

Cash Dividends and Income 10,605.91

MSDLAF+ MAX Class

Opening Market Value	10,230,905.84
Purchases	31,556.44
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	0.00

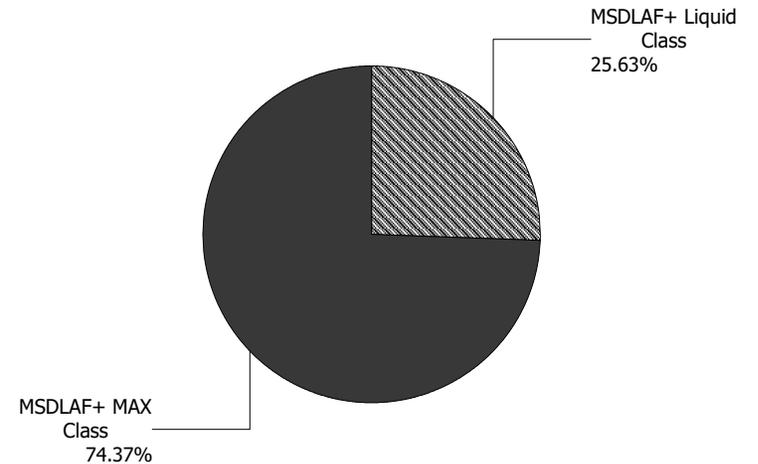
Closing Market Value **\$10,262,462.28**

Cash Dividends and Income 31,556.44

Asset Summary

	November 30, 2022	October 31, 2022
MSDLAF+ Liquid Class	3,537,033.71	3,526,427.80
MSDLAF+ MAX Class	10,262,462.28	10,230,905.84
Total	\$13,799,495.99	\$13,757,333.64

Asset Allocation





Account Statement

For the Month Ending **November 30, 2022**

INTERMEDIATE SCHOOL DISTRICT 917 - STATE PAYMENTS - 600430

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
MSDLAF+ Liquid Class					
Opening Balance					3,526,427.80
11/30/22	12/01/22	Accrual Income Div Reinvestment - Distributions	1.00	10,605.91	3,537,033.71
Closing Balance					3,537,033.71

	Month of November	Fiscal YTD July-November		
Opening Balance	3,526,427.80	0.00	Closing Balance	3,537,033.71
Purchases	10,605.91	3,537,033.71	Average Monthly Balance	3,526,781.33
Redemptions (Excl. Checks)	0.00	0.00	Monthly Distribution Yield	3.66%
Check Disbursements	0.00	0.00		
Closing Balance	3,537,033.71	3,537,033.71		
Cash Dividends and Income	10,605.91	31,652.34		

MSDLAF+ MAX Class

Opening Balance					10,230,905.84
11/30/22	12/01/22	Accrual Income Div Reinvestment - Distributions	1.00	31,556.44	10,262,462.28



Account Statement

For the Month Ending **November 30, 2022**

INTERMEDIATE SCHOOL DISTRICT 917 - STATE PAYMENTS - 600430

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
Closing Balance					10,262,462.28
	Month of November	Fiscal YTD July-November			
Opening Balance	10,230,905.84	8,466,426.45	Closing Balance	10,262,462.28	
Purchases	31,556.44	1,796,035.83	Average Monthly Balance	10,231,957.72	
Redemptions (Excl. Checks)	0.00	0.00	Monthly Distribution Yield	3.75%	
Check Disbursements	0.00	0.00			
Closing Balance	10,262,462.28	10,262,462.28			
Cash Dividends and Income	31,556.44	96,035.83			

**INTERMEDIATE SCHOOL DISTRICT 917
SCHOOL BOARD REPORT OF
CONSOLIDATED INVESTMENTS (GENERAL & BUILDING)**

November 2022

ACCOUNT NAME	ACCT NO	BEGINNING BALANCE	PURCHASES CREDITS	SALES TRANSFERS	INVESTMENT FEES	INTEREST EARNED	ENDING BALANCE	YEAR TO DATE INTEREST EARNED
MSDLAF + MAX	01	10,230,905.84	0.00	0.00	0.00	31,556.44	10,262,462.28	96,035.83
MSDLAF Liquid	01	3,526,427.80	0.00	0.00	0.00	10,605.91	3,537,033.71	31,652.34
MSDLAF TERM (CD's,Term,Comm) maturity	01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL		13,757,333.64	0.00	0.00	0.00	42,162.35	13,799,495.99	127,688.17

EXPLANATION: The above is School District Investments complying with the requirements of Minnesota Statutes 118.01, 471.56 and 475.66.

1. MSDMAX is MSDLAF'S "Max Portfolio" and includes pooled investments plus banker's acceptances, commercial paper, repurchase agreements and US Government obligations.
2. MSDLAF is MSDLAF'S primary clearing "Money Market" fund. All fixed rate investments (FRI) clear through this account as do maturities, interest, and fees.

NOTE: **November 2022** Average MSDLAF+MAX Average Rate was 3.75%. MSDLAF Liquid Rate was 3.66% and the MSDLAF Term Average Rate estimate is .00%.



Intermediate School District 917

Purposeful. Personalized. Partners.

1300 145th Street East, Rosemount, MN 55068

(651) 423-8229 * <http://www.isd917.org>

To: ISD 917 School Board Members
Michael Favor, Superintendent

From: Nicolle Roush, Executive Director of Business Services

Date: January 10, 2023

Re: FY22 Final audit draft summary

Information:

- Enclosed for your review is the draft fiscal year 2022 financial management report and financial Statement for Intermediate School District 917. Submission of unaudited information on September 15 and audited on November 30, 2023 per Minn. Stat. section 123B.77.
- Draft documents have been reviewed for accuracy and approved by Executive Director of Business Services. This is also required to be accepted by Intermediate School District 917.
- The district's financial statement for the year ending June 30, 2022 has received a unmodified opinion from the auditors, no deficiencies in the district's internal controls, no instances of noncompliance and no findings on the district's compliance with Minnesota laws and regulations (reference management report page 1).
- The district implemented a new GASB Statement No. 87, leases, during fiscal year ending June 30, 2022. It should be noted implementation of this took a lot of work from employees and auditors during this time. In the past, leases were recorded as an annual expenditure and now they are considered a debt in amount of 7.7 million (reference financial statements page 45 under note 4). This is a significant change in the financial statements.
- Accounting estimates are an integral part of the financial statements prepared by management which include Special Education Aid and tuition adjustments, Severance liabilities, OPEB, and self insured activities. It should be highlighted that the FY21 special education accrual came in at only \$37,228 over estimates of 6.98 million. Auditors determined the key factors used in these assumptions are reasonable in relation to financial statement (reference management report page 2).

ISD 917 Vision

Intermediate School District 917 models an innovative culture with diverse pathways serving students and families through equitable practices with highly trained staff.

ISD 917 Core Values

Collaboration * Empathy * Innovation * Stewardship * Communication * Integrity * Personalization * Equity * Diversity

- FY22 Unassigned fund balances at year in came in at 9.3 million or 21.8% of expenditures, a decrease of \$668,078 or 1.8% in comparison to FY21. This is due to decrease in total fund balance and an increase in amounts assigned for subsequent year's budget deficit (reference management report page 7 and 8). Overall, the five-year history of general fund balance reflects our district stability.
- Secondary Education Account experienced an increase in fund balance of \$217,000 due to expenditures coming in lower than budgeted and Special education experienced a net decrease in fund balance of \$358,353 compared to estimate of \$378,162. Overall, student APU's are down due to inability to hire staff reducing the amount of general education dollars received to cover overhead expenditures.
- Internal Service Fund balances came in with a increase of \$784,513 just slightly under projections anticipated in comparison to the revised budget of (\$139,400) due to expenditure offsets from revenues coming in lower than projected in both medical and dental.

Recommendation: Board approval of Intermediate School District 917 management and financial statements for yearending June 30, 2022

Management Report

for

Intermediate School District No. 917
Rosemount, Minnesota

June 30, 2022

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PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

To the School Board and Management of
Intermediate School District No. 917
Rosemount, Minnesota

We have prepared this management report in conjunction with our audit of Intermediate School District No. 917's (the District) financial statements for the year ended June 30, 2022. We have organized this report into the following sections:

- Audit Summary
- Funding Public Education in Minnesota
- Financial Trends of Your District
- Accounting and Auditing Updates

We would be pleased to further discuss any of the information contained in this report or any other concerns that you would like us to address. We would also like to express our thanks for the courtesy and assistance extended to us during the course of our audit.

The purpose of this report is solely to provide those charged with governance of the District, management, and those who have responsibility for oversight of the District's financial reporting process comments resulting from our audit and information relevant to school district financing in Minnesota. Accordingly, this report is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
December 8, 2022

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AUDIT SUMMARY

The following is a summary of our audit work, key conclusions, and other information that we consider important or that is required to be communicated to the Board, administration, or those charged with governance of the District.

OUR RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA AND *GOVERNMENT AUDITING STANDARDS*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you verbally and in our audit engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously discussed and coordinated in order to obtain sufficient audit evidence and complete an effective audit.

AUDIT OPINION AND FINDINGS

Based on our audit of the District's financial statements for the year ended June 30, 2022:

- We have issued an unmodified opinion on the District's basic financial statements. Our report included a paragraph emphasizing the District's implementation of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, during the year. Our opinion was not modified with respect to this matter.
- We reported no deficiencies in the District's internal control over financial reporting that we considered to be material weaknesses.
- The results of our testing disclosed no instances of noncompliance required to be reported under *Government Auditing Standards*.
- We reported no findings based on our testing of the District's compliance with Minnesota laws and regulations.

SIGNIFICANT ACCOUNTING POLICIES

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 of the notes to basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year ended June 30, 2022. However, the District implemented the following governmental accounting standard during the year:

As described in Note 1 of the notes to the basic financial statements, the District implemented GASB Statement No. 87, *Leases*, during fiscal year ended June 30, 2022. As described in Note 1 of the basic financial statements, this standard changed the way lease transactions are reported by the District, but did not result in a restatement of net position in the current year.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

ACCOUNTING ESTIMATES AND MANAGEMENT JUDGMENTS

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Special education state aid includes an adjustment related to tuition billings to and from other school districts for special education services, which are computed using formulas derived by the Minnesota Department of Education (MDE). Because of the timing of the calculations, this adjustment for the current fiscal year is not finalized until after the District has closed its financial records. The impact of this adjustment on the receivable and revenue recorded for state special education aid is calculated using preliminary information available to the District.

The District has recorded a liability in the Statement of Net Position for severance benefits payable for which it is probable employees will be compensated. The "vesting method" used by the District to calculate this liability is based on assumptions involving the probability of employees becoming eligible to receive the benefits (vesting), the potential use of accumulated sick leave prior to termination, and the age at which such employees are likely to retire.

The District has recorded activity for other post-employment benefits (OPEB) and pension benefits. These obligations are calculated using actuarial methodologies primarily described in GASB Statement Nos. 68 and 75. These actuarial calculations include significant assumptions, including projected changes, healthcare insurance costs, investment returns, retirement ages, proportionate share, and employee turnover.

The depreciation of capital assets involves estimates pertaining to useful lives.

The District's self-insured activities require recording a liability for claims incurred, but not yet reported, which are based on estimates.

We evaluated the key factors and assumptions used by management to develop the estimates discussed above in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The disclosures included in the notes to the basic financial statements related to OPEB and pension benefits are particularly sensitive, due to the materiality of the liabilities, and the large and complex estimates involved in determining the disclosures.

The financial statement disclosures are neutral, consistent, and clear.

DIFFICULTIES ENCOUNTERED IN PERFORMING THE AUDIT

We encountered no significant difficulties in dealing with management in performing and completing our audit.

CORRECTED AND UNCORRECTED MISSTATEMENT

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no misstatements detected as a result of audit procedures that were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

DISAGREEMENTS WITH MANAGEMENT

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

MANAGEMENT REPRESENTATIONS

We have requested certain representations from management that are included in the management representation letter dated December 8, 2022.

MANAGEMENT CONSULTATIONS WITH OTHER INDEPENDENT ACCOUNTANTS

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

OTHER AUDIT FINDINGS OR ISSUES

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

OTHER MATTERS

We applied certain limited procedures to the management's discussion and analysis and the pension and OPEB-related required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplemental information and the Uniform Financial Accounting and Reporting Standards Compliance Table, which accompany the financial statements, but are not RSI. With respect to this supplemental information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplemental information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and other information sections, which accompany the financial statements, but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

FUNDING PUBLIC EDUCATION IN MINNESOTA

Due to its complexity, it would be impossible to fully explain the funding of public education in Minnesota within this report. This section provides selected state-wide funding and financial trend information.

BASIC GENERAL EDUCATION REVENUE

The largest single funding source for Minnesota school districts is basic general education aid. Each year, the Legislature sets a basic formula allowance. Total basic general education revenue is calculated by multiplying the formula allowance by the number of pupil units for which a district is entitled to aid. Pupil units are calculated using a legislatively determined weighting system applied to average daily membership (ADM). Over the years, various modifications have been made to this calculation, including changes in weighting and special consideration for declining enrollment districts.

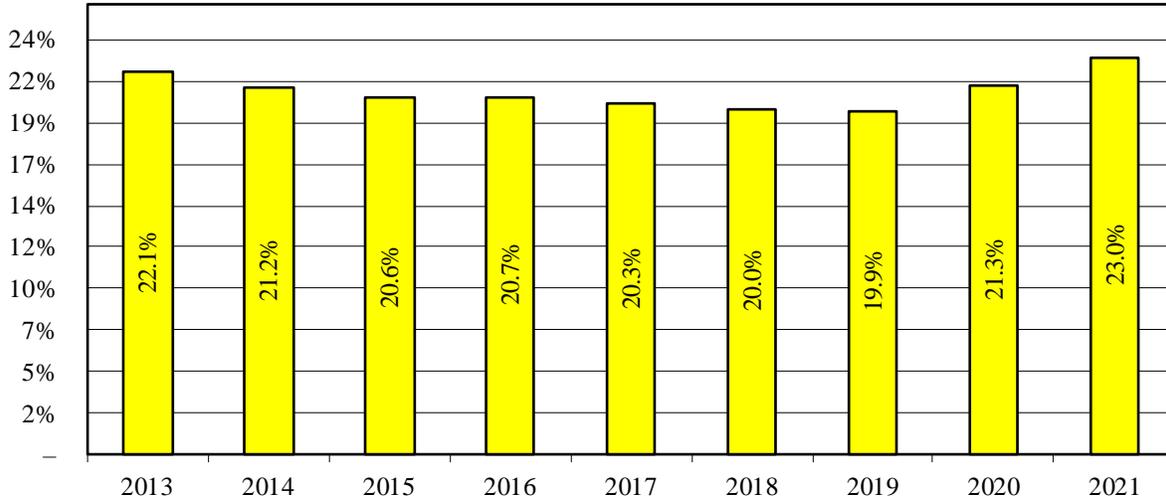
The table below presents a summary of the formula allowance for the past decade and as approved for the current audit period and the next fiscal year. The Legislature approved a per pupil increase of \$135 for fiscal 2023. The amount of the formula allowance and the percentage change from year-to-year excludes temporary funding changes, the “roll-in” of aids that were previously funded separately, and changes that may vary dependent on actions taken by individual districts. The \$529 increase in 2015 was offset by changes to pupil weightings and the general education aid formula that resulted in an increase equivalent to approximately \$105, or 2.00 percent, state-wide.

Fiscal Year Ended June 30,	Formula Allowance	
	Amount	Percent Increase
2013	\$ 5,224	1.00 %
2014	\$ 5,302	1.50 %
2015	\$ 5,831	2.00 %
2016	\$ 5,948	2.00 %
2017	\$ 6,067	2.00 %
2018	\$ 6,188	2.00 %
2019	\$ 6,312	2.00 %
2020	\$ 6,438	2.00 %
2021	\$ 6,567	2.00 %
2022	\$ 6,728	2.45 %
2023	\$ 6,863	2.00 %

STATE-WIDE SCHOOL DISTRICT FINANCIAL HEALTH

One of the most common and comparable statistics used to evaluate school district financial health is the unrestricted operating fund balance as a percentage of operating expenditures.

State-Wide Unrestricted Operating Fund Balance
as a Percentage of Operating Expenditures



Note: State-wide information is not available for fiscal 2022.

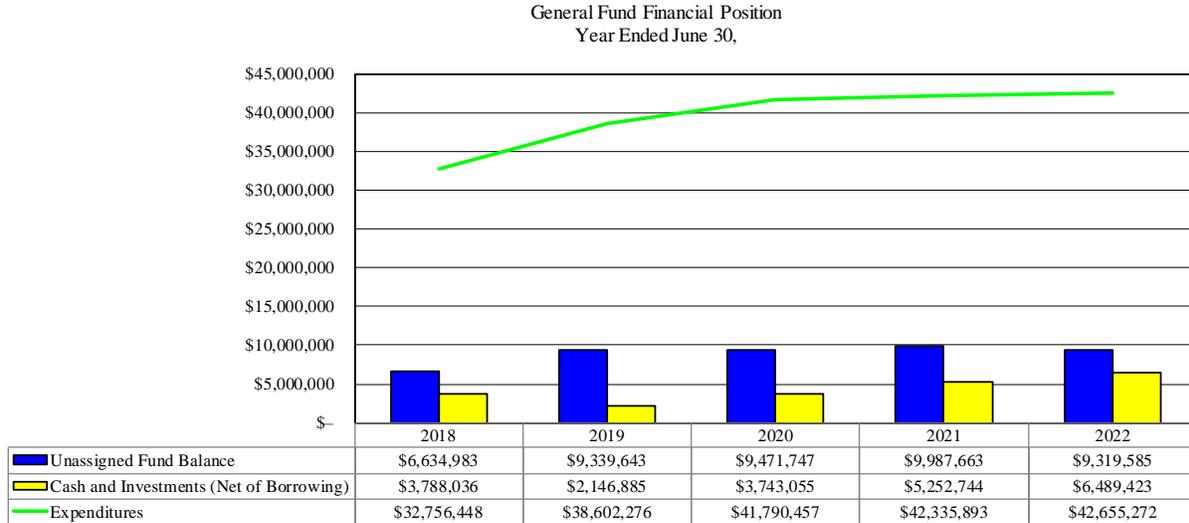
The calculation above reflects only the unrestricted fund balance of the General Fund, and the corresponding expenditures, which is the same method the state uses for the calculation of statutory operating debt.

The average unrestricted fund balance as a percentage of operating expenditures maintained by Minnesota school districts decreased gradually from 22.1 percent at the end of fiscal 2013 to 19.9 percent at the end of fiscal 2019, a period of relative stability in the state's economic condition and school funding. This ratio began rising again during the fiscal years impacted by the COVID-19 pandemic increasing to 23.0 percent at the end of fiscal 2021.

FINANCIAL TRENDS OF YOUR DISTRICT

GENERAL FUND FINANCIAL POSITION

The following graph displays the District’s General Fund trends of financial position and changes in the volume of financial activity. Unassigned fund balance and cash balance are two indicators of financial health, while annual expenditures are often used to measure the size of the operation.



The District ended fiscal year 2022 with a General Fund cash and investments balance of \$6,489,423 (net of borrowing and interfund receivables and payables), an increase of \$1,236,679 from the previous year. This was mainly due to the decrease in amounts due from the MDE from special education state aids.

Unassigned fund balance at year-end was \$9,319,585, a decrease of \$668,078. This was due to the decrease in the total fund balance and an increase in amounts assigned for subsequent year’s budget deficit.

The District ended the year with a \$134,598 decrease in the General Fund balance. This decrease of \$134,598 is lower than the \$316,814 decrease anticipated in the District’s revised budget. The reason for the variance is mainly due to the District experiencing better than expected results in the Secondary Education Account totaling \$152,404. Expenditures were lower than anticipated in this account by \$151,266, mainly in salaries and purchased services due to the discontinuation of some of the Career and Technical Education (CTE) programs.

The following table presents the components of the General Fund balance for the past five years:

	Year Ended June 30,				
	2018	2019	2020	2021	2022
Nonspendable fund balances	\$ 622,617	\$ 129,262	\$ 131,151	\$ 109,429	\$ 123,369
Restricted fund balances	342,912	182,355	138,134	105,925	50,573
Assigned fund balances	423,420	145,942	391,088	134,029	708,921
Unassigned	<u>6,634,983</u>	<u>9,339,643</u>	<u>9,471,747</u>	<u>9,987,663</u>	<u>9,319,585</u>
Total fund balances	<u>\$ 8,023,932</u>	<u>\$ 9,797,202</u>	<u>\$ 10,132,120</u>	<u>\$ 10,337,046</u>	<u>\$ 10,202,448</u>
Unassigned fund balances as a percentage of expenditures	<u>20.3%</u>	<u>24.2%</u>	<u>22.7%</u>	<u>23.6%</u>	<u>21.8%</u>
Cash and temporary investments (net of borrowing)	<u>\$ 3,788,036</u>	<u>\$ 2,146,885</u>	<u>\$ 3,743,055</u>	<u>\$ 5,252,744</u>	<u>\$ 6,489,423</u>

The resources represented by this fund balance are critical to a district's ability to maintain adequate cash flow throughout the year, to retain its programs, and to cushion against the impact of unexpected costs or funding shortfalls.

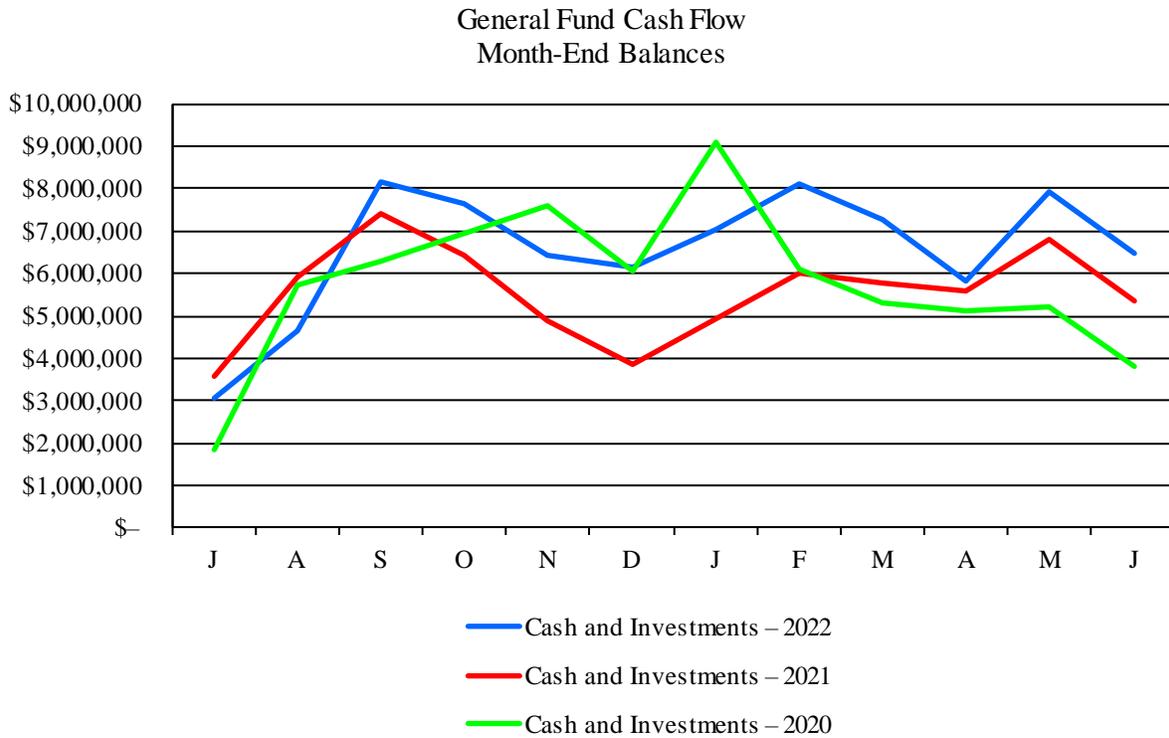
Fund balance as a percentage of expenditures is one key measure in assessing the financial health of the District. Maintaining an adequate fund balance is particularly important because of the limited availability of borrowing for the District and the need for the General Fund to be self-sustaining in its cash flow needs.

The fund balance remains healthy when compared to the level of district expenditures. The District's plan, based on the current fund balance policy, is to maintain a minimum unassigned General Fund balance of 15.0 percent of the annual budget. At June 30, 2022, the District has exceeded that policy, with an unassigned fund balance as a percentage of 2022 expenditures of 21.8 percent.

The District's fund balance provides opportunities to incur one-time capital expenditures to mitigate the amount of long-term facilities maintenance levy that the District requests on behalf of the member districts. The District continues to monitor its fund balances closely.

GENERAL FUND CASH FLOW

The level of cash and investments varies considerably during the year, due to the timing of various revenues and expenditures. The following graph summarizes the level of cash and investments, including cash and investments held by trustee (net of short-term cash flow borrowing) over the past three years:



The graph above shows the peaks and valleys of the General Fund cash and investments balance (net of borrowing and interfund balances) on a monthly basis. The swing between its high and low month-end cash balances was about \$5.1 million for fiscal 2022.

GENERAL FUND OPERATIONS AND FINANCIAL POSITION BY ACCOUNT

The following tables present comparative operating results for some of the accounts of the District's General Fund:

Secondary Education Account

	Year Ended June 30,				
	2018	2019	2020	2021	2022
Revenue and other financing sources	\$ 3,891,849	\$ 4,598,757	\$ 4,409,692	\$ 4,211,547	\$ 4,187,256
Expenditures	3,399,214	3,713,372	4,101,077	4,258,342	3,969,331
Net change in fund balances	492,635	885,385	308,615	(46,795)	217,925
Fund balances					
Beginning of year	1,918,774	2,411,409	3,296,794	3,605,409	3,558,614
End of year	\$ 2,411,409	\$ 3,296,794	\$ 3,605,409	\$ 3,558,614	\$ 3,776,539

This account experienced a net increase in fund balance of \$217,925 during fiscal 2022. This compares to a budgeted increase of \$65,521. Revenues were over budget by \$643, mainly in tuition for the alternative learning (DCALS) program, offset by decreases in state and federal aid sources. Expenditures ended the year lower than budget by \$151,266, mainly in salaries and purchased services, due to the discontinuation of some of the CTE programs.

Total revenue in the Secondary Education Account of the General Fund totaled \$4,186,761 in fiscal 2022, a decrease of \$24,786 from the previous year, due to a decrease in state sources. The decrease in state sources was offset by an increase tuition revenue, mainly due to billing member districts directly for services rendered rather than through MDE's tuition billing. Expenditures in this account decreased \$289,011, mainly in salaries and benefits related the discontinuation of some of the CTE programs as mentioned above.

Special Education Account

	Year Ended June 30,				
	2018	2019	2020	2021	2022
Revenue and other financing sources	\$ 28,924,111	\$ 34,735,955	\$ 37,131,011	\$ 37,774,644	\$ 37,734,212
Expenditures and other financing uses	28,235,178	33,857,291	37,119,354	37,529,096	38,092,565
Net change in fund balances	688,933	878,664	11,657	245,548	(358,353)
Fund balances					
Beginning of year	4,897,479	5,586,412	6,465,076	6,476,733	6,722,281
End of year	\$ 5,586,412	\$ 6,465,076	\$ 6,476,733	\$ 6,722,281	\$ 6,363,928

This account experienced a net decrease in fund balance of \$358,353 during fiscal 2022, which compares to a budgeted decrease in fund balance of \$378,162 for the year. Special education state aid revenue was \$4,377,755 lower than budget and the related expenditures were also lower than budgeted amounts by \$4,141,726. This was mainly due to lower than anticipated salaries and benefits, purchased services, and capital expenditures. This is due to most expenditure categories being lower as a result of open positions not being filled, the reclassification of lease related expenditures between expenditure categories with the implementation of the new GASB standard on leases, and capital related purchases being delayed due to supply chain shortages, due to the COVID-19 pandemic.

Special Education Account revenues decreased \$40,432 in fiscal 2022. The District experienced an increase in medical assistance billings offset by a decrease in federal sources due to receiving one-time COVID-19-related funding in fiscal 2021. Expenditures and other financing uses increased \$563,469, mainly in debt service payments due to the implementation of the new lease standard under GASB Statement No. 87.

OTHER FUNDS OF THE DISTRICT

Food Service Special Revenue Fund

The District’s Food Service Special Revenue Fund revenues exceeded expenditures by \$17,670. This was the direct result of receiving federal United States Department of Agriculture Emergency Operational Costs Reimbursement, along with more participation in the program than expected.

Internal Service Funds

The internal service funds are considered proprietary funds and are used to account for health and dental insurance offered by the District to its employees as a self-insured plan and post-employment employee benefits.

The following table presents comparative operating results for the District’s internal service funds over the past five fiscal years:

	Year Ended June 30,				
	2018	2019	2020	2021	2022
Revenue	\$ 3,865,060	\$ 4,632,933	\$ 5,066,691	\$ 5,791,672	\$ 5,478,147
Expenses	3,150,658	4,122,961	3,831,523	4,742,075	4,693,634
Change in net position	714,402	509,972	1,235,168	1,049,597	784,513
Net position					
Beginning of year	406,523	1,120,925	1,630,897	2,866,065	3,915,662
End of year	\$ 1,120,925	\$ 1,630,897	\$ 2,866,065	\$ 3,915,662	\$ 4,700,175

These funds had revenues over expenses of \$784,513 during fiscal 2022. This occurred mostly as a result of the District’s internal service fund for self-insured health insurance, which had an operating income of \$796,551. Revenues were less than fiscal 2021, mainly in the self-insured medical insurance plan, due to a slight decrease in the numbers of employee participants. Expenses decreased slightly due to changes in claims incurred.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's financial statements include fund-based information that focuses on budgetary compliance, and the sufficiency of the District's current assets to finance its current liabilities. The governmental reporting model also requires the inclusion of two government-wide financial statements designed to present a clear picture of the District as a single, unified entity. These government-wide financial statements provide information on the total cost of delivering educational services, including capital assets and long-term liabilities.

Theoretically, net position represents district resources available for providing services after its debts are settled. However, those resources are not always in expendable form, or there may be restrictions on how some of those resources can be used. Therefore, this statement divides net position into three components: net investment in capital assets, restricted, and unrestricted. The following table presents a summarized reconciliation of the District's governmental fund balances to net position, and the separate components of net position for the last two years:

	As of June 30,		Change
	2021	2022	
Net position – governmental activities			
Total fund balances – governmental funds	\$ 10,337,046	\$ 10,220,118	\$ (116,928)
Total capital assets, net of depreciation/amortization	8,717,725	16,046,151	7,328,426
Total long-term debt	(6,940,000)	(14,376,152)	(7,436,152)
Net pension-related liabilities	(28,163,779)	(27,851,215)	312,564
Internal service funds balance	3,915,662	4,700,175	784,513
Other items	(403,518)	(401,465)	2,053
Total net position – governmental activities	<u>\$ (12,536,864)</u>	<u>\$ (11,662,388)</u>	<u>\$ 874,476</u>
Net position			
Net investment in capital assets	\$ 1,856,227	\$ 1,738,308	\$ (117,919)
Restricted	61,543	23,850	(37,693)
Unrestricted	(14,454,634)	(13,424,546)	1,030,088
Total net position	<u>\$ (12,536,864)</u>	<u>\$ (11,662,388)</u>	<u>\$ 874,476</u>

Some of the District's fund balances translate into restricted net position by virtue of external restrictions (statutory restrictions) or by the nature of the fund they are in (e.g., Food Service Special Revenue Fund balance can only be spent for food service program costs). The unrestricted net position category consists mainly of the General Fund unrestricted fund balances, offset against noncapital long-term obligations, such as severance payable, compensated absences, OPEB, and pension liabilities.

Total net position increased by \$874,476 in fiscal 2022. The District's net investment in capital assets decreased \$117,919 this year. The change in this category of net position typically depends on the relationship between the rate at which the District is adding capital assets, the rate capital assets are being depreciated/amortized, and how that compares to the rate at which the District is repaying the debt issued to purchase or construct those assets. The District's unrestricted net position increased by \$1,030,088, mainly due to changes in funding levels of the Public Employees Retirement Association and the Teachers Retirement Association pension obligations offset by improved net position in the internal service funds of the District.

ACCOUNTING AND AUDITING UPDATES

The following is a summary of Governmental Accounting Standards Board (GASB) standards expected to be implemented in the next few years. Due to the COVID-19 pandemic, the GASB has delayed the original implementation dates of these and other standards as described below.

GASB STATEMENT NO. 96, *SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS*

This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Under this statement, a government generally should recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability.

This statement provides an exception for short-term SBITAs with a maximum possible term under the SBITA contract of 12 months, including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

This statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

GASB STATEMENT NO. 99, *OMNIBUS 2022*

The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.

- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).
- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.
- Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements.
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.
- Terminology used in Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* to refer to resource flows statements.

The requirements of this statement that are effective are as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement No. 34, as amended, and terminology updates related to Statement No. 53 and Statement No. 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB STATEMENT NO. 100, ACCOUNTING CHANGES AND ERROR CORRECTIONS – AN AMENDMENT OF GASB STATEMENT NO. 62

The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

The requirements of this statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB STATEMENT NO. 101, *COMPENSATED ABSENCES*

The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used, but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled.

This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. A liability for leave that has been used, but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

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INTERMEDIATE SCHOOL DISTRICT NO. 917
ROSEMOUNT, MINNESOTA

Financial Statements and
Supplemental Information

Year Ended
June 30, 2022

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Table of Contents

	Page
INTRODUCTORY SECTION	
SCHOOL BOARD AND ADMINISTRATION	1
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT	2–5
MANAGEMENT'S DISCUSSION AND ANALYSIS	6–20
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	21
Statement of Activities	22–23
Fund Financial Statements	
Governmental Funds	
Balance Sheet	24
Reconciliation of the Balance Sheet to the Statement of Net Position	25
Statement of Revenue, Expenditures, and Changes in Fund Balances	26
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities	27
Statement of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	28
Proprietary Funds	
Statement of Net Position	29
Statement of Revenue, Expenses, and Changes in Net Position	30
Statement of Cash Flows	31
Notes to Basic Financial Statements	32–61
REQUIRED SUPPLEMENTARY INFORMATION	
Public Employees Retirement Association Pension Benefits Plan	
Schedule of District's and Nonemployer Proportionate Share of Net Pension Liability	62
Schedule of District Contributions	62
Teachers Retirement Association Pension Benefits Plan	
Schedule of District's and Nonemployer Proportionate Share of Net Pension Liability	63
Schedule of District Contributions	63
Other Post-Employment Benefits Plan	
Schedule of Changes in the District's Total OPEB Liability and Related Ratios	64
Notes to Required Supplementary Information	65–70

INDEPENDENT SCHOOL DISTRICT NO. 917

Table of Contents (continued)

	Page
SUPPLEMENTAL INFORMATION	
Combining and Individual Fund Statements and Schedules	
Governmental Funds	
General Fund	
Comparative Balance Sheet	71
Schedule of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual	72
Combining Balance Sheet by Account	73–74
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances by Account	75–76
Schedule of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual	
Secondary Education Account	77
Special Education Account	78
Services Allocation Account	79
District Support Services Account	80
Capital Expenditure Account	81
Secondary Resale Account	82
Special Education Resale Account	83
Student Activities Account	84
Nonmajor Fund – Food Service Special Revenue Fund	
Comparative Balance Sheet	85
Schedule of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual	86
Internal Service Funds	
Combining Statement of Net Position	87–88
Combining Statement of Revenue, Expenses, and Changes in Net Position	89–90
Combining Statement of Cash Flows	91–92
OTHER INFORMATION	
Government-Wide Revenue by Type	93
Government-Wide Expenses by Program	94
General Fund Revenue by Source	95–96
General Fund Expenditures by Object	97–98
OTHER REQUIRED REPORTS	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	99–100
Independent Auditor’s Report on Minnesota Legal Compliance	101
Uniform Financial Accounting and Reporting Standards Compliance Table	102–103

INTRODUCTORY SECTION

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INTERMEDIATE SCHOOL DISTRICT NO. 917

School Board and Administration
as of June 30, 2022

SCHOOL BOARD

<u>Board of Directors</u>	<u>Member District</u>	<u>Position on Board</u>
Melissa Sauser	ISD No. 192	Chairperson
Byron Schwab	ISD No. 197	Vice Chairperson
Tom Bennett	ISD No. 271	Treasurer
Cindy Nordstrom	ISD No. 199	Clerk
Lesley Chester	ISD No. 191	Board Member
Lisa Ehleringer	ISD No. 195	Board Member
Wendy Felton	ISD No. 6	Board Member
Lisa Hedin	ISD No. 200	Board Member
Kathy Lewis	ISD No. 194	Board Member

ADMINISTRATION

Michael Favor	Superintendent
Nicolle Roush	Executive Director of Business Services
Melissa Schaller	Executive Director of Student Services

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FINANCIAL SECTION

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PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT

To the School Board and Management of
Intermediate School District No. 917
Rosemount, Minnesota

OPINIONS

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Intermediate School District No. 917 (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINIONS

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

EMPHASIS OF MATTER

Change in Accounting Principle

As described in Note 1 to the basic financial statements, in 2022, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

(continued)

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

(continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information (RSI), as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Uniform Financial Accounting and Reporting Standards (UFARS) Compliance Table is presented for purposes of additional analysis as required by the Minnesota Department of Education, and is also not a required part of the basic financial statements of the District. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the UFARS Compliance Table are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

(continued)

Prior Year Comparative Information

We have previously audited the District's 2021 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 29, 2021. In our opinion, the partial comparative information presented herein as of and for the year ended June 30, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
December 8, 2022

INTERMEDIATE SCHOOL DISTRICT NO. 917

Management's Discussion and Analysis Year Ended June 30, 2022

This section of Intermediate School District No. 917's (the District) annual financial statements presents management's narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2022. Please read it in conjunction with the other components of the District's financial statements.

FINANCIAL HIGHLIGHTS

- The District's liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at June 30, 2022 by \$11,662,388 (net position deficit). The District's total net position increased by \$874,476 during the fiscal year ended June 30, 2022.
- The District's total General Fund balance at June 30, 2022 is \$10,202,448, a decrease of \$134,598 over the prior year.
- The District's governmental funds Balance Sheet reflects a \$9,319,585 unassigned fund balance.
- As described in Note 1 of the notes to the basic financial statements, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, during fiscal year ended June 30, 2022. As described in Note 1 of the basic financial statements, this standard changed the way lease transactions are reported by the District, but did not result in a restatement of net position in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the financial statements consists of the following parts:

- Independent Auditor's Report;
- Management's discussion and analysis;
- Basic financial statements, including the government-wide financial statements, fund financial statements, and the notes to basic financial statements;
- Required supplementary information; and
- Combining and individual fund statements and schedules, which are presented as supplemental information.

The following explains the two types of statements included in the basic financial statements:

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information about the District as a whole using accounting methods similar to those used by private sector companies. The Statement of Net Position includes *all* of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide financial statements report the District's *net position* and how it has changed. Net position—the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources—is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position are indicators of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District requires consideration of additional nonfinancial factors, such as the condition of school buildings and other facilities.

In the government-wide financial statements the District's activities are all shown in one category titled "governmental activities." These activities, including secondary vocational and special education instruction, administration, and food services, are primarily financed with tuition charges and state aids.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's *funds*, focusing on its most significant or "major funds," rather than the District as a whole. Funds (Food Service Special Revenue) that do not meet the threshold to be classified as major funds are called "nonmajor funds." Detailed financial information for nonmajor funds can be found in the supplemental information section.

Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. For Minnesota schools, funds are established in accordance with Uniform Financial Accounting and Reporting Standards in accordance with statutory requirements and accounting principles generally accepted in the United States of America.

The District maintains the following kinds of funds:

Governmental Funds – The District's basic services are included in governmental funds, which generally focus on: 1) how *cash and other financial assets* that can readily be converted to cash flow in and out, and 2) the balances left at year-end that are available for spending. Consequently, the governmental fund financial statements provide a detailed *short-term* view, that helps to determine whether there are more or less financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide financial statements, we provide additional information (reconciliation schedules) immediately following the governmental fund financial statements that explain the relationship (or differences) between these two types of financial statement presentations.

Proprietary Funds – Internal service fund services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide financial statements. The District uses internal service funds to report activities that provide supplies and services for the District's other programs and activities. These services have been included with governmental activities in the government-wide financial statements. The District currently has three internal service funds, including funds for accounting for post-employment employee benefits, and medical self-insurance and dental self-insurance plans.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Table 1 is a summarized view of the District's Statement of Net Position:

	<u>2022</u>	<u>2021</u>
Assets		
Current and other assets	\$ 21,501,778	\$ 21,012,786
Capital assets, net of accumulated depreciation/amortization	<u>16,046,151</u>	<u>8,717,725</u>
Total assets	<u>\$ 37,547,929</u>	<u>\$ 29,730,511</u>
Deferred outflows of resources		
Pension plan deferments	\$ 14,444,131	\$ 13,409,603
OPEB plan deferments	68,931	179,862
Deferred charge on refunding debt	<u>269,107</u>	<u>291,532</u>
Total deferred outflows of resources	<u>\$ 14,782,169</u>	<u>\$ 13,880,997</u>
Liabilities		
Current and other liabilities	\$ 4,367,535	\$ 4,689,404
Long-term liabilities, including due within one year	<u>34,368,063</u>	<u>36,216,455</u>
Total liabilities	<u>\$ 38,735,598</u>	<u>\$ 40,905,859</u>
Deferred inflows of resources		
Pension plan deferments	\$ 24,663,874	\$ 14,549,012
OPEB plan deferments	<u>593,014</u>	<u>693,501</u>
Total deferred inflows of resources	<u>\$ 25,256,888</u>	<u>\$ 15,242,513</u>
Net position		
Net investment in capital assets	\$ 1,738,308	\$ 1,856,227
Restricted for food service	17,670	-
Restricted for other purposes	6,179	61,543
Unrestricted	<u>(13,424,545)</u>	<u>(14,454,634)</u>
Total net position	<u>\$ (11,662,388)</u>	<u>\$ (12,536,864)</u>

The District's financial position is the product of many factors. For example, the determination of the District's net investment in capital assets involves many assumptions and estimates, such as current and accumulated depreciation and amortization amounts. A conservative versus liberal approach to depreciation and amortization estimates, as well as capitalization policies, will produce a significant difference in the calculated amounts. The other major factor in determining net position as compared to fund balances is the liability for long-term severance, pension, and other post-employment benefits (OPEB), which impacts the unrestricted portion of net position.

The District's total net position at June 30, 2022 was \$874,476 more than in the prior year, mainly due to the positive operating results of the District's internal service funds and the change in the District's share of the Public Employees Retirement Association (PERA) and the Teachers Retirement Association (TRA) pension plans, which also contributed to the change in deferred outflows of resources, long-term liabilities, and deferred inflows of resources.

The implementation of GASB Statement No. 87, *Leases*, increased the capital asset balance as further described in Note 1 to the basic financial statements.

Table 2 presents a summarized version of the District's Statement of Activities:

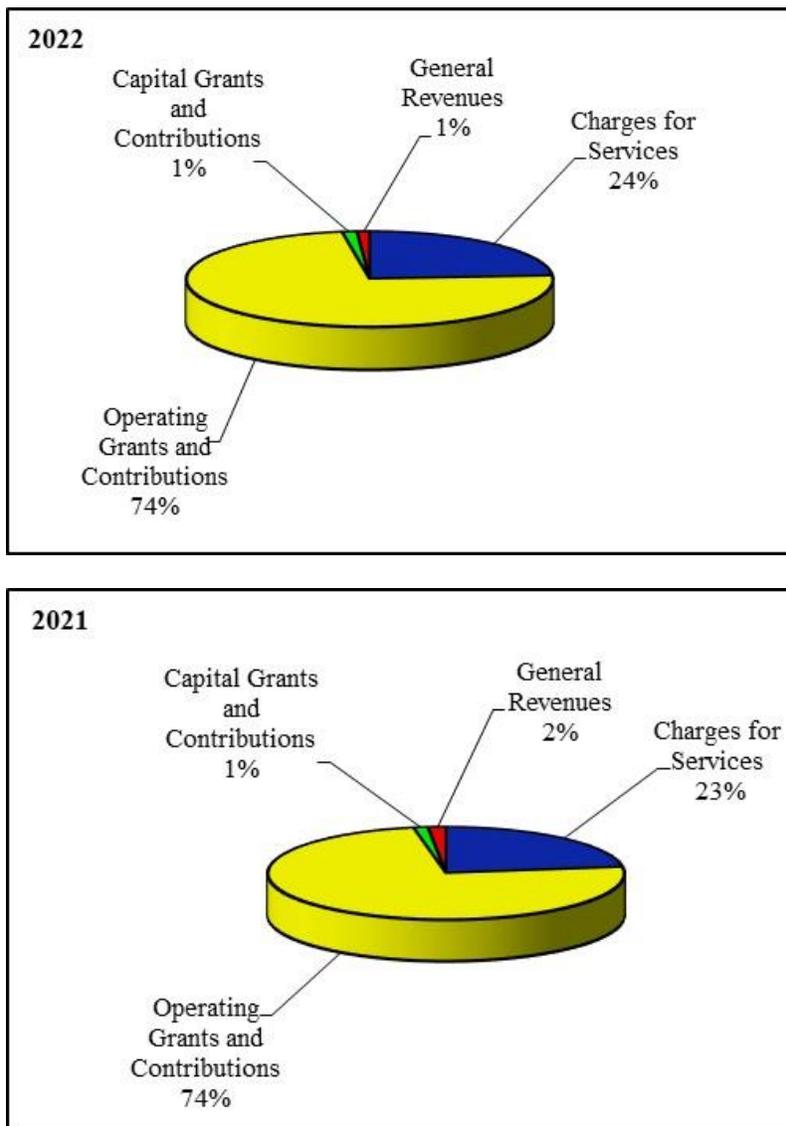
	<u>2022</u>	<u>2021</u>
Revenues		
Program revenues		
Charges for services	\$ 10,185,407	\$ 9,775,850
Operating grants and contributions	31,382,042	31,662,477
Capital grants and contributions	552,753	553,065
General revenues		
Other	452,794	685,012
Investment earnings	17,896	6,965
Total revenues	<u>42,590,892</u>	<u>42,683,369</u>
Expenses		
Administrative and support services	2,285,177	2,149,317
Secondary vocational/DCALS	3,679,900	4,274,114
Special education programs	34,835,199	36,829,246
Food service	179,672	91,751
Interest and fiscal charges on debt	736,468	229,451
Total expenses	<u>41,716,416</u>	<u>43,573,879</u>
Change in net position	874,476	(890,510)
Net position – beginning	<u>(12,536,864)</u>	<u>(11,646,354)</u>
Net position – ending	<u>\$ (11,662,388)</u>	<u>\$ (12,536,864)</u>

This table is presented on an accrual basis of accounting, and it includes all of the governmental activities of the District. This statement includes depreciation and amortization expense, but excludes capital asset purchase costs, debt proceeds, and the repayment of debt principal. The decline in special education program expenses is the result of the change in the District's share of state-wide pension plans as previously mentioned. The decline in secondary vocational/Dakota County Area Learning School (DCALS) is for similar reasons, as well as a decline in salaries and benefits related to reductions in programming. Interest and fiscal charges on debt increased related to the implementation of GASB Statement No. 87, *Leases*.

The total cost of all programs and services was \$41,716,416. The District’s expenses are predominantly related to educating students. In fiscal 2021–2022, 92.3 percent of the District’s expenses were devoted to this purpose. The administrative and support services activity of the District accounted for 5.5 percent of total expenses for the year. It should be noted that the District allocated \$2,315,562 in administrative and support services expenses to the secondary vocational/DCALS and special education programs in fiscal 2022. The decrease in operating grants and contributions is mainly related to decreases in general education aid due to a reduction in ADM’s in the DCALS and special education programs. Charges for services increased due to an increase in direct tuition billing versus Minnesota Department of Education (MDE) billing, due to the reduction in students with individualized education plans in the DCALS program, as well as an increase in the number of care and treatment students the District served.

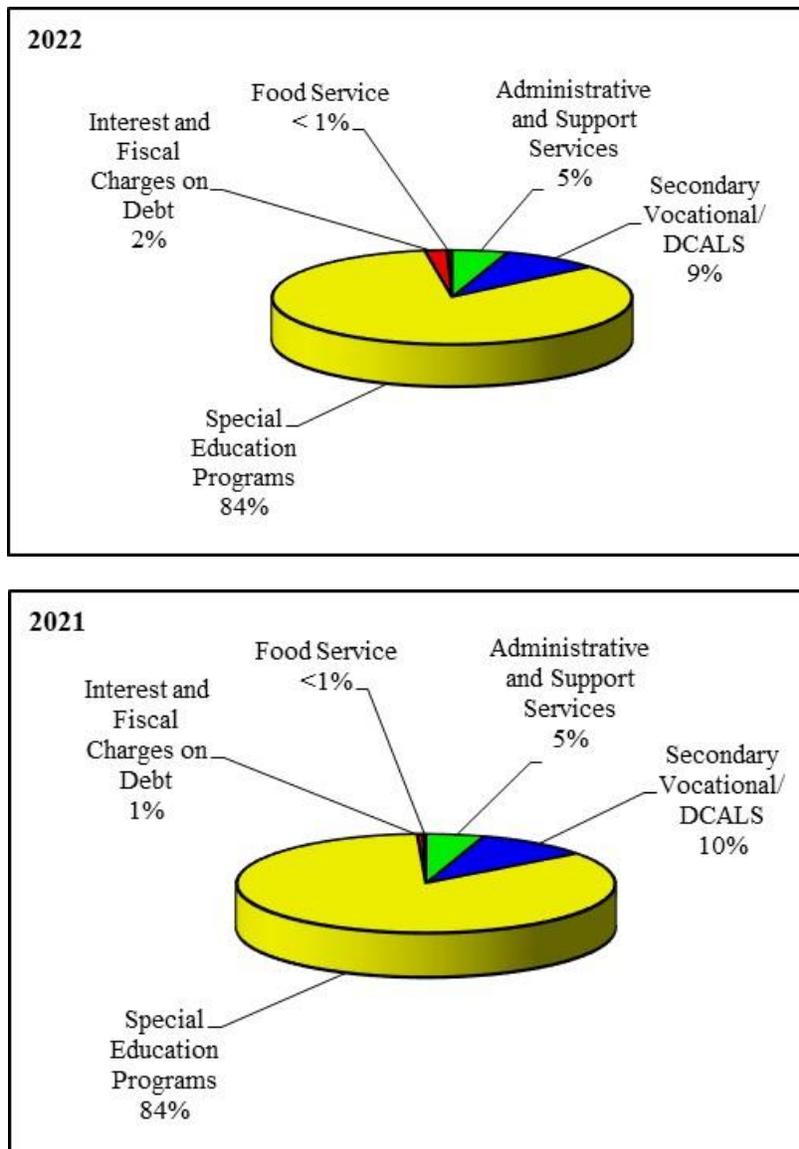
Figures A and B show further analysis of these revenue sources and expense functions:

Figure A – Sources of Revenue for Fiscal Years 2022 and 2021



The largest share of the District’s revenue is received from the state, including the aid formulas and most of the operating grants. Special education tuition billing has been processed through the MDE since 2009. Based on the special education services and costs reported to the MDE, the District generates both state special education aid and MDE-generated tuition billing revenue. Because these dollars flow through the state, they are classified as an operating grants and contributions rather than charges for services.

Figure B – Expenses for Fiscal Years 2022 and 2021



The District’s expenses are predominately related to educating students. Programs (or functions), such as secondary vocational/DCALS and special education programs are directly related to classroom instruction, while the rest of the programs support instruction and other necessary costs to operate the District.

Table 3
Net Cost of Governmental Activities
for the Years Ended June 30, 2022 and 2021

	2022		2021	
	Total Cost of Services	Net (Expense) Revenue From Services	Total Cost of Services	Net (Expense) Revenue From Services
Governmental activities				
Administrative and support services	\$ 2,285,177	\$ 57,438	\$ 2,149,317	\$ (38,759)
Secondary vocational/DCALS	3,679,900	756,105	4,274,114	151,956
Special education programs	34,835,199	309,303	36,829,246	(1,453,293)
Food service	179,672	17,408	91,751	(12,940)
Interest and fiscal charges	736,468	(736,468)	229,451	(229,451)
Total	<u>\$ 41,716,416</u>	<u>\$ 403,786</u>	<u>\$ 43,573,879</u>	<u>\$ (1,582,487)</u>

The overall net (expense) revenue from services was \$1,986,273 more than fiscal 2021, mainly due to the change in the PERA and the TRA multiple-employer defined benefit pension plans mentioned earlier.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Table 4 shows the change in total fund balances of each of the District's governmental funds:

	Table 4			Total Percent Change
	Governmental Fund Balances as of June 30, 2022 and 2021			
	2022	2021	Change	
Major fund				
General	\$ 10,202,448	\$ 10,337,046	\$ (134,598)	(1.3%)
Nonmajor fund				
Food Service Special Revenue	17,670	-	17,670	100.0%
Total governmental funds	<u>\$ 10,220,118</u>	<u>\$ 10,337,046</u>	<u>\$ (116,928)</u>	(1.1%)

As previously discussed, the focus of the District's governmental funds is to provide information on near-term inflows and outflows of resources, and balances of spendable resources. Such information is useful in assessing the District's financing position. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use, as they represent the portion of fund balance, which has not yet been limited to use for a particular purpose by either an external party, the District itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's School Board.

ENROLLMENT

Table 5
Average Daily Membership (ADM) Served
Last Five Fiscal Years

	<u>2017–2018</u>	<u>2018–2019</u>	<u>2019–2020</u>	<u>2020–2021</u>	<u>2021–2022</u>
Secondary vocational resource programs	106.57	101.79	94.33	72.33	75.05
DCALS programs	271.12	320.89	332.34	339.60	287.38
Special education resource programs	466.30	479.53	506.55	512.04	429.06

Funding for Minnesota school districts is largely driven by enrollment. In the current economic environment, member districts are striving to keep students at their sites, whenever possible. Overall, the District’s secondary vocational resource programs is maintaining enrollment levels. Alternative learning (DCALS) program experienced a decline in enrollment from the previous fiscal year. Special education resource programs did not experience the intended program growth in Intra-Dakota Education Alternative (IDEA), Students with Unique Needs (SUN), and Transition Education Services (TESA), due to labor shortages resulting in unfilled teaching positions and paraprofessionals jobs to support student education. Stable and predictable enrollment to maintain funding for programs will continue to be especially challenging in special education. To expand programming to meet the needs of students on our waiting lists, the hiring environment of employees will need to improve.

GENERAL FUND

The General Fund is used by the District to record the primary operations of providing education services to students enrolled in intermediate school district programs. Capital and major maintenance projects are also included in the General Fund.

Table 6
Financial Position – General Fund
Last Five Fiscal Years

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Unassigned fund balance	\$ 6,634,983	\$ 9,339,643	\$ 9,471,747	\$ 9,987,663	\$ 9,319,585
Percent increase	12.0%	40.8%	1.4%	5.4%	(6.7%)
Expenditures	\$ 32,756,448	\$ 38,602,276	\$ 41,790,457	\$ 42,335,893	\$ 42,655,272
Percent increase (decrease)	(1.8%)	17.8%	8.3%	1.3%	0.8%
Unassigned fund balance as a percentage of expenditures	20.3%	24.2%	22.7%	23.6%	21.8%

The District ended the year with a \$134,598 decrease in the General Fund balance. Unassigned General Fund balance decreased \$668,078. The total decrease of \$134,598 is \$182,216 lower than anticipated in the District’s revised budget. The reason for the variance is due to the District experiencing better than expected results in the Secondary Education Account totaling \$152,404. Expenditures were also lower than budgeted amounts, mainly in salaries and purchased services, due to the District being unable to fill open positions as well as discontinuing various Career and Technical Education (CTE) programs.

Table 7 presents a summary of General Fund revenue:

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Local sources			
Tuition	\$ 10,171,961	\$ 10,027,650	\$ 144,311
Investment earnings	8,698	3,328	5,370
Other	585,810	316,829	268,981
State sources	31,446,564	31,661,833	(215,269)
Federal sources	<u>307,146</u>	<u>543,858</u>	<u>(236,712)</u>
 Total General Fund revenues	 <u>\$ 42,520,179</u>	 <u>\$ 42,553,498</u>	 <u>\$ (33,319)</u>

Total General Fund revenues decreased \$33,319, or 0.1 percent, in fiscal 2022, as compared to the previous year. Overall, the changes in revenues can be attributed to a decrease in state sources and federal sources. Federal source decreases were directly from COVID-19-related stimulus grants and aids received in fiscal 2021. Direct tuition revenues increased from local school districts for services provided mostly in our secondary career and technical education programs.

The decrease in state sources was offset by an increase in tuition billing, due to billing member districts directly for services rendered rather than coming through MDE’s tuition billing. The decrease was offset by a 2.0 percent increase in general education revenues. In addition, other local sources increased, due to an increase in Medical Assistance revenues as pandemic restrictions subsided throughout the fiscal year.

Table 8 presents a summary of General Fund expenditures:

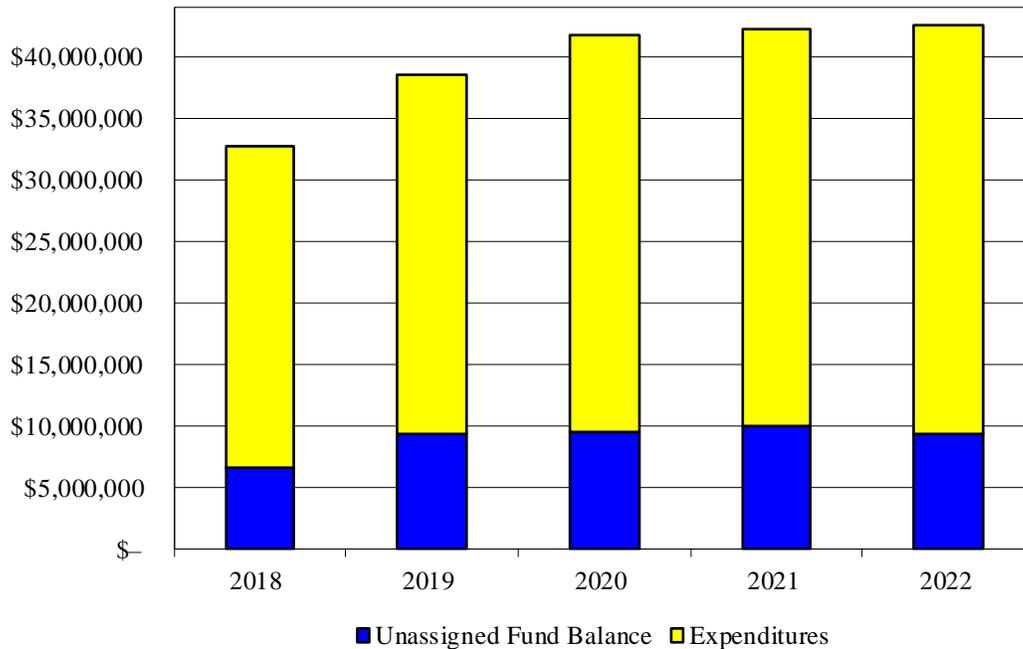
	<u>2022</u>	<u>2021</u>	<u>Change</u>
Salaries	\$ 26,211,322	\$ 26,077,219	\$ 134,103
Employee benefits	9,423,677	9,577,950	(154,273)
Purchased services	3,870,977	4,748,186	(877,209)
Supplies and materials	978,056	909,242	68,814
Other expenditures	179,747	169,398	10,349
Capital expenditures	410,397	327,098	83,299
Debt service	<u>1,581,096</u>	<u>526,800</u>	<u>1,054,296</u>
Total General Fund expenditures	<u>\$ 42,655,272</u>	<u>\$ 42,335,893</u>	<u>\$ 319,379</u>

Total General Fund expenditures increased \$319,379, or 0.8 percent, from the previous year. Overall, the changes in expenditures can be attributed to employee contract enhancements of about 4.0 percent in fiscal 2022. Change in salaries and benefits is fairly flat, due to the discontinuance of several CTE programs, in addition to the loss of 48 full-time staff equivalents in comparison to fiscal 2021. In addition, there were significant reductions in expenditures in the areas of purchased services, offset by an increase in debt service, due to the reporting of principal and interest on building and equipment lease payments, as a result of the implementation of GASB Statement No. 87, *Leases*.

In summary, 2021–2022 General Fund expenditures and other financing uses exceeded General Fund revenues and other financing sources by \$134,598. As a result, total fund balance decreased to \$10,202,448 at June 30, 2022. After deducting nonspendable, restricted, and assigned funds, the unassigned fund balance decreased from \$9,987,663 at June 30, 2021, to \$9,319,585 at June 30, 2022.

The following shows the General Fund unassigned fund balance as compared to expenditures:

Figure C
General Fund
Unassigned Fund Balance as Compared to Expenditures
Last Five Fiscal Years



The graph above is the single best measure of overall financial health. The unassigned fund balance of \$9.3 million at June 30, 2022, represents 21.8 percent of annual expenditures, or almost three months of school year operations.

The fund balances of an intermediate school district are key to its financial success, as the cash flow advance options available to intermediate school districts are more restrictive to access, compared to an independent school district.

The continued maintenance of fund balance is essential for the District to minimize the impact that cash flow borrowing would have to member districts that would have to back any debt incurred by the District. With the current metering system and limited cash flow borrowing options available, the District believes it is necessary to maintain a minimum fund balance of 15.0 percent of annual budget to assure financial stability. In addition, the District's fund balance provides opportunities to incur one-time capital expenditures to mitigate the amount of long-term facilities maintenance levy that the District requests on behalf of member districts. The District continues to monitor its fund balances closely.

General Fund Budgetary Highlights

Table 9 summarizes the General Fund budget to actual comparison:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Over (Under) Final Budget</u>
Revenue and other financing sources	<u>\$ 50,351,278</u>	<u>\$ 46,675,992</u>	<u>\$ 42,520,674</u>	<u>\$ (4,155,318)</u>
Expenditures and other financing uses	<u>\$ 50,305,968</u>	<u>\$ 46,992,806</u>	<u>\$ 42,655,272</u>	<u>\$ (4,337,534)</u>

The District is required to adopt an operating budget prior to the beginning of its fiscal year, referred to above as the original budget. During the year, the District might amend that budget for known changes in circumstances such as enrollment levels, grant funding, and employee contract settlements.

The District made revisions to the budget during the budget process in January. The District derives the majority of its revenue from tuition fees to member districts and state sources from the special education tuition billing system.

The District's revenues and other financing sources were lower than budgeted amounts by 8.9 percent, due to several factors. The District's anticipated revenues are determined by actual expenditures incurred, which came in under budget by \$4,322,534.

The District's expenditures and other financing uses were less than budgeted amounts by 9.2 percent, due to several factors. Overall, expenditures were under budget by \$4.3 million. The District was uncertain how many positions it would be filling during a challenging recruiting market with labor shortages after the pandemic. This resulted in 30 unfilled positions of 50 projected to hire after December 2021. In addition, there were also unprecedented costs savings in employees taking unpaid time off, unfilled substitute positions, supplies, travel, workers' compensation insurance, vehicle purchases being accessible, utilities, and mileage.

FOOD SERVICE SPECIAL REVENUE FUND

The Food Service Special Revenue Fund ended the year with revenues exceeding expenditures, increasing equity by \$17,670. This was a direct result of receiving federal United States Department of Agriculture Emergency Operational Costs Reimbursement, along with more participation in the program than expected.

INTERNAL SERVICE FUNDS

The internal service funds account for the financing of goods or services provided by one department to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The District has three internal service funds. The District's internal service funds include financing for post-employment severance benefits and OPEB, and self-insurance of the employee medical and dental insurance programs. The self-insurance program experienced a \$845,499 increase in net position, due to an increase in insurance premiums, plan enrollment, and utilization of service.

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

Table 10 shows the District's capital assets, together with changes from the previous year. The table also shows the total depreciation expense for fiscal years ended June 30, 2022 and 2021:

	2022	2021	Change
Land	\$ 655,000	\$ 655,000	\$ -
Buildings	11,274,493	11,274,493	-
Buildings – leased	8,249,811	-	8,249,811
Furniture and equipment	2,720,065	2,539,559	180,506
Furniture and equipment – leased	38,579	-	38,579
Less accumulated depreciation or amortization	<u>(6,891,797)</u>	<u>(5,751,327)</u>	<u>(1,140,470)</u>
Total	<u>\$ 16,046,151</u>	<u>\$ 8,717,725</u>	<u>\$ 7,328,426</u>
Depreciation and amortization expense	<u>\$ 1,140,470</u>	<u>\$ 429,831</u>	<u>\$ 710,639</u>

The implementation of GASB Statement No. 87 resulting in reporting \$8.2 million of building leased assets.

Long-Term Liabilities

Table 11 illustrates the components of the District's long-term liabilities, together with changes from the prior year:

	2022	2021	Change
Certificates of participation payable	\$ 6,630,000	\$ 6,940,000	\$ (310,000)
Unamortized premium (discount)	200,798	213,030	(12,232)
Lease liability	7,746,152	-	7,746,152
Severance benefits payable	349,541	411,068	(61,527)
Compensated absences payable	382,482	392,145	(9,663)
Total OPEB liability	1,427,618	1,235,842	191,776
Net pension liability	<u>17,631,472</u>	<u>27,024,370</u>	<u>(9,392,898)</u>
Total	<u>\$ 34,368,063</u>	<u>\$ 36,216,455</u>	<u>\$ (1,848,392)</u>

The decrease in the pension liability for the District is due to the change in the District's proportionate share of the state-wide PERA and TRA pension plan liabilities. The increase in lease liability is related to the implementation of GASB Statement No. 87.

Additional details on the District's capital assets and long-term debt activity can be found in the notes to basic financial statements.

FACTORS BEARING ON THE DISTRICT'S FUTURE

The **Vision** – The District models an innovative culture with diverse pathways serving students and families through equitable practices with highly trained staff.

The **Mission** – In partnership with member districts, the District provides high quality, equitable, and specialized programming to meet the needs of all students.

The **Core Values** of the District are collaboration, empathy, innovation, stewardship, communication, integrity, personalization, equity, and diversity.

The Vision, Mission, and Core Values of the District strongly inform budgetary decisions.

The District is charged by Minnesota Statutes to provide low incidence special education and secondary vocational technical education services to its member districts. In addition, the statutes indicate that intermediate districts should also provide its members with such other services that they require. Therefore, the District continually evaluates current service offerings and reviews additional areas of potential service to its member districts.

Current support services include:

- Provide robust offerings in Federal Setting III and Federal Setting IV Special Education programming.
- The DCALS program provides a high school Alternative Learning Center (ALC) at the Dakota County Technical College (DCTC). Providing the ALC services at the DCTC site allows for program extension into Career Technical Education programs, concurrent enrollment options in the DCTC course offerings, and a well-developed career pathway model in several careers.
- Partner with Independent School District (ISD) No. 197 to operate the DCALS North in West St. Paul. This site offers a convenient location in the northern part of the District.
- Partner with ISD No. 192 to operate the DCALS South in Farmington. This site offers a convenient location in the southern part of the District.
- Provide the needed secondary alternative learning option to qualify a targeted services program for ISD Nos. 192, 197, 199, 200, and 271.
- Organize and facilitate regional networking meetings for superintendents, secondary principals, and special education directors.
- Collaborate with both public and private support service providers to meet the needs of member districts and to increase the capacity of our communities to meet the diverse needs of children and families.
- Collaborate with the Association of Metropolitan School Districts (AMSD), Minnesota Association of School Administrators (MASA), Minnesota School Boards Association (MSBA), and Association of Education Service Agencies (AESA) to advocate for legislative action to assist in the provision of district services.
- Collaborate with the other three intermediate school districts (916, 287, and 288) to advocate for legislative action to assist the District in meeting the needs of the unique students served by the intermediate school districts. We also collaborate on communicating about the mission and the services provided by the intermediate school districts.
- Provide special education consultation and direct service to the member districts through a purchase of services model.

Additional potential collaborative support services include:

- Potential expansion of the TESA for students age 18 to 21, may be of interest to individual member districts. The TESA program, launched in fiscal year 2020 in a space provided by Bloomington Public Schools, has been a terrific success. Although no specific plans are underway, it is a possibility for future expansion beginning in fiscal year 2022.
- Potential collaborations in career technical education are being investigated. With multiple member districts providing well-designed programs within their own communities, there may be synergistic opportunity to help coordinate inter-district collaborations throughout the member districts. It is likely that the District would serve as a fiscal agent for a collaborative endeavor.
- The District enrollment remains flat, due to labor shortages. We anticipate if the labor shortage is resolved that the present growth rate in SUN programming and in other special education service areas is likely to continue to increase. As a district, we have nearly utilized all of the available space in our school buildings. We will need to develop plans for future expansion that may have a financial impact.

Existing circumstances that could significantly affect the District's financial health in the future:

- The District has appropriate fund balances to provide adequate opportunities to adapt to uncontrolled changes in revenue sources for the short-term (two or three years). The special education funding system is being managed in different ways by member districts. This drives each district to make different decisions about which services they provide on their own and which services they procure from the District. We need to remain relevant, responsible, and responsive to the ever-changing needs of the member districts.
- As general education revenue for many of our member districts may likely retract, we are aware that the cost efficiency of our special educational models will become a more significant concern.
- We are concerned that with the higher resignation rate, and the challenges of retention of certified teachers and noncertified employees, the District will be challenged to fill all positions. As a district, we may need to consider potential incentives to hire qualified personnel.
- Due to the pandemic, we are aware that the needs of our students are greater than ever. We are aware that there may be a need for additional spending to help students recover from the lost opportunities.
- Career and technical education is in a precarious position. As member districts operate differently due to the pandemic, our student enrollment continues to decline. It will be a significant economic struggle to retain the current course offerings in our career and technical education programs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These financial statements are designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about these statements or need additional financial information, contact the Business Office, Intermediate School District No. 917, 1300 145th Street East, Rosemount, Minnesota 55068-2999.

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BASIC FINANCIAL STATEMENTS

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Net Position
as of June 30, 2022
(With Partial Comparative Information as of June 30, 2021)

	Governmental Activities	
	2022	2021
Assets		
Cash and temporary investments	\$ 13,956,730	\$ 11,815,866
Receivables		
Accounts and interest	16,020	10,690
Due from other governmental units	7,354,216	9,031,496
Inventory	289	488
Prepaid items	130,130	109,864
Restricted assets – temporarily restricted		
Cash and investments held by trustee	44,393	44,382
Capital assets		
Not depreciated	655,000	655,000
Depreciated, net of accumulated depreciation/amortization	15,391,151	8,062,725
Total capital assets, net of accumulated depreciation/amortization	16,046,151	8,717,725
Total assets	37,547,929	29,730,511
Deferred outflows of resources		
Pension plan deferments	14,444,131	13,409,603
OPEB plan deferments	68,931	179,862
Deferred charge on refunding	269,107	291,532
Total deferred outflows of resources	14,782,169	13,880,997
Total assets and deferred outflows of resources	\$ 52,330,098	\$ 43,611,508
Liabilities		
Salaries and compensated absences payable	\$ 3,057,305	\$ 3,174,212
Accounts and contracts payable	460,586	474,869
Accrued interest payable	87,292	89,875
Due to other governmental units	645,815	825,215
Unearned revenue	116,537	125,233
Long-term liabilities		
Due within one year	1,002,113	831,657
Due in more than one year	33,365,950	35,384,798
Total long-term liabilities	34,368,063	36,216,455
Total liabilities	38,735,598	40,905,859
Deferred inflows of resources		
Pension plan deferments	24,663,874	14,549,012
OPEB plan deferments	593,014	693,501
Total deferred inflows of resources	25,256,888	15,242,513
Net position		
Net investment in capital assets	1,738,308	1,856,227
Restricted for food service	17,670	–
Restricted for other purposes	6,180	61,543
Unrestricted	(13,424,546)	(14,454,634)
Total net position	(11,662,388)	(12,536,864)
Total liabilities, deferred inflows of resources, and net position	\$ 52,330,098	\$ 43,611,508

INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Activities
 Year Ended June 30, 2022
 (With Partial Comparative Information for the Year Ended June 30, 2021)

2022				
Functions/Programs	Expenses	Indirect Expense Allocation	Program Revenues	
			Charges for Services	Operating Grants and Contributions
Governmental activities				
Administrative and support services	\$ 2,285,177	\$ (2,315,562)	\$ —	\$ —
Secondary vocational/DCALS	3,679,900	188,628	3,522,393	576,540
Special education programs	34,835,199	2,126,934	6,663,014	30,608,422
Food service	179,672	—	—	197,080
Interest and fiscal charges on debt	736,468	—	—	—
Total governmental activities	\$ 41,716,416	\$ —	\$ 10,185,407	\$ 31,382,042
			General revenues	
			Other general revenues	
			Investment earnings	
			Total general revenues	
			Change in net position	
			Net position – beginning	
			Net position – ending	

		2021
	Net (Expense) Revenue and Changes in Net Position	Net (Expense) Revenue and Changes in Net Position
Capital Grants and Contributions	Governmental Activities	Governmental Activities
\$ 27,053	\$ 57,438	\$ (38,759)
525,700	756,105	151,956
–	309,303	(1,453,293)
–	17,408	(12,940)
–	(736,468)	(229,451)
<u>\$ 552,753</u>	403,786	(1,582,487)
	452,794	685,012
	17,896	6,965
	<u>470,690</u>	<u>691,977</u>
	874,476	(890,510)
	<u>(12,536,864)</u>	<u>(11,646,354)</u>
	<u>\$ (11,662,388)</u>	<u>\$ (12,536,864)</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Balance Sheet
 Governmental Funds
 as of June 30, 2022
 (With Partial Comparative Information as of June 30, 2021)

	General Fund	Nonmajor Fund – Food Service Special	Total Governmental Funds	
		Revenue Fund	2022	2021
Assets				
Cash and temporary investments	\$ 6,489,423	\$ 23,562	\$ 6,512,985	\$ 5,239,697
Cash and investments held by trustee	44,393	–	44,393	44,382
Receivables				
Accounts and interest	16,020	–	16,020	10,690
Due from other governmental units	7,347,801	6,415	7,354,216	9,031,496
Due from other funds	–	–	–	13,047
Inventory	289	–	289	488
Prepaid items	123,080	2,050	125,130	108,941
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 14,021,006</u>	<u>\$ 32,027</u>	<u>\$ 14,053,033</u>	<u>\$ 14,448,741</u>
Liabilities				
Salaries and compensated absences payable	\$ 3,057,305	\$ –	\$ 3,057,305	\$ 3,174,212
Accounts and contracts payable	86,295	5,881	92,176	69,234
Due to other governmental units	644,124	–	644,124	823,776
Due to other funds	–	–	–	13,047
Unearned revenue	30,834	8,476	39,310	31,426
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>3,818,558</u>	<u>14,357</u>	<u>3,832,915</u>	<u>4,111,695</u>
Fund balances				
Nonspendable	123,369	2,050	125,419	109,429
Restricted	50,573	15,620	66,193	105,925
Assigned	708,921	–	708,921	134,029
Unassigned	9,319,585	–	9,319,585	9,987,663
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>10,202,448</u>	<u>17,670</u>	<u>10,220,118</u>	<u>10,337,046</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 14,021,006</u>	<u>\$ 32,027</u>	<u>\$ 14,053,033</u>	<u>\$ 14,448,741</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Reconciliation of the Balance Sheet to the
Statement of Net Position
Governmental Funds
as of June 30, 2022
(With Partial Comparative Information as of June 30, 2021)

	<u>2022</u>	<u>2021</u>
Total fund balances – governmental funds	\$ 10,220,118	\$ 10,337,046
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets are included in net position, but are excluded from fund balances because they do not represent financial resources.		
Cost of capital assets	22,937,948	14,469,052
Accumulated depreciation and amortization	(6,891,797)	(5,751,327)
Long-term liabilities are included in net position, but are excluded from fund balances until due and payable.		
Certificates of participation payable	(6,630,000)	(6,940,000)
Lease liability	(7,746,152)	–
Compensated absences payable	(382,482)	(392,145)
Net pension liability	(17,631,472)	(27,024,370)
Accrued interest payable on long-term debt is included in net position, but is excluded from fund balances until due and payable.	(87,292)	(89,875)
The recognition of certain revenues and expenses/expenditures differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.		
Deferred outflows of resources – pension plan deferments	14,444,131	13,409,603
Deferred inflows of resources – pension plan deferments	(24,663,874)	(14,549,012)
Deferred outflows of resources – deferred charge on refunding	269,107	291,532
Debt issuance premiums and discounts are excluded from net position until amortized, but are included in fund balances upon issuance as other financing sources and uses.	(200,798)	(213,030)
The internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	<u>4,700,175</u>	<u>3,915,662</u>
Total net position – governmental activities	<u><u>\$ (11,662,388)</u></u>	<u><u>\$ (12,536,864)</u></u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Governmental Funds
 Year Ended June 30, 2022
 (With Partial Comparative Information for the Year Ended June 30, 2021)

	General Fund	Nonmajor Fund – Food Service Special	Total Governmental Funds	
		Revenue Fund	2022	2021
Revenue				
Local sources				
Tuition	\$ 10,171,961	\$ –	\$ 10,171,961	\$ 10,027,650
Investment earnings	8,698	–	8,698	3,328
Other (refunds)	585,810	(83)	585,727	316,079
State sources	31,446,564	3,119	31,449,683	31,663,372
Federal sources	307,146	194,044	501,190	621,880
Total revenue	<u>42,520,179</u>	<u>197,080</u>	<u>42,717,259</u>	<u>42,632,309</u>
Expenditures				
Current				
Administrative and support services	38,645	–	38,645	26,955
Secondary vocational/DCALS	3,986,286	–	3,986,286	4,264,651
Special education programs	37,049,245	–	37,049,245	37,517,487
Food service	–	179,410	179,410	91,490
Debt service				
Principal	852,238	–	852,238	305,000
Interest and fiscal charges	728,858	–	728,858	221,800
Total expenditures	<u>42,655,272</u>	<u>179,410</u>	<u>42,834,682</u>	<u>42,427,383</u>
Excess (deficiency) of revenue over expenditures	(135,093)	17,670	(117,423)	204,926
Other financing sources (uses)				
Sale of assets	495	–	495	–
Transfers in	–	–	–	12,679
Transfers out	–	–	–	(12,679)
Total other financing sources (uses)	<u>495</u>	<u>–</u>	<u>495</u>	<u>–</u>
Net change in fund balances	(134,598)	17,670	(116,928)	204,926
Fund balances				
Beginning of year	<u>10,337,046</u>	<u>–</u>	<u>10,337,046</u>	<u>10,132,120</u>
End of year	<u>\$ 10,202,448</u>	<u>\$ 17,670</u>	<u>\$ 10,220,118</u>	<u>\$ 10,337,046</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Reconciliation of the Statement of
Revenue, Expenditures, and Changes in Fund Balances
to the Statement of Activities
Year Ended June 30, 2022

(With Partial Comparative Information for the Year Ended June 30, 2021)

	<u>2022</u>	<u>2021</u>
Total net change in fund balances – governmental funds	\$ (116,928)	\$ 204,926
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are recorded as net position and the cost is allocated over their estimated useful lives as depreciation or amortization expense. However, fund balances are reduced for the full cost of capital outlays at the time of purchase.		
Capital outlays	180,506	106,031
Depreciation or amortization expense	(1,140,470)	(429,831)
Repayment of long-term debt does not affect the change in net position. However, it reduces fund balances.		
Certificates of participation payable	310,000	305,000
Lease liability	542,238	–
Interest on long-term debt is included in the change in net position as it accrues, regardless of when payment is due. However, it is included in the change in fund balances when due.		
	2,583	2,542
Debt issuance premiums and discounts are included in the change in net position as they are amortized over the life of the debt. However, they are included in the change in fund balances upon issuance as other financing sources and uses.		
	12,232	12,232
Certain expenses are included in the change in net position, but do not require the use of current funds, and are not included in the change in fund balances.		
Net pension liability	9,392,898	(4,897,019)
A gain or loss on the disposal of capital assets, including the difference between the carrying value and any related sale proceeds, is included in the change in net position. However, only the sale proceeds are included in the change in fund balances.		
	–	(8,798)
The internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is included in the governmental activities in the Statement of Activities.		
	784,513	1,049,597
Certain expenses are included in the change in net position, but do not require the use of current funds, and are not included in the change in fund balances.		
Compensated absences payable	9,663	(16,289)
The recognition of certain revenues and expenses/expenditures differ between the full accrual governmental activities financial statements and the modified accrual governmental fund financial statements.		
Deferred outflows of resources – pension plan deferments	1,034,528	(4,283,293)
Deferred inflows of resources – pension plan deferments	(10,114,862)	7,086,817
Deferred outflows of resources – deferred charge on refunding	<u>(22,425)</u>	<u>(22,425)</u>
Change in net position – governmental activities	<u>\$ 874,476</u>	<u>\$ (890,510)</u>

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 General Fund
 Year Ended June 30, 2022

	Budgeted Amounts		Actual	Over (Under) Final Budget
	Original	Final		
Revenue				
Local sources				
Tuition	\$ 10,190,817	\$ 9,943,590	\$ 10,171,961	\$ 228,371
Investment earnings	15,500	4,500	8,698	4,198
Other	408,220	500,892	585,810	84,918
State sources	39,408,626	35,858,895	31,446,564	(4,412,331)
Federal sources	328,115	368,115	307,146	(60,969)
Total revenue	<u>50,351,278</u>	<u>46,675,992</u>	<u>42,520,179</u>	<u>(4,155,813)</u>
Expenditures				
Current				
Administrative and support services	32,225	62,780	38,645	(24,135)
Secondary vocational/DCALS	3,976,376	4,147,785	3,986,286	(161,499)
Special education programs	45,744,167	41,206,255	37,049,245	(4,157,010)
Debt service				
Principal	316,000	849,884	852,238	2,354
Interest and fiscal charges	222,200	711,102	728,858	17,756
Total expenditures	<u>50,290,968</u>	<u>46,977,806</u>	<u>42,655,272</u>	<u>(4,322,534)</u>
Excess (deficiency) of revenue over expenditures	60,310	(301,814)	(135,093)	166,721
Other financing sources (uses)				
Sale of assets	–	–	495	495
Transfers out	(15,000)	(15,000)	–	15,000
Total other financing sources (uses)	<u>(15,000)</u>	<u>(15,000)</u>	<u>495</u>	<u>15,495</u>
Net change in fund balances	<u>\$ 45,310</u>	<u>\$ (316,814)</u>	<u>(134,598)</u>	<u>\$ 182,216</u>
Fund balances				
Beginning of year			<u>10,337,046</u>	
End of year			<u>\$ 10,202,448</u>	

INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Net Position
 Proprietary Funds
 Internal Service Funds
 as of June 30, 2022

(With Partial Comparative Actual Amounts as of June 30, 2021)

	<u>2022</u>	<u>2021</u>
Assets		
Current assets		
Cash and temporary investments	\$ 7,443,745	\$ 6,576,169
Prepaid items	5,000	923
Total assets	<u>7,448,745</u>	<u>6,577,092</u>
Deferred outflows of resources		
OPEB plan deferments	68,931	179,862
Liabilities		
Current liabilities		
Accounts and contracts payable	368,410	405,635
Due to other governmental units	1,691	1,439
Total OPEB liability – due within one year	33,276	157,454
Severance benefits payable – due within one year	40,314	79,408
Unearned revenue	<u>77,227</u>	<u>93,807</u>
Total current liabilities	520,918	737,743
Long-term liabilities		
Total OPEB liability – due in more than one year	1,394,342	1,078,388
Severance benefits payable – due in more than one year	<u>309,227</u>	<u>331,660</u>
Total long-term liabilities	<u>1,703,569</u>	<u>1,410,048</u>
Total liabilities	2,224,487	2,147,791
Deferred inflows of resources		
OPEB plan deferments	<u>593,014</u>	<u>693,501</u>
Net position		
Unrestricted	<u>\$ 4,700,175</u>	<u>\$ 3,915,662</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Revenue, Expenses, and Changes in Net Position
 Proprietary Funds
 Internal Service Funds
 Year Ended June 30, 2022
 (With Partial Comparative Information for the Year Ended June 30, 2021)

	<u>2022</u>	<u>2021</u>
Operating revenue		
Charges for services		
Contributions from governmental funds	\$ 5,468,949	\$ 5,788,030
Operating expenses		
Post-employment severance and health benefits	206,223	206,446
Medical benefit claims	4,005,741	4,033,999
Dental benefit claims	481,670	501,630
Total operating expenses	<u>4,693,634</u>	<u>4,742,075</u>
Operating income	775,315	1,045,955
Nonoperating revenue		
Investment earnings	<u>9,198</u>	<u>3,642</u>
Change in net position	784,513	1,049,597
Net position		
Beginning of year	<u>3,915,662</u>	<u>2,866,065</u>
End of year	<u>\$ 4,700,175</u>	<u>\$ 3,915,662</u>

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Statement of Cash Flows
 Proprietary Funds
 Internal Service Funds
 Year Ended June 30, 2022

(With Partial Comparative Actual Amounts for the Year Ended June 30, 2021)

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Contributions from governmental funds	\$ 5,452,369	\$ 5,885,423
Post-employment severance and health benefit payments	(64,607)	(124,494)
Payments for medical claims	(4,047,166)	(3,850,009)
Payments for dental claims	<u>(482,218)</u>	<u>(495,314)</u>
Net cash flows from operating activities	858,378	1,415,606
Cash flows from investing activities		
Investment income received	<u>9,198</u>	<u>3,642</u>
Net increase in cash and cash equivalents	867,576	1,419,248
Cash and temporary investments		
Beginning of year	<u>6,576,169</u>	<u>5,156,921</u>
End of year	<u><u>\$ 7,443,745</u></u>	<u><u>\$ 6,576,169</u></u>
Reconciliation of operating income to net cash flows from operating activities		
Operating income	\$ 775,315	\$ 1,045,955
Adjustments to reconcile operating income to net cash flows from operating activities		
Changes in assets and liabilities		
Receivables	-	3,586
Prepaid items	(4,077)	(67)
OPEB plan deferments	10,444	207,290
Accounts and contracts payable	(37,225)	190,241
Due to other governmental units	252	65
Severance benefits payable	(61,527)	19,662
Total OPEB liability	191,776	(144,933)
Unearned revenue	<u>(16,580)</u>	<u>93,807</u>
Net cash flows from operating activities	<u><u>\$ 858,378</u></u>	<u><u>\$ 1,415,606</u></u>

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INTERMEDIATE SCHOOL DISTRICT NO. 917

Notes to Basic Financial Statements
June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization

Intermediate School District No. 917 (the District) is an instrumentality of the state of Minnesota established to provide participating school districts with vocational, technical, and special education services. The District is governed by a joint School Board composed of appointed members from each participating school district. The District's financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

The District's financial statements include all funds, departments, agencies, boards, commissions, and other component units for which the District is considered to be financially accountable.

Component units are legally separate entities for which the District (primary government) is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit includes whether or not the primary government appoints the voting majority of the potential component unit's governing body, is able to impose its will on the potential component unit, is in a relationship of financial benefit or burden with the potential component unit, or is fiscally depended upon by the potential component unit. Based on these criteria, there are no organizations considered to be component units of the District.

C. Minnesota State Colleges and Universities

On July 1, 1995, Minnesota technical colleges, community colleges, and state universities were merged under the control of Minnesota State Colleges and Universities (MnSCU). Therefore, the funds and assets of the District associated with Dakota County Technical College's (DCTC) operations were remanded to the state system. The District continues to serve secondary, vocational, and kindergarten through Grade 12 special education students. Under terms of an agreement with DCTC, the District has access to certain facilities and equipment of DCTC. The District pays DCTC its share of building maintenance and costs of other services based on space, usage, personnel, and budget percentages. The District provides business office services to DCTC, and is reimbursed for related actual costs based on personnel, usage, and budget percentages.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Government-Wide Financial Statement Presentation

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District. Generally, the effect of material interfund activity has been removed from the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues and an allocation of indirect administrative and support service expenses. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other internally directed revenues are reported as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. Other internally directed revenues are reported as general revenues.

The District applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available. Depreciation expense is included as a direct expense in the functional areas that utilize the related capital assets. Interest on debt is considered an indirect expense and is reported separately on the Statement of Activities.

E. Fund Financial Statement Presentation

Separate fund financial statements are provided for governmental and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Aggregate information for the remaining nonmajor governmental funds is reported in a single column in the fund financial statements.

The internal service funds are presented in the proprietary fund financial statements. Because the principal users of the internal service funds are the District's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service funds are charges to customers for service. Operating expenses for the internal service funds include the cost of providing benefits. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The District's only proprietary funds are the internal service funds, which provide services to the governmental funds.

Proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as described earlier in these notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting, transactions are recorded in the following manner:

- 1. Revenue Recognition** – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. State revenue is recognized in the year to which it applies according to funding formulas established by Minnesota Statutes. Other revenue is considered available if collected within 60 days. Proceeds of long-term debt are reported as other financing sources.
- 2. Recording of Expenditures** – Expenditures are generally recorded when a liability is incurred, except for long-term debt and other long-term liabilities, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds. In the General Fund, capital expenditures are included within the applicable functional areas.

Description of Funds

The existence of the various district funds has been established by the Minnesota Department of Education. Each fund is accounted for as an independent entity. A description of the funds included in this report is as follows:

Major Governmental Funds

General Fund – The General Fund is used to account for all financial resources except those required to be accounted for in another fund. The District maintains separate accounts within the General Fund for secondary education, secondary resale, special education, special education resale, district support services, capital expenditure, student activities, and service allocation costs to be reimbursed by others.

Nonmajor Governmental Funds

Food Service Special Revenue Fund – The Food Service Special Revenue Fund is primarily used to account for the District’s child nutrition program.

Proprietary Funds

Internal Service Funds – The internal service funds account for the financing of goods or services provided by one department to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The District has three internal service funds. The District’s internal service funds include financing for post-employment severance benefits and other post-employment benefits (OPEB), and self-insurance for the employee medical and dental insurance programs.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Budgetary Information

Each June, the School Board adopts an annual budget for the following fiscal year for all governmental funds. The budget for each fund is prepared on the same basis of accounting as the financial statements. Legal budgetary control is at the fund level. Budgeted expenditure appropriations lapse at year-end.

G. Cash and Temporary Investments

Cash and temporary investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable cash balance participation by each fund.

Cash and investments held by trustee include balances held in segregated accounts that are established for specific purposes. In the General Fund, the capital lease escrow account is used to hold assets held for future debt payments. Interest earned on these investments was allocated directly to those accounts.

Investments are generally stated at fair value, except for investments in external investment pools, which are stated at amortized cost. Short-term, highly liquid debt instruments (including commercial paper, bankers' acceptance, and U.S. treasury and agency obligations) purchased with a remaining maturity of one year or less may also be reported at amortized cost. Investment income is accrued at the Balance Sheet date.

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

See Note 2 for the District's recurring fair value measurements as of year-end.

H. Receivables

When necessary, the District utilizes an allowance for uncollectible accounts to value its receivables. However, the District considers all of its current receivables to be collectible. No allowances have been recorded.

I. Inventories

Inventories are valued at the lower of cost (first-in, first-out method) or market. Inventories are recorded as expenses/expenditures when items are used or sold.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are recorded using the consumption method and recorded as expenses/expenditures at the time of consumption.

K. Capital Assets

Capital assets that purchased or constructed by the District are recorded at historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Leased capital assets are recorded based on the measurement of payments applicable to the lease term. The District defines capital assets as those with an initial, individual cost of \$1,250 or more, which benefit more than one fiscal year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the government-wide financial statements, but are not reported in the governmental fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are generally sold for an immaterial amount or scrapped when declared as no longer fit or needed for public school purposes by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for buildings and 5 to 15 years for furniture and equipment. Leased assets are amortized over the term of the lease or over the useful life of the applicable asset class previously described, if future ownership is anticipated. Land is not depreciated.

The District does not possess material amounts of infrastructure capital assets, such as sidewalks or parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

L. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums or discounts on debt issuances are reported as other financing sources or uses, respectively. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Compensated Absences

Under the terms of union contracts, certain employees accrue vacation at varying rates, portions of which may be carried over to future years. Employees are reimbursed for any unused, accrued vacation and related benefits upon termination. Vacation pay is accrued when incurred in the government-wide financial statements. Unused vacation pay is accrued in governmental fund financial statements only when it has matured, due to employee termination or similar circumstances.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Sick Pay

Substantially all district employees are entitled to sick leave at various rates. Unused sick leave enters into the calculation of early retirement incentive payments for some employees upon termination.

O. Severance Benefits

The District provides lump sum severance pay to eligible employees in accordance with provisions in certain collectively bargained contracts. Members of certain employee groups may become eligible to receive lump sum severance pay benefits. Eligibility for these benefits is based on years of service and/or minimum age requirements. The amount of the severance or retirement benefit is calculated by converting a portion of unused accumulated sick leave. No individual can receive severance benefits in excess of one year's salary.

Severance payable and the District's share of related benefits are recorded as a liability in the government-wide financial statements as it is earned and it becomes probable that it will vest at some point in the future. Severance pay is accrued in the applicable internal service fund as it is earned and it becomes probable it will vest at some point in the future.

P. State-Wide Pension Plans

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and the Teachers Retirement Association (TRA) and additions to/deductions from the PERA's and the TRA's fiduciary net positions have been determined on the same basis as they are reported by the PERA and the TRA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The TRA has a special funding situation created by direct aid contributions made by the state of Minnesota, City of Minneapolis, and Minneapolis School District. The direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the state of Minnesota for the merger of the Duluth Teachers Retirement Fund Association in 2015.

Q. Unearned Revenue

Unearned revenue consists of federal grants and collections in advance of premiums charges in the internal service funds.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

R. Risk Management

- 1. General Insurance** – The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in the District's insurance coverage in the current year.
- 2. Self-Insurance** – The District has established two internal service funds to account for and finance its self-insured risk of loss for respective employee dental and health insurance plans. Under these plans, the internal service funds provide coverage to participating employees and their dependents for various dental and healthcare costs as described in the plan.

The District makes premium payments to the internal service funds on behalf of program participants based on provisional rates determined by insurance company estimates of monthly claims paid for each coverage class, plus the stop-loss health insurance premium costs and administrative service charges.

District claim liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred, but not reported. Because actual claim liabilities depend on complex factors, such as inflation, changes in legal doctrines, and damage awards, the process used in computing a claim liability does not necessarily result in an exact amount. Claim liabilities are evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors.

Changes in the balance of dental claim liabilities for the last two years were as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Charges and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year-End</u>
2021	\$ 42,986	\$ 501,630	\$ 495,314	\$ 49,302
2022	\$ 49,302	\$ 482,270	\$ 482,218	\$ 49,354

Changes in the balance of health claim liabilities for the last two years were as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Charges and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year-End</u>
2021	\$ 172,408	\$ 4,032,560	\$ 3,848,635	\$ 356,333
2022	\$ 356,333	\$ 4,009,889	\$ 4,047,166	\$ 319,056

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Deferred Outflows/Inflows of Resources

In addition to assets and liabilities, statements of financial position or balance sheets will sometimes report a separate section for deferred outflows or inflows of resources. These separate financial statement elements represent a consumption or acquisition of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) or an inflow of financial resources (revenue) until then.

The District reports deferred outflows and inflows of resources related to pensions and OPEB in the government-wide and internal service fund Statement of Net Position. These deferred outflows and inflows result from differences between expected and actual experience, changes of assumptions, change in proportion, the difference between projected and actual earnings on pension plan investments, and contributions to the plan subsequent to the measurement date and before the end of the reporting period. These amounts are deferred and amortized as required under pension and OPEB standards.

The District also reports a deferred outflow of resources related to the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

T. Statement of Cash Flows

For purposes of the Statement of Cash Flows, the District considers all highly liquid debt instruments with an original maturity from time of purchase by the District of three months or less to be cash equivalent. The proprietary fund's equity in the government-wide cash and investment management pool is considered to be cash equivalent.

U. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts and disclosures during the reporting period. Actual results could differ from those estimates.

V. Restricted Assets

Restricted assets are cash and cash equivalents whose use is limited by legal requirements, such as a bond indenture. Restricted assets are reported only in the government-wide financial statements. In the governmental funds, cash and investments that are restricted are reported as cash and investments held by trustee.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

W. Net Position

In the government-wide and internal service fund financial statements, net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in three components:

- **Net Investment in Capital Assets** – Consists of capital assets, net of accumulated depreciation, reduced by any outstanding debt attributable to acquire capital assets.
- **Restricted Net Position** – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- **Unrestricted Net Position** – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

X. Fund Balance Classifications

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

- **Nonspendable** – Consists of amounts that are not in spendable form, such as prepaid items, inventory, and other long-term assets.
- **Restricted** – Consists of amounts related to externally imposed constraints established by creditors, grantors, or contributors; or constraints imposed by state statutory provisions.
- **Committed** – Consists of internally imposed constraints that are established by resolution of the School Board. Those committed amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- **Assigned** – Consists of internally imposed constraints. These constraints consist of amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority. Pursuant to School Board resolution, the District’s superintendent and business manager are authorized to establish assignments of fund balance.
- **Unassigned** – The residual classification for the General Fund, which also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is the District’s policy to first use restricted resources, then use unrestricted resources as they are needed.

When committed, assigned, or unassigned resources are available for use, it is the District’s policy to use resources in the following order: 1) committed, 2) assigned, and 3) unassigned.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Y. Prior Period Comparative Financial Information/Reclassification

The basic financial statements include certain prior year partial comparative information in total, but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2021, from which the summarized information was derived. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Z. Change in Accounting Principle

During the year ended June 30, 2022, the District implemented GASB Statement No. 87, *Leases*. This statement included major changes in recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Certain amounts necessary to fully restate fiscal year 2021 financial information are not determinable; therefore, prior year comparative amounts have not been restated. The implementation of this new GASB statement in the current year resulted in the District reporting a new capital asset category for leased assets and lease liability, but did not require a restatement of net position in the current year. See Note 3 and Note 4 for additional details on the change in the current year.

NOTE 2 – DEPOSITS AND INVESTMENTS

A. Deposits

In accordance with applicable Minnesota Statutes, the District maintains deposits at depository banks authorized by the School Board, including checking accounts, savings accounts, and nonnegotiable certificates of deposit.

The following is considered the most significant risk associated with deposits:

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may be lost.

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

The District's deposit policies do not further limit depository choices.

At year-end, the carrying amount of the District's deposits was \$1,990,303, while the balance on the bank records was \$2,216,326. At June 30, 2022, all deposits were insured or collateralized by securities held by the District's agent in the District's name.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments

Investments are subject to various risks, the following of which are considered the most significant:

Custodial Credit Risk – For investments, this is the risk that in the event of a failure of the counterparty to an investment transaction (typically a broker-dealer) the District would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Although the District’s investment policies do not directly address custodial credit risk, it typically limits its exposure by purchasing insured or registered investments, or by the control of who holds the securities.

Credit Risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statutes limit the District’s investments to direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that receive the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated “A” or better; revenue obligations rated “AA” or better; general obligations of the Minnesota Housing Finance Agency rated “A” or better; bankers’ acceptances of United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000; that are a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York; or certain Minnesota securities broker-dealers. The District’s investment policies do not further restrict investing in specific financial instruments.

Concentration Risk – This is the risk associated with investing a significant portion of the District’s investments (considered 5 percent or more) in the securities of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The District’s investment policies do not address concentration risk.

Interest Rate Risk – This is the risk of potential variability in the fair value of fixed rate investments resulting from changes in interest rates (the longer the period for which an interest rate is fixed, the greater the risk). The District’s investment policies do not limit the maturities of investments; however, the District considers such things as interest rates and cash flow needs when purchasing investments.

NOTE 2 – DEPOSITS AND INVESTMENTS (CONTINUED)

C. Summary

The following table presents the District’s deposit and investment balances at June 30, 2022, and information relating to potential investment risks:

Investment Type	Credit Risk		Fair Value Measurements	Interest Risk – Maturity Duration in Years				Total
	Rating	Agency		Less Than 1	1 to 5	5 to 10	More Than 10	
Investment pools/mutual funds								
Minnesota School District Liquid Asset Fund								
MAX Class	AAA	S&P	Amortized Cost	N/A	N/A	N/A	N/A	\$ 8,466,427
Term Series	AAA	Fitch	N/A	\$ 3,500,000	\$ –	\$ –	\$ –	3,500,000
First American Treasury Obligations Fund Class D								
	AAA	S&P	Level 1	N/A	N/A	N/A	N/A	44,393
								12,010,820
Deposits								1,990,303
Total cash and investments								<u>\$ 14,001,123</u>

N/A – Not Applicable

Cash and investments are included on the basic financial statements as follows:

Cash and temporary investments – Statement of Net Position	\$ 13,956,730
Cash and investments held by trustee – Statement of Net Position	<u>44,393</u>
Total cash and investments	<u>\$ 14,001,123</u>

The Minnesota School District Liquid Asset Fund (MSDLAF) is regulated by Minnesota Statutes and is an external investment pool not registered with the Securities and Exchange Commission (SEC) that follows the same regulatory rules of the SEC. The District’s investment in the MSDLAF is measured at the value per share provided by the pool, which is based on an amortized cost method that approximates fair value.

The MSDLAF MAX Class must be deposited for a minimum of 14 calendar days with the exception of direct investments of funds distributed by the State of Minnesota. Withdrawals prior to the 14-day restriction period may be subject to a penalty and there is a 24-hour hold on all requests for redemptions. MSDLAF Term Series investments have a maturity of 60 days to 1 year and early withdrawal may result in substantial early redemption penalties.

NOTE 3 – CAPITAL ASSETS

Capital assets and accumulated depreciation activity for the year ended June 30, 2022 is as follows:

	Balance – Beginning of Year	Change in Accounting Principle*	Additions	Deletions	Balance – End of Year
Capital assets, not depreciated or amortized					
Land	\$ 655,000	\$ –	\$ –	\$ –	\$ 655,000
Capital assets, depreciated or amortized					
Buildings	11,274,493	–	–	–	11,274,493
Buildings – leased	–	8,249,811	–	–	8,249,811
Furniture and equipment	2,539,559	–	180,506	–	2,720,065
Furniture and equipment – leased	–	38,579	–	–	38,579
Total capital assets, depreciated or amortized	13,814,052	8,288,390	180,506	–	22,282,948
Less accumulated depreciation or amortization for					
Buildings	(4,047,406)	–	(277,415)	–	(4,324,821)
Buildings – leased	–	–	(686,585)	–	(686,585)
Furniture and equipment	(1,703,921)	–	(159,142)	–	(1,863,063)
Furniture and equipment – leased	–	–	(17,328)	–	(17,328)
Total accumulated depreciation or amortization	(5,751,327)	–	(1,140,470)	–	(6,891,797)
Net capital assets	8,062,725	8,288,390	(959,964)	–	15,391,151
Total capital assets, net	<u>\$ 8,717,725</u>	<u>\$ 8,288,390</u>	<u>\$ (959,964)</u>	<u>\$ –</u>	<u>\$ 16,046,151</u>

*The remeasurement adjustment was for the new lease standard requirements of the current year.

Depreciation expense for the year ended June 30, 2022 was charged to the following governmental functions:

Administrative and support services	\$ 15,036
Secondary vocational/DCALS	16,356
Special education programs	1,108,816
Food service	262
Total depreciation expense	<u>\$ 1,140,470</u>

NOTE 4 – LONG-TERM LIABILITIES

A. Components and Changes in Long-Term Liabilities

The following table describes the changes in long-term liabilities, including amounts due within one year:

	Balance – Beginning of Year	Change in Accounting Principle*	Additions	Retirements	Balance – End of Year	Due Within One Year
Certificates of participation	\$ 6,940,000	\$ –	\$ –	\$ 310,000	\$ 6,630,000	\$ 315,000
Unamortized premium/discount	213,030	–	–	12,232	200,798	–
Lease liability	–	8,288,390	–	542,238	7,746,152	543,346
Severance benefits payable	411,068	–	40,314	101,841	349,541	40,314
Compensated absences payable	392,145	–	60,514	70,177	382,482	70,177
Total OPEB liability	1,235,842	–	195,780	4,004	1,427,618	33,276
Net pension liability	27,024,370	–	6,402,532	15,795,430	17,631,472	–
	<u>\$ 36,216,455</u>	<u>\$ 8,288,390</u>	<u>\$ 6,699,140</u>	<u>\$ 16,835,922</u>	<u>\$ 34,368,063</u>	<u>\$ 1,002,113</u>

*The remeasurement adjustment was for the new lease standard requirements of the current year.

NOTE 4 – LONG-TERM LIABILITIES (CONTINUED)

B. Description of Long-Term Liabilities

- **Certificates of Participation Payable** – In November 2016, the District sold \$8,085,000 of certificates of participation to finance the construction of additions to the Alliance Center special education facility. These certificates have interest rates that range from 2.0 percent to 3.0 percent, with a final maturity of February 2039. Annual principal and interest payments on these certificates will be paid by the General Fund. Tuition revenue in the General Fund capital expenditure account from member districts specifically for this debt obligation for the duration of the debt obligation are pledged for the payment of principal and interest on these certificates of participation payable.

Failure by the District to pay any payments under this agreement, or upon the occurrence of and continuation of an event of default, the lender without any further demand or notice, may take one or any combination of the following steps. The lender, with or without terminating the agreement, may declare all payments due or become due during the fiscal year in effect when the default occurs. They may repossess the facility by giving the District written notice to surrender the facility to the lender. The lender will thereafter use its best efforts to sell or lease its interest in the facility or any portion thereof in a commercially reasonable manner in accordance with applicable state laws. The lender may also pursue any other remedy available to require the District to perform any of its obligations in the agreement.

- **Lease Liability** – The District has obtained the use of certain equipment and building space through a lease financing agreement. The total amount of underlying lease assets by major classes and the related accumulated amortization is presented in Note 3 to the basic financial statements. Annual principal and interest on these agreements will be paid from the General Fund. The agreement is secured by the original property. The lessor may repossess the property and seek full recovery of the losses upon default. The District currently has the following lease liability obligations outstanding:

<u>Lease Description</u>	<u>Interest Rate</u>	<u>Lease Date</u>	<u>Final Maturity</u>	<u>Principal Outstanding</u>
Concord Education Center	7.00%	09/01/2018	07/01/2033	\$ 5,692,374
Lebanon Education Center	7.00%	08/01/2015	07/01/2030	2,033,418
Marco copiers	7.00%	05/30/2019	05/01/2023	14,266
Marco copier	7.00%	09/28/2020	09/01/2024	3,107
Loffler copier	7.00%	08/07/2019	09/01/2023	2,987
Total lease liability				<u>\$ 7,746,152</u>

NOTE 4 – LONG-TERM LIABILITIES (CONTINUED)

- **Severance Benefits Payable** – Severance benefits are paid by the applicable internal service fund. Annual payments to retire severance benefit liabilities have not been determined and will depend on actual employee turnover.
- **Compensated Absences Payable** – Compensated absences payable represent accrued vacation payable at year-end. Compensated absences are paid by the General Fund. These benefits are not funded until the year of payment. Annual payments to retire compensated absences payable will depend on employee turnover and actual employee absences.
- **Other Long-Term Liabilities** – The District offers a number of benefits to its employees, including pensions and OPEB. The details of these various benefit liabilities are discussed elsewhere in these notes. Such benefits are financed primarily by the General Fund and the Internal Service Fund.

District employees participate in two state-wide, cost-sharing, multiple-employer defined benefit pension plans administered by the PERA and the TRA. The following is a summary of the net pension liabilities, deferred outflows and inflows of resources, and pension expense reported for these plans as of and for the year ended June 30, 2022:

<u>Pension Plans</u>	<u>Net Pension Liabilities</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
PERA	\$ 5,145,891	\$ 4,246,646	\$ 4,908,092	\$ 468,267
TRA	12,485,581	10,197,485	19,755,782	1,302,677
Total	<u>\$ 17,631,472</u>	<u>\$ 14,444,131</u>	<u>\$ 24,663,874</u>	<u>\$ 1,770,944</u>

C. Minimum Debt Payments

Minimum annual principal and interest payments required to retire certificates of participation and lease liabilities are as follows:

<u>Year Ending June 30,</u>	<u>Certificates of Participation</u>		<u>Lease Liability</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 315,000	\$ 209,500	\$ 543,346	\$ 525,036
2024	325,000	201,625	580,424	485,855
2025	330,000	193,500	635,814	443,478
2026	340,000	185,250	621,233	399,228
2027	350,000	175,050	674,728	354,263
2028–2032	1,920,000	700,550	3,796,980	973,575
2033–2037	2,140,000	342,300	893,627	39,658
2038–2039	910,000	41,100	–	–
	<u>\$ 6,630,000</u>	<u>\$ 2,048,875</u>	<u>\$ 7,746,152</u>	<u>\$ 3,221,093</u>

NOTE 5 – FUND BALANCES

The following is a breakdown of equity components of governmental funds, which are defined earlier in the report.

A. Classifications

At June 30, 2022, a summary of the District’s governmental fund balance classifications are as follows:

	<u>General Fund</u>	<u>Food Service Special Revenue Fund</u>	<u>Total</u>
Nonspendable			
Inventory	\$ 289	\$ –	\$ 289
Prepaid items	123,080	2,050	125,130
Total nonspendable	<u>123,369</u>	<u>2,050</u>	<u>125,419</u>
Restricted for			
Student activities	6,180	–	6,180
Debt service	44,393	–	44,393
Food service	–	15,620	15,620
Total restricted	<u>50,573</u>	<u>15,620</u>	<u>66,193</u>
Assigned			
Subsequent year’s budgeted deficit	708,921	–	708,921
Unassigned	<u>9,319,585</u>	<u>–</u>	<u>9,319,585</u>
Total	<u>\$ 10,202,448</u>	<u>\$ 17,670</u>	<u>\$ 10,220,118</u>

B. Minimum Unassigned Fund Balance Policy

The School Board has formally adopted a fund balance policy regarding maintaining a minimum unassigned fund balance for the General Fund. The policy states the District will strive to maintain a minimum unassigned General Fund balance of 15.0 percent of the annual budget. At June 30, 2022, the unassigned fund balance of the General Fund was 21.8 percent of fiscal 2022 expenditures.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE

A. Plan Descriptions

The District participates in the following cost-sharing, multiple-employer defined benefit pension plans administered by the PERA and the TRA. The PERA's and the TRA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes. The PERA's and the TRA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code (IRC).

1. General Employees Retirement Fund (GERF)

The PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356.

Certain full-time and part-time employees of the District other than teachers are covered by the GERF. GERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

2. Teachers Retirement Association (TRA)

The TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with Minnesota Statutes, Chapters 354 and 356. The TRA is a separate statutory entity, administered by a Board of Trustees. The Board of Trustees consists of four active members, one retired member, and three statutory officials.

Educators employed in Minnesota's public elementary and secondary schools, charter schools, and certain other TRA-covered educational institutions maintained by the state are required to be TRA members (except those employed by St. Paul Public Schools or Minnesota State Colleges and Universities (MnSCU)). Educators first hired by MnSCU may elect either TRA coverage or coverage through the Defined Contribution Plan administered by Minnesota State.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

B. Benefits Provided

The PERA and the TRA provide retirement, disability, and death benefits. Benefit provisions are established by state statutes and can only be modified by the State Legislature.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

1. GERF Benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for the PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated Plan members is 1.2 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated Plan members is 1.7 percent for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at age 66.

Benefit increases are provided to benefit recipients each January. The post-retirement increase is equal to 50.0 percent of the cost of living adjustment announced by the Social Security Administration, with a minimum increase of at least 1.0 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase, will receive the full increase. For recipients receiving the annuity or benefit for at least one month, but less than a full year as of the June 30 before the effective date of the increase, will receive a reduced prorated increase. For members retiring on January 1, 2024 or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

2. TRA Benefits

The TRA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota Statutes and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any five consecutive years of allowable service, age, and a formula multiplier based on years of credit at termination of service.

Two methods are used to compute benefits for the TRA's Coordinated and Basic Plan members. Members first employed before July 1, 1989, receive the greater of the Tier I or Tier II benefits as described.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

Tier I Benefits

Step-Rate Formula	Percentage per Year
Basic Plan	
First 10 years of service	2.2 %
All years after	2.7 %
Coordinated Plan	
First 10 years if service years are up to July 1, 2006	1.2 %
First 10 years if service years are July 1, 2006 or after	1.4 %
All other years of service if service years are up to July 1, 2006	1.7 %
All other years of service if service years are July 1, 2006 or after	1.9 %

With these provisions:

- (a) Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
- (b) Three percent per year early retirement reduction factor for all years under normal retirement age.
- (c) Unreduced benefits for early retirement under a Rule of 90 (age plus allowable service equals 90 or more).

Tier II Benefits

For years of service prior to July 1, 2006, a level formula of 1.7 percent per year for Coordinated Plan members and 2.7 percent per year for Basic Plan members applies. For years of service July 1, 2006 and after, a level formula of 1.9 percent per year for Coordinated Plan members and 2.7 percent per year for Basic Plan members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under Minnesota Statutes. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

Members first employed after June 30, 1989, receive only the Tier II benefit calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 66.

Six different types of annuities are available to members upon retirement. The No Refund Life Plan is a lifetime annuity that ceases upon the death of the retiree—no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans that have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is eligible for a refund of their employee contributions plus interest.

The benefit provisions stated apply to active plan participants. Vested, terminated employees who are entitled to benefits, but not yet receiving them, are bound by the plan provisions in effect at the time they last terminated their public service.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

C. Contributions

Minnesota Statutes set the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

1. GERF Contributions

Minnesota Statutes, Chapter 353 sets the rates for employer and employee contributions. Coordinated Plan members were required to contribute 6.5 percent of their annual covered salary in fiscal year 2022 and the District was required to contribute 7.5 percent for Coordinated Plan members. The District’s contributions to the GERF for the year ended June 30, 2022, were \$633,584. The District’s contributions were equal to the required contributions as set by state statutes.

2. TRA Contributions

Minnesota Statutes, Chapter 354 sets the rates for employer and employee contributions. Rates for each fiscal year were:

	Year Ended June 30,					
	2020		2021		2022	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic Plan	11.00 %	11.92 %	11.00 %	12.13 %	11.00 %	12.34 %
Coordinated Plan	7.50 %	7.92 %	7.50 %	8.13 %	7.50 %	8.34 %

The District’s contributions to the TRA for the plan’s fiscal year ended June 30, 2022, were \$1,449,585. The District’s contributions were equal to the required contributions for each year as set by state statutes.

The following is a reconciliation of employer contributions in the TRA’s Annual Comprehensive Financial Report Statement of Changes in Fiduciary Net Position to the employer contributions used in the Schedule of Employer and Nonemployer Pension Allocations:

	<i>in thousands</i>
Employer contributions reported in the TRA’s Annual Comprehensive Financial Report Statement of Changes in Fiduciary Net Position	\$ 448,829
Add employer contributions not related to future contribution efforts	379
Deduct the TRA’s contributions not included in allocation	<u>(538)</u>
Total employer contributions	448,670
Total nonemployer contributions	<u>37,840</u>
Total contributions reported in the Schedule of Employer and Nonemployer Pension Allocations	<u>\$ 486,510</u>

Amounts reported in the allocation schedules may not precisely agree with financial statement amounts or actuarial valuations, due to the number of decimal places used in the allocations. The TRA has rounded percentage amounts to the nearest ten thousandths.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

D. Pension Costs

1. GERF Pension Costs

At June 30, 2022, the District reported a liability of \$5,145,891 for its proportionate share of the General Employees Fund's net pension liability. The District's net pension liability reflected a reduction due to the state of Minnesota's contribution of \$16 million. The state of Minnesota is considered a nonemployer contributing entity and the state's contribution meets the definition of a special funding situation. The state of Minnesota's proportionate share of the net pension liability associated with the District totaled \$157,170. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's contributions received by the PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of the PERA's participating employers. The District's proportionate share was 0.1205 percent at the end of the measurement period and 0.1253 percent for the beginning of the period.

District's proportionate share of the net pension liability	\$	5,145,891
State's proportionate share of the net pension liability associated with the District	\$	157,170

For the year ended June 30, 2022, the District recognized pension expense of \$455,586 for its proportionate share of the GERF's pension expense. In addition, the District recognized an additional \$12,681 as pension expense (and grant revenue) for its proportionate share of the state of Minnesota's pension expense for the annual \$16 million contribution.

At June 30, 2022, the District reported its proportionate share of the GERF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 29,778	\$ 158,205
Changes in actuarial assumptions	3,141,974	114,820
Net collective difference between projected and actual investment earnings	–	4,419,231
Changes in proportion	441,310	215,836
District's contributions to the GERF subsequent to the measurement date	633,584	–
Total	<u>\$ 4,246,646</u>	<u>\$ 4,908,092</u>

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

The \$633,584 reported as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2023	\$ 7,285
2024	\$ 18,299
2025	\$ (105,076)
2026	\$ (1,215,538)

2. TRA Pension Costs

At June 30, 2022, the District reported a liability of \$12,485,581 for its proportionate share of the TRA’s net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability was based on the District’s contributions to the TRA in relation to total system contributions, including direct aid from the state of Minnesota, City of Minneapolis, and Minneapolis School District. The District’s proportionate share was 0.2853 percent at the end of the measurement period and 0.2641 percent for the beginning of the period.

The pension liability amount reflected a reduction due to direct aid provided to the TRA. The amount recognized by the District as its proportionate share of the net pension liability, the direct aid, and total portion of the net pension liability that was associated with the District were as follows:

District’s proportionate share of the net pension liability	\$ 12,485,581
State’s proportionate share of the net pension liability associated with the District	\$ 1,053,149

For the year ended June 30, 2022, the District recognized pension expense of \$1,314,469. It also recognized (\$11,792) as a decrease to pension expense for the support provided by direct aid.

At June 30, 2022, the District had deferred resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 313,037	\$ 317,688
Changes in actuarial assumptions	4,608,548	8,935,752
Net collective difference between projected and actual investment earnings on pension plan investments	–	10,502,342
Changes in proportion	3,826,315	–
District’s contributions to the TRA subsequent to the measurement date	1,449,585	–
Total	<u>\$ 10,197,485</u>	<u>\$ 19,755,782</u>

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

A total of \$1,449,585 reported as deferred outflows of resources related to pensions resulting from district contributions to the TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense Amount
2023	\$ (5,503,365)
2024	\$ (4,303,431)
2025	\$ (901,599)
2026	\$ (1,475,845)
2027	\$ 1,176,358

E. Long-Term Expected Return on Investment

The State Board of Investment, which manages the investments of the PERA and the TRA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages.

The target allocation and best-estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return
	GERF	TRA	
Domestic equity	33.50 %	35.50 %	5.10 %
International equity	16.50	17.50	5.30 %
Private markets	25.00	25.00	5.90 %
Fixed income	25.00	20.00	0.75 %
Unallocated cash	–	2.00	– %
Total	<u>100.00 %</u>	<u>100.00 %</u>	

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

F. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Assumptions	GERF	TRA
Inflation	2.25%	2.50%
Wage growth rate		2.85% before July 1, 2028, and 3.25% thereafter
Projected salary increase	3.00%	
Active member payroll growth		2.85% to 8.85% before July 1, 2028, and 3.25% to 9.25% thereafter
Investment rate of return	6.50%	7.00%

1. GERF

The long-term rate of return on pension plan investments used in the determination of the total liability is 6.50 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.50 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the GERF Plan. Benefit increases after retirement are assumed to be 1.25 percent for the GERF Plan.

Salary growth assumptions in the GERF Plan range in annual increments from 10.25 percent after one year of service to 3.00 percent after 29 years of service, and 6.00 percent per year thereafter.

Mortality rates for the GERF Plan are based on the Pub-2010 General Employee Mortality Table. The table is adjusted slightly to fit the PERA's experience.

Actuarial assumptions for the GERF Plan are reviewed every four years. The most recent four-year experience study for the GERF Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020 actuarial valuation.

2. TRA

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors, and disabilitants for all plans were based on RP-2014 tables for the TRA for males and females, as appropriate, with slight adjustments to fit the TRA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.00 percent for January 2020 through January 2023, then increasing by 0.10 percent each year, up to 1.50 percent annually.

Actuarial assumptions for the TRA Plan were based on the results of actuarial experience studies. The most recent experience study in the TRA Plan was completed in 2015, with economic assumptions updated in 2017.

NOTE 6 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

The following changes in actuarial assumptions occurred in 2021:

1. GERF

CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2. TRA

CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return assumption was changed from 7.50 percent to 7.00 percent.

G. Discount Rate

1. GERF

The discount rate used to measure the total pension liability in 2021 was 6.50 percent. The discount rate used to measure the total pension liability at the prior measurement date was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the GERF was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

2. TRA

The discount rate used to measure the total pension liability was 7.00 percent. The discount rate used to measure the total pension liability at the prior measurement date was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2021 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate.

NOTE 6– DEFINED BENEFIT PENSION PLANS – STATE-WIDE (CONTINUED)

H. Pension Liability Sensitivity

The following table presents the District’s proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
GERF discount rate	5.50%	6.50%	7.50%
District’s proportionate share of the GERF net pension liability	\$ 10,494,988	\$ 5,145,891	\$ 756,628
TRA discount rate	6.00%	7.00%	8.00%
District’s proportionate share of the TRA net pension liability	\$ 25,221,481	\$ 12,485,581	\$ 2,041,127

I. Pension Plan Fiduciary Net Position

Detailed information about the plan’s fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the internet at www.mnpera.org.

Detailed information about the plan’s fiduciary net position is available in a separately-issued TRA financial report. That report can be obtained at www.MinnesotaTRA.org, by writing to the TRA at 60 Empire Drive, Suite 400, St. Paul, MN, 55103-4000; or by calling 651-296-2409 or 800-657-3669.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

A. Plan Descriptions

The District provides post-employment healthcare benefits to certain eligible employees through a single-employer defined benefit OPEB Plan administered by the District. All post-employment benefits are based on contractual agreements with employee groups, with benefit eligibility based on years of service and/or minimum age requirements. These contractual agreements do not include any specific contribution or funding requirements. The plan does not issue a separate financial report.

All retirees of the District have the option under state law to continue their medical insurance coverage through the District from the time of retirement until the employee reaches the age of eligibility for Medicare. For members of certain employee groups, the District pays for all or part of the eligible retiree’s premiums for medical and/or dental insurance from the time of retirement until the employee reaches the age of eligibility for Medicare. Benefits paid by the District differ by bargaining unit, with some contracts specifying a certain dollar amount per month, and some covering premium costs as defined within each collective bargaining agreement. Retirees not eligible for these district-paid premium benefits must pay the full district premium rate for their coverage.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

The District is legally required to include any retirees for whom it provides health insurance coverage in the same insurance pool as its active employees, whether the premiums are paid by the District or the retiree. Consequently, participating retirees are considered to receive a secondary benefit known as an “implicit rate subsidy.” This benefit relates to the assumption that the retiree is receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the District’s younger and statistically healthier active employees.

B. Contributions

The required contribution is based on projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined periodically by the District. The District’s contributions in the current year totaled \$33,276 as required on a pay-as-you-go basis to finance the current year benefits as described in the previous section. The District has not established a trust fund to finance these OPEB benefits.

C. Membership

Membership in the plan consisted of the following as of the latest actuarial valuation:

Retirees and beneficiaries receiving benefits	1
Active plan members	<u>579</u>
Total members	<u><u>580</u></u>

D. Total OPEB Liability of the District

The District’s total OPEB liability of \$1,427,618 at year-end was measured as of July 1, 2021, and was determined by an actuarial valuation with a valuation date of July 1, 2020.

E. Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial study with a valuation date as of July 1, 2020 and measurement date as of July 1, 2021, using the entry-age method, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.10%
20-year municipal bond yield	2.10%
Inflation rate	2.50%
Salary increases	Service graded table
Healthcare trend rate	6.25% as of July 1, 2021 grading to 5.00% over 5 years, then to 4.00% over the next 48 years
Dental trend rate	4.00%

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-year municipal bond yield.

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount Weighted Mortality Tables with MP-2019 Generational Improvement Scale. Economic assumptions are based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information, as well as for consistency with the other economic assumptions.

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

F. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Beginning balance	\$ 1,235,842
Changes for the year	
Service cost	217,343
Interest	33,945
Assumption changes	18,536
Benefit payments	<u>(78,048)</u>
Total net changes	<u>191,776</u>
Ending balance	<u><u>\$ 1,427,618</u></u>

G. Changes in Actuarial Assumptions

- The discount rate was changed from 2.40 percent to 2.10 percent.

H. Benefit Plan Changes

- None.

I. Total OPEB Liability Sensitivity to Discount and Healthcare Cost Trend Rate Changes

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
OPEB discount rate	1.10%	2.10%	3.10%
Total OPEB liability	\$ 1,518,272	\$ 1,427,618	\$ 1,339,576

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current healthcare cost trend rates:

	<u>1% Decrease in Healthcare Cost Trend Rates</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase in Healthcare Cost Trend Rates</u>
Healthcare cost trend rate	5.25% decreasing to 4.00%, then 3.00%	6.25% decreasing to 5.00%, then 4.00%	7.25% decreasing to 6.00%, then 5.00%
Dental trend rate	3.00%	4.00%	5.00%
Total OPEB liability	\$ 1,276,206	\$ 1,427,618	\$ 1,609,894

NOTE 7 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

J. OPEB Expense and Related Deferred Outflows and Deferred Inflows of Resources

The District recognized OPEB expense of \$156,090 in the current year, and at year-end reported the following deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ 35,655	\$ 172,553
Differences between expected and actual economic experience	–	420,461
District’s contributions subsequent to the measurement date	33,276	–
Total	\$ 68,931	\$ 593,014

A total of \$33,276 reported as deferred outflows of resources related to OPEB resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2023.

Other amounts reported as deferred outflows and inflows of resources to the OPEB Plan will be recognized in OPEB expense as follows:

Year Ending June 30,	OPEB Expense
2023	\$ (95,198)
2024	\$ (95,198)
2025	\$ (95,198)
2026	\$ (95,198)
2027	\$ (95,203)
Thereafter	\$ (81,364)

NOTE 8 – FLEXIBLE BENEFIT PLAN

The District offers its employees a flexible benefit plan, a cafeteria plan (the Plan) created in accordance with the IRC § 125. All employee groups of the District are eligible if and when the collective bargaining agreement or contract with their group allows eligibility. Eligible employees can elect to participate by contributing pretax dollars withheld from payroll checks to the Plan for healthcare and dependent care benefits.

Before the beginning of the Plan year, which is from January 1 to December 31, each participant designates a total amount of pretax dollars to be contributed to the Plan during the year. At June 30, the District is contingently liable for claims against the total amount of participants’ annual contributions to the medical reimbursement portion of the Plan, whether or not such contributions have been made.

Payments of insurance premiums (health and dental) are made by the District directly to the designated insurance companies. These payments are made on a monthly basis and are accounted for in the General Fund.

NOTE 8 – FLEXIBLE BENEFIT PLAN (CONTINUED)

Amounts withheld for medical reimbursement and dependent care are held in the District's cash account. Payments are made by a third party administrator to participating employees upon submitting a request for reimbursement of eligible expenses incurred by the employee. The medical reimbursement and dependent care activity are accounted for in the financial statements in the General Fund.

All property of the Plan and income attributable to that property is solely the property of the District, subject to the claims of the District's general creditors. Participants' rights under the Plan are equal to those of general creditors of the District in an amount equal to eligible healthcare and dependent care expenses incurred by the participants. The District believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

NOTE 9 – COMMITMENTS AND CONTINGENCIES

A. Federal and State Revenues

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

B. Legal Contingencies

The District has the usual and customary legal claims pending at year-end, mostly of a minor nature and/or covered by insurance. Although the outcomes of these claims are not presently determinable, the District believes that the resolution of these matters will not have a material effect on its financial position.

NOTE 10 – DEFICIT NET POSITION

The Post-Employment Employee Benefits Internal Service Fund had a deficit net position at June 30, 2022 of \$835,475. This deficit will be funded by future district contributions to this fund.

REQUIRED SUPPLEMENTARY INFORMATION

INTERMEDIATE SCHOOL DISTRICT NO. 917

Public Employees Retirement Association Pension Benefits Plan
 Schedule of District's and Nonemployer Proportionate Share of Net Pension Liability
 Year Ended June 30, 2022

District Fiscal Year-End Date	PERA Fiscal Year-End Date (Measurement Date)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the District's Share of the State of Minnesota's Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/2015	06/30/2014	0.0973%	\$ 4,570,667	\$ -	\$ 4,570,667	\$ 5,105,448	89.53%	78.70%
06/30/2016	06/30/2015	0.0956%	\$ 4,954,489	\$ -	\$ 4,954,489	\$ 5,613,356	88.26%	78.20%
06/30/2017	06/30/2016	0.0970%	\$ 7,875,919	\$ 102,897	\$ 7,978,816	\$ 6,015,751	130.92%	68.90%
06/30/2018	06/30/2017	0.0970%	\$ 6,192,416	\$ 77,892	\$ 6,270,308	\$ 6,251,084	99.06%	75.90%
06/30/2019	06/30/2018	0.1052%	\$ 5,836,065	\$ 191,344	\$ 6,027,409	\$ 7,070,948	82.54%	79.50%
06/30/2020	06/30/2019	0.1135%	\$ 6,275,161	\$ 194,992	\$ 6,470,153	\$ 8,036,142	78.09%	80.20%
06/30/2021	06/30/2020	0.1253%	\$ 7,512,308	\$ 231,538	\$ 7,743,846	\$ 8,933,431	84.09%	79.10%
06/30/2022	06/30/2021	0.1205%	\$ 5,145,891	\$ 157,170	\$ 5,303,061	\$ 8,676,826	59.31%	87.00%

Public Employees Retirement Association Pension Benefits Plan
 Schedule of District Contributions
 Year Ended June 30, 2022

District Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
06/30/2015	\$ 414,341	\$ 414,341	\$ -	\$ 5,613,356	7.38%
06/30/2016	\$ 451,532	\$ 451,532	\$ -	\$ 6,015,751	7.51%
06/30/2017	\$ 469,399	\$ 469,399	\$ -	\$ 6,251,084	7.51%
06/30/2018	\$ 530,998	\$ 530,998	\$ -	\$ 7,070,948	7.51%
06/30/2019	\$ 603,172	\$ 603,172	\$ -	\$ 8,036,142	7.51%
06/30/2020	\$ 670,963	\$ 670,963	\$ -	\$ 8,933,431	7.51%
06/30/2021	\$ 650,759	\$ 650,759	\$ -	\$ 8,676,826	7.50%
06/30/2022	\$ 633,584	\$ 633,584	\$ -	\$ 8,447,806	7.50%

Note: The District implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2014 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

INTERMEDIATE SCHOOL DISTRICT NO. 917

Teachers Retirement Association Pension Benefits Plan
 Schedule of District's and Nonemployer Proportionate Share of Net Pension Liability
 Year Ended June 30, 2022

District Fiscal Year-End Date	TRA Fiscal Year-End Date (Measurement Date)	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the State of Minnesota's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability and the District's Share of the State of Minnesota's Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/2015	06/30/2014	0.2029%	\$ 9,349,486	\$ 657,803	\$ 10,007,289	\$ 9,262,291	100.94%	81.50%
06/30/2016	06/30/2015	0.1954%	\$ 12,087,423	\$ 1,482,856	\$ 13,570,279	\$ 9,915,820	121.90%	76.80%
06/30/2017	06/30/2016	0.2064%	\$ 49,231,325	\$ 4,941,167	\$ 54,172,492	\$ 10,745,627	458.15%	44.88%
06/30/2018	06/30/2017	0.2149%	\$ 42,897,938	\$ 4,147,269	\$ 47,045,207	\$ 11,700,275	366.64%	51.57%
06/30/2019	06/30/2018	0.2282%	\$ 14,333,096	\$ 1,346,422	\$ 15,679,518	\$ 12,766,959	112.27%	78.07%
06/30/2020	06/30/2019	0.2487%	\$ 15,852,190	\$ 1,402,823	\$ 17,255,013	\$ 14,116,834	112.29%	78.21%
06/30/2021	06/30/2020	0.2641%	\$ 19,512,062	\$ 1,634,982	\$ 21,147,044	\$ 15,346,868	127.14%	75.48%
06/30/2022	06/30/2021	0.2853%	\$ 12,485,581	\$ 1,053,149	\$ 13,538,730	\$ 17,075,599	73.12%	86.63%

Teachers Retirement Association Pension Benefits Plan
 Schedule of District Contributions
 Year Ended June 30, 2022

District Fiscal Year-End Date	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
06/30/2015	\$ 743,688	\$ 743,688	\$ -	\$ 9,915,820	7.50%
06/30/2016	\$ 805,427	\$ 805,427	\$ -	\$ 10,745,627	7.50%
06/30/2017	\$ 867,629	\$ 867,629	\$ -	\$ 11,700,275	7.42%
06/30/2018	\$ 955,252	\$ 955,252	\$ -	\$ 12,766,959	7.48%
06/30/2019	\$ 1,088,409	\$ 1,088,409	\$ -	\$ 14,116,834	7.71%
06/30/2020	\$ 1,215,570	\$ 1,215,570	\$ -	\$ 15,346,868	7.92%
06/30/2021	\$ 1,388,246	\$ 1,388,246	\$ -	\$ 17,075,599	8.13%
06/30/2022	\$ 1,449,585	\$ 1,449,585	\$ -	\$ 17,379,438	8.34%

Note: The District implemented GASB Statement No. 68 in fiscal 2015 (using a June 30, 2014 measurement date). This schedule is intended to present 10-year trend information. Additional years will be added as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 917

Other Post-Employment Benefits Plan
 Schedule of Changes in the District's Total
 OPEB Liability and Related Ratios
 Year Ended June 30, 2022

	2018	2019	2020	2021	2022
Total OPEB liability					
Service cost	\$ 172,192	\$ 164,578	\$ 179,538	\$ 203,250	\$ 217,343
Interest	50,548	56,111	46,781	48,158	33,945
Assumption changes	-	1,687	27,367	(221,855)	18,536
Plan changes	-	-	-	72,879	-
Difference between expected and actual experience	-	(496,737)	-	(185,782)	-
Benefit payments	(53,728)	(49,298)	(59,430)	(61,583)	(78,048)
Net change in total OPEB liability	169,012	(323,659)	194,256	(144,933)	191,776
Total OPEB liability – beginning of year	1,341,166	1,510,178	1,186,519	1,380,775	1,235,842
Total OPEB liability – end of year	<u>\$ 1,510,178</u>	<u>\$ 1,186,519</u>	<u>\$ 1,380,775</u>	<u>\$ 1,235,842</u>	<u>\$ 1,427,618</u>
Covered-employee payroll	<u>\$ 17,301,959</u>	<u>\$ 21,687,037</u>	<u>\$ 22,337,648</u>	<u>\$ 26,723,569</u>	<u>\$ 27,525,276</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>8.73%</u>	<u>5.47%</u>	<u>6.18%</u>	<u>4.62%</u>	<u>5.19%</u>

Note 1: The District has not established a trust fund to finance GASB Statement No. 75.

Note 2: The District implemented GASB Statement No. 75 for the year ended June 30, 2018. The schedules within the RSI section require a 10-year presentation. Additional years will be presented as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information
June 30, 2022

PERA – GENERAL EMPLOYEES RETIREMENT FUND

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 CHANGES IN PLAN PROVISIONS

- Augmentation for current privatized members was reduced to 2.00 percent for the period July 1, 2020 through December 31, 2023, and zero percent thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years two through five, and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 Table to the Pub-2010 General Mortality Table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 Disabled Annuitant Mortality Table to the Pub-2010 General/Teacher Disabled Annuitant Mortality Table, with adjustments.
- The mortality improvement scale was changed from MP-2018 to MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100.00 percent joint and survivor option changed from 35.00 percent to 45.00 percent. The assumed number of married female new retirees electing the 100.00 percent joint and survivor option changed from 15.00 percent to 30.00 percent. The corresponding number of married new retirees electing the life annuity option was adjusted accordingly.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)
June 30, 2022

PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)

2019 CHANGES IN PLAN PROVISIONS

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2017 to MP-2018.

2018 CHANGES IN PLAN PROVISIONS

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to zero percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Post-retirement benefit increases were changed from 1.00 percent per year, with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio, to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age. Does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.00 percent per year through 2044, and 2.50 percent per year thereafter, to 1.25 percent per year.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)
June 30, 2022

PERA – GENERAL EMPLOYEES RETIREMENT FUND (CONTINUED)

2017 CHANGES IN PLAN PROVISIONS

- The state's contribution for the Minneapolis Employees Retirement Fund equals \$16.0 million in 2017 and 2018, and \$6.0 million thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21.0 million to \$31.0 million in calendar years 2019 to 2031. The state's contribution changed from \$16.0 million to \$6.0 million in calendar years 2019 to 2031.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and nonvested deferred members. The revised CSA loads are now zero percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for nonvested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year for all years, to 1.00 percent per year through 2044, and 2.50 percent per year thereafter.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2035, and 2.50 percent per year thereafter, to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate was changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth, and 2.50 percent for inflation.

2015 CHANGES IN PLAN PROVISIONS

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Retirement Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892.0 million. Upon consolidation, state and employer contributions were revised; the state's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

2015 CHANGES IN ACTUARIAL ASSUMPTIONS

- The assumed post-retirement benefit increase rate was changed from 1.00 percent per year through 2030, and 2.50 percent per year thereafter, to 1.00 percent per year through 2035, and 2.50 percent per year thereafter.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)
June 30, 2022

TEACHERS RETIREMENT ASSOCIATION (TRA)

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return assumption was changed from 7.50 percent to 7.00 percent.

2018 CHANGES IN PLAN PROVISIONS

- The cost-of-living adjustment (COLA) was reduced from 2.00 percent each January 1 to 1.00 percent, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.10 percent each year until reaching the ultimate rate of 1.50 percent on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit, are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.50 percent if the funded ratio was at least 90.00 percent for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.00 percent to 3.00 percent, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.50 percent to 7.50 percent, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next six years, (7.71 percent in 2018, 7.92 percent in 2019, 8.13 percent in 2020, 8.34 percent in 2021, 8.55 percent in 2022, and 8.75 percent in 2023). In addition, the employee contribution rate will increase from 7.50 percent to 7.75 percent on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The investment return assumption was changed from 8.50 percent to 7.50 percent.
- The single discount rate changed from 5.12 percent to 7.50 percent.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)
June 30, 2022

TEACHERS RETIREMENT ASSOCIATION (TRA) (CONTINUED)

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The COLA was assumed to increase from 2.00 percent annually to 2.50 percent annually on July 1, 2045.
- The COLA was not assumed to increase to 2.50 percent, but remain at 2.00 percent for all future years.
- Adjustments were made to the CSA loads. The active load was reduced from 1.40 percent to zero percent, the vested inactive load increased from 4.00 percent to 7.00 percent, and the nonvested inactive load increased from 4.00 percent to 9.00 percent.
- The investment return assumption was changed from 8.00 percent to 7.50 percent.
- The price inflation assumption was lowered from 2.75 percent to 2.50 percent.
- The payroll growth assumption was lowered from 3.50 percent to 3.00 percent.
- The general wage growth assumption was lowered from 3.50 percent to 2.85 percent for 10 years, followed by 3.25 percent thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.
- The single discount rate changed from 4.66 percent to 5.12 percent.

2016 CHANGES IN ACTUARIAL ASSUMPTIONS

- The single discount rate was changed from 8.00 percent to 4.66 percent.

2015 CHANGES IN PLAN PROVISIONS

- The Duluth Teachers Retirement Fund Association was merged into the TRA on June 30, 2015.

2015 CHANGES IN ACTUARIAL ASSUMPTIONS

- The annual COLA for the June 30, 2015 valuation assumed 2.00 percent. The prior year valuation used 2.00 percent, with an increase to 2.50 percent commencing in 2034.
- The discount rate used to measure the total pension liability was 8.00 percent. This is a decrease from the discount rate at the prior measurement date of 8.25 percent.

INDEPENDENT SCHOOL DISTRICT NO. 917

Notes to Required Supplementary Information (continued)
June 30, 2022

OTHER POST-EMPLOYMENT BENEFITS PLAN

2021 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 2.40 percent to 2.10 percent.

2020 CHANGES IN PLAN PROVISIONS

- The teachers' post-employment lump sum benefit payable to a Healthcare Savings Plan was increased from \$5,500 to \$7,500.

2020 CHANGES IN ACTUARIAL ASSUMPTIONS

- The mortality tables, healthcare trend rates, salary increase rates, and retiree plan participation percentages for future retirees who are not eligible to receive subsidized benefits were updated.
- The discount rate was changed from 3.10 percent to 2.40 percent.

2019 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.50 percent to 3.10 percent.

2018 CHANGES IN ACTUARIAL ASSUMPTIONS

- The healthcare trend rates were changed to better anticipate short-term and long-term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale, to the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale.
- The discount rate was changed from 3.40 percent to 3.50 percent.

2017 CHANGES IN ACTUARIAL ASSUMPTIONS

- The discount rate was changed from 3.00 percent to 3.40 percent.

SUPPLEMENTAL INFORMATION

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund
Comparative Balance Sheet
as of June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and temporary investments	\$ 6,489,423	\$ 5,239,697
Cash and investments held by trustee	44,393	44,382
Receivables		
Accounts and interest	16,020	10,690
Due from other school districts	3,365,390	1,931,642
Due from Minnesota Department of Education	3,952,006	7,082,746
Due from other governmental units	30,405	-
Due from other funds	-	13,047
Inventory	289	488
Prepaid items	123,080	108,941
	<u>14,021,006</u>	<u>14,431,633</u>
Total assets	<u>\$ 14,021,006</u>	<u>\$ 14,431,633</u>
Liabilities		
Salaries and compensated absences payable	\$ 3,057,305	\$ 3,174,212
Accounts and contracts payable	86,295	65,548
Due to other school districts	476,221	626,955
Due to other governmental units	167,903	196,446
Unearned revenue	30,834	31,426
Total liabilities	<u>3,818,558</u>	<u>4,094,587</u>
Fund balances		
Nonspendable for inventory	289	488
Nonspendable for prepaid items	123,080	108,941
Restricted for student activities	6,180	5,573
Restricted for debt service	44,393	44,382
Restricted for basic skills	-	55,970
Assigned for subsequent year's budgeted deficit	708,921	134,029
Unassigned	9,319,585	9,987,663
Total fund balances	<u>10,202,448</u>	<u>10,337,046</u>
	<u>\$ 14,021,006</u>	<u>\$ 14,431,633</u>
Total liabilities and fund balances	<u>\$ 14,021,006</u>	<u>\$ 14,431,633</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Year Ended June 30, 2022
 (With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022		Over (Under) Budget	2021
	Budget	Actual		Actual
Revenue				
Local sources				
Tuition	\$ 9,943,590	\$ 10,171,961	\$ 228,371	\$ 10,027,650
Investment earnings	4,500	8,698	4,198	3,328
Other	500,892	585,810	84,918	316,829
State sources	35,858,895	31,446,564	(4,412,331)	31,661,833
Federal sources	368,115	307,146	(60,969)	543,858
Total revenue	<u>46,675,992</u>	<u>42,520,179</u>	<u>(4,155,813)</u>	<u>42,553,498</u>
Expenditures				
Current				
Administrative and support services	62,780	38,645	(24,135)	26,955
Secondary vocational/DCALS	4,147,785	3,986,286	(161,499)	4,264,651
Special education programs	41,206,255	37,049,245	(4,157,010)	37,517,487
Debt service				
Principal	849,884	852,238	2,354	305,000
Interest and fiscal charges	711,102	728,858	17,756	221,800
Total expenditures	<u>46,977,806</u>	<u>42,655,272</u>	<u>(4,322,534)</u>	<u>42,335,893</u>
Excess (deficiency) of revenue over expenditures	(301,814)	(135,093)	166,721	217,605
Other financing sources (uses)				
Sales of assets	–	495	495	–
Transfers out	(15,000)	–	15,000	(12,679)
Total financing sources (uses)	<u>(15,000)</u>	<u>495</u>	<u>15,495</u>	<u>(12,679)</u>
Net change in fund balances	<u>\$ (316,814)</u>	<u>(134,598)</u>	<u>\$ 182,216</u>	<u>204,926</u>
Fund balances				
Beginning of year		<u>10,337,046</u>		<u>10,132,120</u>
End of year		<u>\$ 10,202,448</u>		<u>\$ 10,337,046</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund
Combining Balance Sheet by Account
as of June 30, 2022

	Secondary Education	Special Education	Services Allocation
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and temporary investments (deficit)	\$ 5,076,149	\$ 1,440,210	\$ (29,244)
Cash and investments held by trustee	-	-	-
Receivables			
Accounts and interest	-	13,652	-
Due from other school districts	1,836,947	1,501,390	27,053
Due from Minnesota Department of Education	157,369	3,794,637	-
Due from other governmental units	-	-	30,000
Inventory	-	-	-
Prepaid items	12,358	91,218	19,504
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 7,082,823</u>	<u>\$ 6,841,107</u>	<u>\$ 47,313</u>
Liabilities			
Salaries and compensated absences payable	\$ 3,057,305	\$ -	\$ -
Accounts and contracts payable	18,208	58,892	8,730
Due to other school districts	137,017	339,204	-
Due to other governmental units	93,249	74,174	149
Unearned revenue	505	4,909	25,420
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	3,306,284	477,179	34,299
Fund balances (deficit)			
Nonspendable for inventory	-	-	-
Nonspendable for prepaid items	12,358	91,218	19,504
Restricted for student activities	-	-	-
Restricted for debt service	-	-	-
Assigned for subsequent year's budgeted deficit	131,186	573,435	-
Unassigned	3,632,995	5,699,275	(6,490)
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	3,776,539	6,363,928	13,014
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balances	<u>\$ 7,082,823</u>	<u>\$ 6,841,107</u>	<u>\$ 47,313</u>

<u>District Support Services</u>	<u>Capital Expenditure</u>	<u>Secondary Resale</u>	<u>Special Education Resale</u>	<u>Student Activities</u>	<u>Total</u>
\$ 671	\$ (37,064)	\$ 22,795	\$ 10,059	\$ 5,847	\$ 6,489,423
-	44,393	-	-	-	44,393
-	-	2,000	-	368	16,020
-	-	-	-	-	3,365,390
-	-	-	-	-	3,952,006
-	-	-	405	-	30,405
-	-	-	289	-	289
-	-	-	-	-	123,080
<u>\$ 671</u>	<u>\$ 7,329</u>	<u>\$ 24,795</u>	<u>\$ 10,753</u>	<u>\$ 6,215</u>	<u>\$ 14,021,006</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,057,305
-	-	-	430	35	86,295
-	-	-	-	-	476,221
-	-	262	69	-	167,903
-	-	-	-	-	30,834
-	-	262	499	35	3,818,558
-	-	-	289	-	289
-	-	-	-	-	123,080
-	-	-	-	6,180	6,180
-	44,393	-	-	-	44,393
-	4,000	-	300	-	708,921
671	(41,064)	24,533	9,665	-	9,319,585
<u>671</u>	<u>7,329</u>	<u>24,533</u>	<u>10,254</u>	<u>6,180</u>	<u>10,202,448</u>
<u>\$ 671</u>	<u>\$ 7,329</u>	<u>\$ 24,795</u>	<u>\$ 10,753</u>	<u>\$ 6,215</u>	<u>\$ 14,021,006</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund

Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances by Account
Year Ended June 30, 2022

	Secondary Education	Special Education	Services Allocation
Revenue			
Local sources			
Tuition	\$ 3,490,172	\$ 6,156,089	\$ -
Investment earnings (charges)	3,815	4,562	(37)
Other	2,568	548,188	7,167
State sources	532,838	30,875,595	38,131
Federal sources	157,368	149,778	-
Total revenue	<u>4,186,761</u>	<u>37,734,212</u>	<u>45,261</u>
Expenditures			
Current			
Administrative and support services	-	-	38,645
Secondary vocational/DCALS	3,966,752	-	-
Special education programs	-	37,039,748	-
Debt service			
Principal	2,354	539,884	-
Interest and fiscal charges	225	512,933	-
Total expenditures	<u>3,969,331</u>	<u>38,092,565</u>	<u>38,645</u>
Excess (deficiency) of revenue over expenditures	217,430	(358,353)	6,616
Other financing sources			
Sale of assets	<u>495</u>	<u>-</u>	<u>-</u>
Net change in fund balances	217,925	(358,353)	6,616
Fund balances			
Beginning of year	<u>3,558,614</u>	<u>6,722,281</u>	<u>6,398</u>
End of year	<u>\$ 3,776,539</u>	<u>\$ 6,363,928</u>	<u>\$ 13,014</u>

<u>District Support Services</u>	<u>Capital Expenditure</u>	<u>Secondary Resale</u>	<u>Special Education Resale</u>	<u>Student Activities</u>	<u>Total</u>
\$ -	\$ 525,700	\$ -	\$ -	\$ -	\$ 10,171,961
-	358	-	-	-	8,698
-	-	17,597	8,584	1,706	585,810
-	-	-	-	-	31,446,564
-	-	-	-	-	307,146
-	<u>526,058</u>	<u>17,597</u>	<u>8,584</u>	<u>1,706</u>	<u>42,520,179</u>
-	-	-	-	-	38,645
-	3,900	14,535	-	1,099	3,986,286
-	-	-	9,497	-	37,049,245
-	310,000	-	-	-	852,238
-	<u>215,700</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>728,858</u>
-	<u>529,600</u>	<u>14,535</u>	<u>9,497</u>	<u>1,099</u>	<u>42,655,272</u>
-	(3,542)	3,062	(913)	607	(135,093)
-	-	-	-	-	495
-	(3,542)	3,062	(913)	607	(134,598)
<u>671</u>	<u>10,871</u>	<u>21,471</u>	<u>11,167</u>	<u>5,573</u>	<u>10,337,046</u>
<u>\$ 671</u>	<u>\$ 7,329</u>	<u>\$ 24,533</u>	<u>\$ 10,254</u>	<u>\$ 6,180</u>	<u>\$ 10,202,448</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Secondary Education Account
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual

Year Ended June 30, 2022

(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022		Over (Under) Budget	2021
	Budget	Actual		Actual
Revenue				
Local sources				
Tuition	\$ 3,378,279	\$ 3,490,172	\$ 111,893	\$ 3,325,041
Investment earnings	2,000	3,815	1,815	1,816
Other	2,000	2,568	568	53
State sources	578,492	532,838	(45,654)	711,216
Federal sources	225,347	157,368	(67,979)	173,421
Total revenue	<u>4,186,118</u>	<u>4,186,761</u>	<u>643</u>	<u>4,211,547</u>
Expenditures				
Current				
Secondary vocational/DCALS				
Salaries	2,396,870	2,329,508	(67,362)	2,541,811
Employee benefits	851,727	860,284	8,557	936,625
Purchased services	566,951	487,116	(79,835)	512,497
Supplies and materials	86,777	75,582	(11,195)	59,795
Other expenditures	19,711	21,471	1,760	19,130
Capital expenditures	8,359	4,163	(4,196)	16,151
Allocated overhead	190,202	188,628	(1,574)	172,333
Debt service				
Principal	–	2,354	2,354	–
Interest and fiscal charges	–	225	225	–
Total expenditures	<u>4,120,597</u>	<u>3,969,331</u>	<u>(151,266)</u>	<u>4,258,342</u>
Excess (deficiency) of revenue over expenditures	65,521	217,430	151,909	(46,795)
Other financing sources				
Sale of assets	–	495	495	–
Net change in fund balances	<u>\$ 65,521</u>	<u>217,925</u>	<u>\$ 152,404</u>	<u>(46,795)</u>
Fund balances				
Beginning of year		<u>3,558,614</u>		<u>3,605,409</u>
End of year		<u>\$ 3,776,539</u>		<u>\$ 3,558,614</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Special Education Account
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual

Year Ended June 30, 2022

(With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022		Over (Under) Budget	2021
	Budget	Actual		Actual
Revenue				
Local sources				
Tuition	\$ 6,039,611	\$ 6,156,089	\$ 116,478	\$ 6,175,809
Investment earnings	2,000	4,562	2,562	1,357
Other	433,400	548,188	114,788	302,689
State sources	35,253,350	30,875,595	(4,377,755)	30,924,352
Federal sources	142,768	149,778	7,010	370,437
Total revenue	<u>41,871,129</u>	<u>37,734,212</u>	<u>(4,136,917)</u>	<u>37,774,644</u>
Expenditures				
Current				
Special education programs				
Salaries	24,795,295	22,442,016	(2,353,279)	22,211,531
Employee benefits	8,948,051	8,108,559	(839,492)	8,246,772
Purchased services	3,575,939	3,106,377	(469,562)	3,917,383
Supplies and materials	915,064	785,152	(129,912)	794,615
Other expenditures	138,273	134,809	(3,464)	129,433
Capital expenditures	685,414	335,901	(349,513)	298,045
Allocated overhead	2,140,969	2,126,934	(14,035)	1,911,960
Debt service				
Principal	539,884	539,884	–	–
Interest and fiscal charges	495,402	512,933	17,531	6,678
Total expenditures	<u>42,234,291</u>	<u>38,092,565</u>	<u>(4,141,726)</u>	<u>37,516,417</u>
Excess (deficiency) of revenue over expenditures	(363,162)	(358,353)	4,809	258,227
Other financing (uses)				
Transfers out	<u>(15,000)</u>	<u>–</u>	<u>15,000</u>	<u>(12,679)</u>
Net change in fund balances	<u>\$ (378,162)</u>	<u>(358,353)</u>	<u>\$ 19,809</u>	<u>245,548</u>
Fund balances				
Beginning of year		<u>6,722,281</u>		<u>6,476,733</u>
End of year		<u>\$ 6,363,928</u>		<u>\$ 6,722,281</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Services Allocation Account
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Year Ended June 30, 2022
 (With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022		Over (Under) Budget	2021
	Budget	Actual		Actual
Revenue				
Local sources				
Investment earnings (charges)	\$ –	\$ (37)	\$ (37)	\$ (5)
Other	35,172	7,167	(28,005)	7,093
State sources	27,053	38,131	11,078	26,265
Total revenue	<u>62,225</u>	<u>45,261</u>	<u>(16,964)</u>	<u>33,353</u>
Expenditures				
Current				
Administrative and support services				
Salaries	1,427,560	1,439,798	12,238	1,323,877
Employee benefits	450,726	454,834	4,108	394,553
Purchased services	315,053	270,772	(44,281)	314,138
Supplies and materials	105,340	95,003	(10,337)	51,689
Other expenditures	22,891	23,467	576	20,764
Capital expenditures	72,380	70,333	(2,047)	6,224
Allocated overhead	(2,331,170)	(2,315,562)	15,608	(2,084,290)
Total expenditures	<u>62,780</u>	<u>38,645</u>	<u>(24,135)</u>	<u>26,955</u>
Net change in fund balances	<u>\$ (555)</u>	6,616	<u>\$ 7,171</u>	6,398
Fund balances				
Beginning of year		<u>6,398</u>		<u>–</u>
End of year		<u>\$ 13,014</u>		<u>\$ 6,398</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – District Support Services Account
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Year Ended June 30, 2022
 (With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			2021
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Other	<u>\$ -</u>	\$ -	<u>\$ -</u>	\$ -
Fund balances				
Beginning of year		<u>671</u>		<u>671</u>
End of year		<u>\$ 671</u>		<u>\$ 671</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Capital Expenditure Account
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Year Ended June 30, 2022
 (With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022		Over (Under) Budget	2021
	Budget	Actual		Actual
Revenue				
Local sources				
Tuition	\$ 525,700	\$ 525,700	\$ –	\$ 526,800
Investment earnings	500	358	(142)	155
Other	500	–	(500)	–
Total revenue	<u>526,700</u>	<u>526,058</u>	<u>(642)</u>	<u>526,955</u>
Expenditures				
Current				
Secondary vocational/DCALS				
Purchased services	3,700	3,900	200	3,699
Debt service				
Principal	310,000	310,000	–	305,000
Interest and fiscal charges	<u>215,700</u>	<u>215,700</u>	<u>–</u>	<u>221,800</u>
Total expenditures	<u>529,400</u>	<u>529,600</u>	<u>200</u>	<u>530,499</u>
Net change in fund balances	<u>\$ (2,700)</u>	(3,542)	<u>\$ (842)</u>	(3,544)
Fund balances				
Beginning of year		<u>10,871</u>		<u>14,415</u>
End of year		<u>\$ 7,329</u>		<u>\$ 10,871</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Secondary Resale Account
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Year Ended June 30, 2022
 (With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022		Over (Under) Budget	2021
	Budget	Actual		Actual
Revenue				
Local sources				
Other	\$ 18,670	\$ 17,597	\$ (1,073)	\$ 3,280
Expenditures				
Current				
Secondary vocational/DCALS				
Purchased services	850	2,812	1,962	469
Supplies and materials	19,538	11,723	(7,815)	487
Other expenditures	–	–	–	33
Total expenditures	<u>20,388</u>	<u>14,535</u>	<u>(5,853)</u>	<u>989</u>
Net change in fund balances	<u>\$ (1,718)</u>	3,062	<u>\$ 4,780</u>	2,291
Fund balances				
Beginning of year		<u>21,471</u>		<u>19,180</u>
End of year		<u>\$ 24,533</u>		<u>\$ 21,471</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Special Education Resale Account
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Year Ended June 30, 2022
 (With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			2021
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Other	\$ 7,550	\$ 8,584	\$ 1,034	\$ 1,389
Expenditures				
Current				
Special education programs				
Supplies and materials	7,250	9,497	2,247	1,035
Other expenditures	–	–	–	35
Total expenditures	<u>7,250</u>	<u>9,497</u>	<u>2,247</u>	<u>1,070</u>
Net change in fund balances	<u>\$ 300</u>	(913)	<u>\$ (1,213)</u>	319
Fund balances				
Beginning of year		<u>11,167</u>		<u>10,848</u>
End of year		<u>\$ 10,254</u>		<u>\$ 11,167</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund – Student Activities
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Year Ended June 30, 2022
 (With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022			2021
	Budget	Actual	Over (Under) Budget	Actual
Revenue				
Local sources				
Other	\$ 3,600	\$ 1,706	\$ (1,894)	\$ 2,330
Expenditures				
Current				
Secondary vocational/DCALS				
Purchased services	100	–	(100)	–
Supplies and materials	3,000	1,099	(1,901)	1,621
Total expenditures	<u>3,100</u>	<u>1,099</u>	<u>(2,001)</u>	<u>1,621</u>
Net change in fund balances	<u>\$ 500</u>	607	<u>\$ 107</u>	709
Fund balances				
Beginning of year		<u>5,573</u>		<u>4,864</u>
End of year		<u>\$ 6,180</u>		<u>\$ 5,573</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Food Service Special Revenue Fund
 Comparative Balance Sheet
 as of June 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Cash and temporary investments	\$ 23,562	\$ -
Receivables		
Due from other governmental units	6,415	17,108
Prepays	<u>2,050</u>	<u>-</u>
Total assets	<u>\$ 32,027</u>	<u>\$ 17,108</u>
Liabilities		
Accounts payable	\$ 5,881	\$ 3,686
Due to other governmental units	-	375
Due to other funds	-	13,047
Unearned revenue	<u>8,476</u>	<u>-</u>
Total liabilities	14,357	17,108
Fund balances		
Nonspendable for prepaid items	2,050	-
Restricted for food service	<u>15,620</u>	<u>-</u>
Total fund balances	<u>17,670</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 32,027</u>	<u>\$ 17,108</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Food Service Special Revenue Fund
 Schedule of Revenue, Expenditures, and Changes in Fund Balances
 Budget and Actual
 Year Ended June 30, 2022
 (With Comparative Actual Amounts for the Year Ended June 30, 2021)

	2022		Over (Under) Budget	2021
	Budget	Actual		Actual
Revenue				
Local sources				
Other – primarily meal sales (refunds)	\$ –	\$ (83)	\$ (83)	\$ (750)
State sources	3,075	3,119	44	1,539
Federal sources	169,895	194,044	24,149	78,022
Total revenue	<u>172,970</u>	<u>197,080</u>	<u>24,110</u>	<u>78,811</u>
Expenditures				
Purchased services	5,320	12,726	7,406	14,273
Supplies and materials	<u>179,650</u>	<u>166,684</u>	<u>(12,966)</u>	<u>77,217</u>
Total expenditures	<u>184,970</u>	<u>179,410</u>	<u>(5,560)</u>	<u>91,490</u>
Excess (deficiency) of revenue over expenditures	(12,000)	17,670	29,670	(12,679)
Other financing sources				
Transfers in	<u>12,000</u>	<u>–</u>	<u>(12,000)</u>	<u>12,679</u>
Net change in fund balances	<u>\$ –</u>	<u>17,670</u>	<u>\$ 17,670</u>	<u>–</u>
Fund balances				
Beginning of year		<u>–</u>		<u>–</u>
End of year		<u>\$ 17,670</u>		<u>\$ –</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Internal Service Funds
 Combining Statement of Net Position
 as of June 30, 2022

(With Comparative Totals as of June 30, 2021)

	Dental Self-Insurance	Medical Self-Insurance	Post-Employment Employee Benefits
Assets			
Current assets			
Cash and temporary investments	\$ 634,568	\$ 5,343,410	\$ 1,465,767
Prepaid items	600	4,400	-
Total assets	<u>635,168</u>	<u>5,347,810</u>	<u>1,465,767</u>
Deferred outflows of resources			
OPEB plan deferments	-	-	68,931
Liabilities			
Current liabilities			
Accounts and contracts payable	49,354	319,056	-
Due to other governmental units	-	1,691	-
Total OPEB liability – due within one year	-	-	33,276
Severance benefits payable – due within one year	-	-	40,314
Unearned revenue	2,443	74,784	-
Total current liabilities	<u>51,797</u>	<u>395,531</u>	<u>73,590</u>
Long-term liabilities			
Total OPEB liability – due in more than one year	-	-	1,394,342
Severance benefits payable – due in more than one year	-	-	309,227
Total long-term liabilities	<u>-</u>	<u>-</u>	<u>1,703,569</u>
Total liabilities	51,797	395,531	1,777,159
Deferred inflows of resources			
OPEB plan deferments	-	-	593,014
Net position			
Unrestricted	<u>\$ 583,371</u>	<u>\$ 4,952,279</u>	<u>\$ (835,475)</u>

Totals	
<u>2022</u>	<u>2021</u>
\$ 7,443,745	\$ 6,576,169
5,000	923
<u>7,448,745</u>	<u>6,577,092</u>
68,931	179,862
368,410	405,635
1,691	1,439
33,276	157,454
40,314	79,408
77,227	93,807
<u>520,918</u>	<u>737,743</u>
1,394,342	1,078,388
309,227	331,660
<u>1,703,569</u>	<u>1,410,048</u>
2,224,487	2,147,791
<u>593,014</u>	<u>693,501</u>
<u>\$ 4,700,175</u>	<u>\$ 3,915,662</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Internal Service Funds
 Combining Statement of Revenue, Expenses, and Changes in Net Position
 Year Ended June 30, 2022
 (With Comparative Totals for the Year Ended June 30, 2021)

	<u>Dental Self-Insurance</u>	<u>Medical Self-Insurance</u>	<u>Post-Employment Employee Benefits</u>
Operating revenue			
Charges for services			
Contributions from governmental funds	\$ 523,409	\$ 4,802,292	\$ 143,248
Operating expenses			
Post-employment severance and health benefits	-	-	206,223
Medical benefit claims	-	4,005,741	-
Dental benefit claims	481,670	-	-
Total operating expenses	<u>481,670</u>	<u>4,005,741</u>	<u>206,223</u>
Operating income (loss)	41,739	796,551	(62,975)
Nonoperating revenue			
Investment earnings	<u>687</u>	<u>6,522</u>	<u>1,989</u>
Change in net position	42,426	803,073	(60,986)
Net position			
Beginning of year	<u>540,945</u>	<u>4,149,206</u>	<u>(774,489)</u>
End of year	<u>\$ 583,371</u>	<u>\$ 4,952,279</u>	<u>\$ (835,475)</u>

Totals	
<u>2022</u>	<u>2021</u>
\$ 5,468,949	\$ 5,788,030
206,223	206,446
4,005,741	4,033,999
<u>481,670</u>	<u>501,630</u>
<u>4,693,634</u>	<u>4,742,075</u>
775,315	1,045,955
<u>9,198</u>	<u>3,642</u>
784,513	1,049,597
<u>3,915,662</u>	<u>2,866,065</u>
<u>\$ 4,700,175</u>	<u>\$ 3,915,662</u>

INTERMEDIATE SCHOOL DISTRICT NO. 917

Internal Service Funds
 Combining Statement of Cash Flows
 Year Ended June 30, 2022
 (With Comparative Totals for the Year Ended June 30, 2021)

	Dental Self-Insurance	Medical Self-Insurance	Post-Employment Employee Benefits
Cash flows from operating activities			
Contributions from governmental funds	\$ 523,277	\$ 4,785,844	\$ 143,248
Post-employment severance and health benefit payments	-	-	(64,607)
Payments for medical claims	-	(4,047,166)	-
Payments for dental claims	(482,218)	-	-
Net cash flows from operating activities	<u>41,059</u>	<u>738,678</u>	<u>78,641</u>
Cash flows from investing activities			
Investment income received	<u>687</u>	<u>6,522</u>	<u>1,989</u>
Net change in cash and cash equivalents	41,746	745,200	80,630
Cash and temporary investments			
Beginning of year	<u>592,822</u>	<u>4,598,210</u>	<u>1,385,137</u>
End of year	<u>\$ 634,568</u>	<u>\$ 5,343,410</u>	<u>\$ 1,465,767</u>
Reconciliation of operating income (loss) to net cash flows from operating activities			
Operating income (loss)	\$ 41,739	\$ 796,551	\$ (62,975)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities			
Changes in assets and liabilities			
Accounts receivable	-	-	-
Prepaid items	(600)	(4,400)	923
OPEB plan deferments	-	-	10,444
Accounts and contracts payable	52	(37,277)	-
Due to other governmental units	-	252	-
Severance benefits payable	-	-	(61,527)
Total OPEB liability	-	-	191,776
Unearned revenue	<u>(132)</u>	<u>(16,448)</u>	<u>-</u>
Net cash flows from operating activities	<u>\$ 41,059</u>	<u>\$ 738,678</u>	<u>\$ 78,641</u>

Totals	
<u>2022</u>	<u>2021</u>
\$ 5,452,369	\$ 5,885,423
(64,607)	(124,494)
(4,047,166)	(3,850,009)
(482,218)	(495,314)
858,378	1,415,606
9,198	3,642
867,576	1,419,248
6,576,169	5,156,921
\$ 7,443,745	\$ 6,576,169
\$ 775,315	\$ 1,045,955
–	3,586
(4,077)	(67)
10,444	207,290
(37,225)	190,241
252	65
(61,527)	19,662
191,776	(144,933)
(16,580)	93,807
\$ 858,378	\$ 1,415,606
\$ 858,378	\$ 1,415,606

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OTHER INFORMATION

INTERMEDIATE SCHOOL DISTRICT NO. 917

Government-Wide Revenue by Type
Last Ten Fiscal Years

Year Ended June 30,	Program Revenues			General Revenues	Total
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Investment Earnings and Other	
2013	\$ 7,839,060 33%	\$ 15,177,273 64%	\$ 580,348 2%	\$ 126,115 1%	\$ 23,722,796 100%
2014	7,619,433 30%	17,064,879 67%	581,454 3%	97,720 -	25,363,486 100%
2015	7,876,725 30%	18,073,067 67%	559,401 2%	125,715 1%	26,634,908 100%
2016	8,765,738 30%	20,327,694 68%	554,908 2%	139,795 -	29,788,135 100%
2017	8,910,685 28%	21,223,814 67%	539,240 2%	845,477 3%	31,519,216 100%
2018	9,660,814 28%	23,146,660 67%	557,650 2%	580,576 3%	33,945,700 100%
2019	11,429,417 29%	26,541,284 67%	548,350 1%	1,070,943 3%	39,589,994 100%
2020	10,276,311 24%	30,724,528 73%	591,900 1%	699,517 2%	42,292,256 100%
2021	9,775,850 23%	31,662,477 74%	553,065 1%	691,977 2%	42,683,369 100%
2022	10,185,407 24%	31,382,042 74%	552,753 1%	470,690 1%	42,590,892 100%

INTERMEDIATE SCHOOL DISTRICT NO. 917

Government-Wide Expenses by Program
Last Ten Fiscal Years

Year Ended June 30,	Administrative and Support Services	Secondary Vocational/ DCALS	Special Education Programs	Food Service	Interest and Fiscal Charges on Debt	Total
2013	\$ 1,998,969 8%	\$ 3,962,647 16%	\$ 18,097,103 74%	\$ 85,779 -	\$ 335,885 1%	\$ 24,480,383 100%
2014	1,892,695 8%	3,483,868 14%	19,239,348 77%	108,123 -	326,431 1%	25,050,465 100%
2015	1,867,491 8%	3,182,362 12%	20,634,460 79%	116,426 -	316,820 1%	26,117,559 100%
2016	1,886,824 8%	2,993,362 11%	22,764,328 81%	131,729 -	307,246 1%	28,083,489 100%
2017	3,088,390 8%	3,590,904 10%	30,535,125 81%	143,390 -	301,437 1%	37,659,246 100%
2018	2,370,386 6%	4,185,093 11%	31,992,143 82%	136,447 -	246,834 1%	38,930,903 100%
2019	1,943,841 6%	2,399,143 8%	26,491,744 85%	159,619 -	241,276 1%	31,235,623 100%
2020	1,980,504 5%	4,104,278 10%	36,440,788 85%	114,859 -	235,435 1%	42,875,864 100%
2021	2,149,317 5%	4,274,114 10%	36,829,246 84%	91,751 -	229,451 1%	43,573,879 100%
2022	2,285,177 5%	3,679,900 9%	34,835,199 84%	179,672 -	736,468 2%	41,716,416 100%

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund Revenue by Source
Last Ten Fiscal Years

	Year Ended June 30,	Tuition Revenue	Investment Earnings (Charges)	Other Revenue	State Revenue	Federal Revenue	Total
Secondary education	2013	\$ 3,587,494	\$ 855	\$ 8,645	\$ 75,408	\$ 150,577	\$ 3,822,979
	2014	3,113,264	1,301	3,335	118,957	154,147	3,391,004
	2015	3,013,776	553	7,604	105,919	151,510	3,279,362
	2016	3,110,396	3,872	1,638	175,196	161,193	3,452,295
	2017	3,052,790	4,528	1,408	185,739	139,698	3,384,163
	2018	3,548,099	10,887	866	181,063	150,934	3,891,849
	2019	4,188,911	37,628	5,934	223,735	142,549	4,598,757
	2020	3,671,622	32,575	1,171	547,390	156,934	4,409,692
	2021	3,325,041	1,816	53	711,216	173,421	4,211,547
	2022	3,490,172	3,815	2,568	532,838	157,368	4,186,761
Special education	2013	3,202,954	44	546,076	14,861,033	5,000	18,615,107
	2014	3,396,148	1,119	568,794	16,689,111	5,000	20,660,172
	2015	3,652,478	400	629,749	17,783,764	5,000	22,071,391
	2016	4,579,099	8,973	644,251	19,900,805	—	25,133,128
	2017	4,857,838	8,952	548,626	20,873,915	—	26,289,331
	2018	5,193,103	26,198	458,843	23,243,634	—	28,921,778
	2019	6,145,683	43,324	909,380	27,625,713	—	34,724,100
	2020	6,087,994	19,033	504,261	30,519,723	—	37,131,011
	2021	6,175,809	1,357	302,689	30,924,352	370,437	37,774,644
	2022	6,156,089	4,562	548,188	30,875,595	149,778	37,734,212
Services allocation	2013	449,954	—	8,474	34,896	—	493,324
	2014	432,465	—	5,654	36,921	—	475,040
	2015	468,174	—	7,116	32,284	—	507,574
	2016	417,720	—	7,755	15,648	—	441,123
	2017	432,832	—	5,462	30,377	—	468,671
	2018	457,002	—	7,003	29,193	—	493,198
	2019	466,049	—	4,012	29,978	—	500,039
	2020	—	—	75	25,500	—	25,575
	2021	—	—	7,088	26,265	—	33,353
	2022	—	(37)	7,167	38,131	—	45,261
District support services	2013	—	—	44,058	—	—	44,058
	2014	—	—	31,060	—	—	31,060
	2015	—	—	2,240	—	—	2,240
	2016	—	—	—	—	—	—
	2017	—	—	—	—	—	—
	2018	—	—	—	—	—	—
	2019	—	—	—	—	—	—
	2020	—	—	—	—	—	—
	2021	—	—	—	—	—	—
	2022	—	—	—	—	—	—

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund Revenue by Source (continued)
Last Ten Fiscal Years

	Year Ended June 30,	Tuition Revenue	Investment Earnings (Charges)	Other Revenue	State Revenue	Federal Revenue	Total
Capital expenditure	2013	\$ 558,376	\$ 28,560	\$ -	\$ -	\$ -	\$ 586,936
	2014	559,095	28,959	-	-	-	588,054
	2015	559,401	28,344	-	-	-	587,745
	2016	554,908	31,711	-	-	-	586,619
	2017	555,220	45,416	-	-	-	600,636
	2018	505,000	3,843	-	-	-	508,843
	2019	523,500	4,197	-	-	-	527,697
	2020	522,700	3,336	5,500	-	-	531,536
	2021	526,800	155	-	-	-	526,955
	2022	525,700	358	-	-	-	526,058
Secondary resale	2013	-	-	70,329	-	-	70,329
	2014	-	-	119,308	-	-	119,308
	2015	-	-	62,472	-	-	62,472
	2016	-	-	72,784	-	-	72,784
	2017	-	-	27,382	-	-	27,382
	2018	-	-	24,148	-	-	24,148
	2019	-	-	29,593	-	-	29,593
	2020	-	-	17,999	-	-	17,999
	2021	-	-	3,280	-	-	3,280
	2022	-	-	17,597	-	-	17,597
Special education resale	2013	-	-	17,856	-	-	17,856
	2014	-	-	16,693	-	-	16,693
	2015	-	-	13,514	-	-	13,514
	2016	-	-	10,977	-	-	10,977
	2017	-	-	10,636	-	-	10,636
	2018	-	-	9,385	-	-	9,385
	2019	-	-	12,877	-	-	12,877
	2020	-	-	10,054	-	-	10,054
	2021	-	-	1,389	-	-	1,389
	2022	-	-	8,584	-	-	8,584
Student activities	2013	-	-	-	-	-	-
	2014	-	-	-	-	-	-
	2015	-	-	-	-	-	-
	2016	-	-	-	-	-	-
	2017	-	-	-	-	-	-
	2018	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2020	-	-	3,564	-	-	3,564
	2021	-	-	2,330	-	-	2,330
	2022	-	-	1,706	-	-	1,706

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund Expenditures by Object
Last Ten Fiscal Years

	Year Ended June 30,	Salary Expenditures	Employee Benefits Expenditures	Purchased Services Expenditures	Other Expenditures	Allocated Overhead	Total
Secondary education	2013	\$ 2,449,860	\$ 795,235	\$ 535,087	\$ 120,327	\$ 234,507	\$ 4,135,016
	2014	1,894,098	702,336	521,496	92,923	260,228	3,471,081
	2015	1,818,549	684,389	506,510	91,810	280,631	3,381,889
	2016	1,766,552	613,991	466,365	102,689	296,790	3,246,387
	2017	1,849,994	629,643	413,106	238,242	270,734	3,401,719
	2018	1,939,231	657,156	445,562	100,948	256,317	3,399,214
	2019	2,068,260	757,912	461,012	209,959	216,229	3,713,372
	2020	2,360,808	869,042	475,221	212,921	183,085	4,101,077
	2021	2,541,811	936,625	512,497	95,076	172,333	4,258,342
	2022	2,329,508	860,284	487,116	103,795	188,628	3,969,331
Special education	2013	11,308,037	4,313,213	1,516,683	678,276	1,060,534	18,876,743
	2014	12,056,948	4,645,254	1,660,968	640,865	1,056,905	20,060,940
	2015	13,075,819	4,966,320	1,763,028	803,025	1,118,880	21,727,072
	2016	14,518,245	5,231,164	2,201,135	1,073,110	1,183,974	24,207,628
	2017	15,576,866	5,191,320	2,382,990	1,056,040	1,256,491	25,463,707
	2018	17,216,772	5,800,717	2,412,031	1,377,018	1,399,608	28,206,146
	2019	19,587,249	6,954,251	3,814,927	1,948,708	1,522,784	33,827,919
	2020	21,472,374	7,792,000	4,348,076	1,760,063	1,738,965	37,111,478
	2021	22,211,531	8,246,772	3,917,383	1,228,771	1,911,960	37,516,417
	2022	22,442,016	8,108,559	3,106,377	2,308,679	2,126,934	38,092,565
Services allocation	2013	789,620	253,125	707,647	37,971	(1,295,039)	363,415
	2014	799,495	259,349	676,557	56,770	(1,317,131)	475,040
	2015	863,256	250,344	732,924	60,561	(1,399,511)	507,574
	2016	914,218	237,668	674,770	95,229	(1,480,762)	441,123
	2017	987,354	267,621	673,348	67,572	(1,527,224)	468,671
	2018	1,035,133	280,301	773,447	60,242	(1,655,925)	493,198
	2019	1,090,570	329,963	738,997	79,522	(1,739,013)	500,039
	2020	1,166,024	361,888	301,730	117,983	(1,922,050)	25,575
	2021	1,323,877	394,553	314,138	78,680	(2,084,293)	26,955
	2022	1,439,798	454,834	270,772	188,803	(2,315,562)	38,645
District support services	2013	—	—	44,060	—	—	75,741
	2014	—	—	31,087	18,351	—	49,438
	2015	—	—	2,240	—	—	2,240
	2016	—	—	—	—	—	—
	2017	—	—	—	—	—	—
	2018	—	—	—	—	—	—
	2019	—	—	—	—	—	—
	2020	—	—	—	—	—	—
	2021	—	—	—	—	—	—
	2022	—	—	—	—	—	—

INTERMEDIATE SCHOOL DISTRICT NO. 917

General Fund Expenditures by Object (continued)
Last Ten Fiscal Years

	Year Ended June 30,	Salary Expenditures	Employee Benefits Expenditures	Purchased Services Expenditures	Other Expenditures	Allocated Overhead	Total
Capital expenditure	2013	\$ -	\$ -	\$ 26,673	\$ 622,286	\$ -	\$ 628,038
	2014	-	-	137,765	559,095	-	696,860
	2015	-	-	19,362	559,401	-	578,763
	2016	-	-	25,950	577,708	-	603,658
	2017	-	-	40,812	3,954,374	-	3,995,186
	2018	-	-	7,712	615,346	-	623,058
	2019	-	-	3,000	523,500	-	526,500
	2020	-	-	2,199	522,700	-	524,899
	2021	-	-	3,699	526,800	-	530,499
	2022	-	-	3,900	525,700	-	529,600
Secondary resale	2013	-	-	13,099	52,500	-	65,599
	2014	-	-	20,863	101,682	-	122,545
	2015	-	-	35,614	38,986	-	74,600
	2016	-	-	5,642	83,044	-	88,686
	2017	-	-	2,430	22,527	-	24,957
	2018	-	-	1,654	20,734	-	22,388
	2019	-	-	1,698	19,840	-	21,538
	2020	-	-	2,417	16,191	-	18,608
	2021	-	-	469	520	-	989
	2022	-	-	2,812	11,723	-	14,535
Special education resale	2013	-	-	-	19,246	-	19,246
	2014	-	-	1,262	18,338	-	19,600
	2015	-	-	-	11,829	-	11,829
	2016	-	-	935	10,458	-	11,393
	2017	-	-	-	12,728	-	12,728
	2018	-	-	245	12,199	-	12,444
	2019	-	-	20	12,888	-	12,908
	2020	-	-	-	6,300	-	6,300
	2021	-	-	-	1,070	-	1,070
	2022	-	-	-	9,497	-	9,497
Student activities	2013	-	-	-	-	-	-
	2014	-	-	-	-	-	-
	2015	-	-	-	-	-	-
	2016	-	-	-	-	-	-
	2017	-	-	-	-	-	-
	2018	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2020	-	-	19	2,501	-	2,520
	2021	-	-	-	1,621	-	1,621
	2022	-	-	-	1,099	-	1,099

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OTHER REQUIRED REPORTS

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PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the School Board and Management of
Intermediate School District No. 917
Rosemount, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Intermediate School District No. 917 (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 8, 2022.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

(continued)

REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
December 8, 2022



PRINCIPALS

Thomas A. Karnowski, CPA
Paul A. Radosevich, CPA
William J. Lauer, CPA
James H. Eichten, CPA
Aaron J. Nielsen, CPA
Victoria L. Holinka, CPA/CMA
Jaclyn M. Huegel, CPA
Kalen T. Karnowski, CPA

INDEPENDENT AUDITOR'S REPORT
ON MINNESOTA LEGAL COMPLIANCE

To the School Board and Management of
Intermediate School District No. 917
Rosemount, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Intermediate School District No. 917 (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 8, 2022.

MINNESOTA LEGAL COMPLIANCE

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minnesota Statutes § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

Malloy, Montague, Karnowski, Radosevich & Co., P.A.

Minneapolis, Minnesota
December 8, 2022

INTERMEDIATE SCHOOL DISTRICT NO. 917

Uniform Financial Accounting and Reporting Standards
Compliance Table
June 30, 2022

	Audit	UFARS	Audit – UFARS
General Fund			
Total revenue	\$ 42,520,179	\$ 42,520,179	\$ –
Total expenditures	\$ 42,655,272	\$ 42,655,274	\$ (2)
Nonspendable			
460 Nonspendable fund balance	\$ 123,369	\$ 123,369	\$ –
Restricted			
401 Student activities	\$ 6,180	\$ 6,180	\$ –
402 Scholarships	\$ –	\$ –	\$ –
403 Staff development	\$ –	\$ –	\$ –
407 Capital projects levy	\$ –	\$ –	\$ –
408 Cooperative revenue	\$ –	\$ –	\$ –
413 Projects funded by COP	\$ –	\$ –	\$ –
414 Operating debt	\$ –	\$ –	\$ –
416 Levy reduction	\$ –	\$ –	\$ –
417 Taconite building maintenance	\$ –	\$ –	\$ –
424 Operating capital	\$ –	\$ –	\$ –
426 \$25 taconite	\$ –	\$ –	\$ –
427 Disabled accessibility	\$ –	\$ –	\$ –
428 Learning and development	\$ –	\$ –	\$ –
434 Area learning center	\$ –	\$ –	\$ –
435 Contracted alternative programs	\$ –	\$ –	\$ –
436 State approved alternative program	\$ –	\$ –	\$ –
438 Gifted and talented	\$ –	\$ –	\$ –
440 Teacher development and evaluation	\$ –	\$ –	\$ –
441 Basic skills programs	\$ –	\$ –	\$ –
448 Achievement and integration	\$ –	\$ –	\$ –
449 Safe schools levy	\$ –	\$ –	\$ –
451 QZAB payments	\$ –	\$ –	\$ –
452 OPEB liability not in trust	\$ –	\$ –	\$ –
453 Unfunded severance and retirement levy	\$ –	\$ –	\$ –
459 Basic skills extended time	\$ –	\$ –	\$ –
467 Long-term facilities maintenance	\$ –	\$ –	\$ –
472 Medical Assistance	\$ –	\$ –	\$ –
473 PPP loans	\$ –	\$ –	\$ –
474 EIDL loans	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ 44,393	\$ 44,393	\$ –
475 Title VII – Impact Aid	\$ –	\$ –	\$ –
476 PILT	\$ –	\$ –	\$ –
Committed			
418 Committed for separation	\$ –	\$ –	\$ –
461 Committed fund balance	\$ –	\$ –	\$ –
Assigned			
462 Assigned fund balance	\$ 708,921	\$ 708,921	\$ –
Unassigned			
422 Unassigned fund balance	\$ 9,319,585	\$ 9,319,584	\$ 1
Food Service			
Total revenue	\$ 197,080	\$ 197,080	\$ –
Total expenditures	\$ 179,410	\$ 179,409	\$ 1
Nonspendable			
460 Nonspendable fund balance	\$ 2,050	\$ 2,050	\$ –
Restricted			
452 OPEB liability not in trust	\$ –	\$ –	\$ –
474 EIDL loans	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ 15,620	\$ 15,620	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –
Community Service			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
426 \$25 taconite	\$ –	\$ –	\$ –
431 Community education	\$ –	\$ –	\$ –
432 ECFE	\$ –	\$ –	\$ –
440 Teacher development and evaluation	\$ –	\$ –	\$ –
444 School readiness	\$ –	\$ –	\$ –
447 Adult basic education	\$ –	\$ –	\$ –
452 OPEB liability not in trust	\$ –	\$ –	\$ –
473 PPP loans	\$ –	\$ –	\$ –
474 EIDL loans	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ –	\$ –	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –

INTERMEDIATE SCHOOL DISTRICT NO. 917

Uniform Financial Accounting and Reporting Standards
Compliance Table (continued)
June 30, 2022

	Audit	UFARS	Audit – UFARS
Building Construction			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
407 Capital projects levy	\$ –	\$ –	\$ –
413 Projects funded by COP	\$ –	\$ –	\$ –
467 Long-term facilities maintenance	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ –	\$ –	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –
Debt Service			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
425 Bond refundings	\$ –	\$ –	\$ –
433 Maximum effort loan	\$ –	\$ –	\$ –
451 QZAB payments	\$ –	\$ –	\$ –
467 Long-term facilities maintenance	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ –	\$ –	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –
Trust			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
401 Student activities	\$ –	\$ –	\$ –
402 Scholarships	\$ –	\$ –	\$ –
422 Net position	\$ –	\$ –	\$ –
Custodial Fund			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
401 Student activities	\$ –	\$ –	\$ –
402 Scholarships	\$ –	\$ –	\$ –
448 Achievement and integration	\$ –	\$ –	\$ –
464 Restricted	\$ –	\$ –	\$ –
Internal Service			
Total revenue	\$ 5,478,147	\$ 5,478,147	\$ –
Total expenditures	\$ 4,693,634	\$ 4,693,634	\$ –
422 Net position	\$ 4,700,175	\$ 4,700,175	\$ –
OPEB Revocable Trust Fund			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
422 Net position	\$ –	\$ –	\$ –
OPEB Irrevocable Trust Fund			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
422 Net position	\$ –	\$ –	\$ –
OPEB Debt Service Fund			
Total revenue	\$ –	\$ –	\$ –
Total expenditures	\$ –	\$ –	\$ –
Nonspendable			
460 Nonspendable fund balance	\$ –	\$ –	\$ –
Restricted			
425 Bond refundings	\$ –	\$ –	\$ –
464 Restricted fund balance	\$ –	\$ –	\$ –
Unassigned			
463 Unassigned fund balance	\$ –	\$ –	\$ –

Note: Statutory restricted deficits, if any, are reported in unassigned fund balances in the financial statements in accordance with accounting principles generally accepted in the United States of America.

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Intermediate School District 917

Purposeful. Personalized. Partners.

1300 145th Street East, Rosemount, MN 55068

(651) 423-8229 * <http://www.isd917.org>

TO: Intermediate School District 917 School Board members
FROM: Dr. Michael Favor, Superintendent
DATE: January 10th, 2023
REGARDING: Review and approval of Temporary Work Agreements and other employee earnings

Pertinent Facts:

- Temporary Employee Agreements and other earnings outside of union or non-union contracts must be reviewed and approved by the board each fiscal year. These reports are brought to the board quarterly.
- Enclosed for your review and approval is the Temporary Work Agreements (TWA's) second quarter report October 1, 2022 through December 31, 2022, totaling is \$54,666.36. Costs incurred are from trainings, meetings outside of workday, and homebound supports (see TWA Q2 report for further details).
- In addition to the TWA's, the district has Other Employee Earnings report second quarter report October 1, 2022 through December 31, 2022, totaling \$15,388.37. The costs incurred are from trainings on PCM, Due Process, Behavioral and misc. (see Other Employee Earnings Q2 for further details).

Recommendation: Board approval recommendation to approve the TWA's and the other earnings reports in the amount of \$70,054.73.

ISD 917 Vision

Intermediate School District 917 models an innovative culture with diverse pathways serving students and families through equitable practices with highly trained staff.

ISD 917 Core Values

Collaboration * Empathy * Innovation * Stewardship * Communication * Integrity * Personalization * Equity * Diversity

Prepared by: T. Welch				



Intermediate School District 917

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1300 145th Street East, Rosemount, MN 55068

(651) 423-8229 * <http://www.isd917.org>

Letter of Gratitude & Recognition of ISD 917 Paraprofessionals

***Minnesota Paraprofessional Appreciation Week
January 23-29, 2023***

TO: Program Assistants
Classroom Assistants
Intervener Assistants
Health Associates
Tech Tutors

FROM: Dr. Michael Favor, ISD 917 Superintendent

DATE: January 23, 2023

As I consider the ISD 917 core values, it is clear how much our ISD 917 paraprofessionals consistently demonstrate each and every one.

Your **collaboration** is on display as you work with teachers, staff, families, and IEP teams to support your students. Your **empathy** and **personalization** is unrivaled as you take the time to learn each child's unique strengths and challenges, then find ways to meet them where they are, support their growth and development, and celebrate their successes. Your appreciation of **diversity** and focus on **personalization** is evident as you build awareness of and build on each student's and family's stories and culture.

Your **innovation** is reflected in your specialized academic and social-emotional support work, and your **integrity** is demonstrated as you assist students to develop and achieve their goals, actively seek to understand each child's modes of **communication**, as well as their family's, and adapt your engagement and messaging accordingly. Lastly, you continuously exemplify **stewardship** as you treat each child and family with care from the first moment they arrive at ISD 917.

Our ISD 917 paraprofessionals truly embody the idea that we belong to each other, and I thank you for it.

I, the ISD 917 Leadership Team, and the ISD 917 School Board value your work, your focus on our core values, and your adaptability as experience changing contexts. Thank you for continuing to support the students, families, and staff of ISD 917. We truly could not do this without you.

Sincerely,
Dr. Michael Favor
ISD 917 Superintendent

ISD 917 Vision

Intermediate School District 917 models an innovative culture with diverse pathways serving students and families through equitable practices with highly trained staff.

ISD 917 Core Values

Collaboration * Empathy * Innovation * Stewardship * Communication * Integrity * Personalization * Equity * Diversity

**Intermediate School District #917
School Board**

RESOLUTION

Board member _____ introduced the following Resolution:

WHEREAS, Intermediate School District #917 provides educational services to member and non-member districts throughout Dakota County and beyond, and

WHEREAS, the quality of these educational opportunities offered by Intermediate School District #917 are unquestionably high, and

WHEREAS, Intermediate School District #917 students have demonstrated a high degree of success as a result of their participation in Intermediate School District #917 programs, and

WHEREAS, the success of Intermediate School District #917 programs and student achievement is enhanced by the talents and efforts of our paraprofessional staff, and

WHEREAS, the week of January 23-27, 2023, has been designated as “Paraprofessional Recognition Week” by the Governor of the State of Minnesota,

NOW, THEREFORE, BE IT RESOLVED, by the School Board of Intermediate School District #917 and on behalf of the participating school districts, parents and students as follows:

The School Board of Intermediate School District #917 formally recognizes the outstanding efforts and performance of its program and classroom assistants, technical tutors, interveners, and health associates and thanks these talented and dedicated people for their service and dedication to the students of our intermediate district.

The motion for the adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof: _____ and the following voted against the same: _____.

Whereupon said resolution was declared duly passed and adopted.

Enacted by the School Board of Intermediate School District #917 this 10th day of January, 2023.

*Cindy Nordstrom
Lisa Ehleringer
Hannah Simmons*

*Lesley Chester
Wendy Felton
Byron Schwab*

*Tom Bennett
Kathy Lewis
Lisa Hedin*



Intermediate School District 917

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1300 145th Street East, Rosemount, MN 55068

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Dr. Michael Favor

TO: School Board

FROM: Dr. Michael Favor

DATE: January 10, 2023

RE: First reading on policies

The policy listed below is a first reading.

- Policy 202 School Board Officers – changing organizational meeting from July to January and other minor changes.

THERE IS NOTHING STATING HOW LONG A SCHOOL BOARD MEMBER IS ON OUR BOARD WHEN APPOINTED TO US FROM ANOTHER DISTRICT. IT IS THREE YEARS BUT I DON'T KNOW WHERE THIS CAME FROM.

202 SCHOOL BOARD OFFICERS

I. PURPOSE

School board officers are charged with the duty of carrying out the responsibilities entrusted to them for the care, fiduciary management, and control of the public schools of the school district. The purpose of this policy is to delineate those responsibilities.

II. GENERAL STATEMENT OF POLICY

- A. The school board shall meet annually and organize by selecting a chair, vice chair, a clerk, a treasurer and such other officers as determined by the school board.
- B. The school board shall appoint a superintendent who shall be an ex officio, nonvoting member of the school board.

III. ORGANIZATION

The school board shall meet annually in **January** ~~July~~, or as soon thereafter as practicable, and organize by selecting a chair, vice chair, a clerk, a treasurer, and such other officers as determined by the school board. These officers shall hold office for one year and until their successors are elected and qualify.

- A. The persons who perform the duties of clerk and treasurer need not be members of the school board.
- B. The school board by resolution may combine the duties of the offices of clerk and treasurer in a single person in the office of business affairs.
- C. At this Organizational Meeting the School Board shall:
 - 1. Elect its officers.
 - 2. Designate a District 917 depository.
 - 3. Designate the official newspaper of the district.
 - 4. Set the yearly salaries of its members and officers.
 - 5. Establish the yearly schedule for its regularly called Board Meetings.

6. Renew memberships in organizations.
7. Approve policies required or annual review.

ORDER OF BUSINESS FOR ORGANIZATIONAL MEETING

1. Call to order - Superintendent or retiring Chair.
2. Administer oaths of acceptance to appointed board members.
3. Election of Chair - New Chair conducts balance of meeting.
4. Election of Vice-Chair.
5. Election of Clerk.
6. Election of Treasurer.
7. Resolution pertaining to official depository.
8. Resolution pertaining to official publication.
9. Establishment of dates and time of Regular Board Meetings for the succeeding year.
10. Establish salaries for Board Members.
11. Adjournment.

IV. OFFICER'S RESPONSIBILITIES

A. Chair

1. The chair, when present, shall preside at all meetings of the school board, countersign all orders upon the treasurer for claims allowed by the school board, and represent the school district in all actions and perform all duties a chair usually performs.
2. In case of absence, inability, or refusal of the clerk to draw orders for the payment of money authorized by a vote of the majority of the school board to be paid, the chair may draw the orders, or the office of the clerk may be declared vacant by the chair and treasurer and filled by appointment.

B. Vice Chair

1. The vice chair serves in the temporary absence of the chair to represent the school district in all actions and perform all duties a chair usually performs.

C. Treasurer

1. The treasurer or designee shall deposit the funds of the school district in the official depository.
2. The treasurer or designee shall make all reports which may be called for

by the school board and perform all duties a treasurer usually performs.

3. In the event there are insufficient funds on hand to pay valid orders presented to the treasurer, the treasurer shall receive, endorse, and process the orders in accordance with **Minnesota Statutes section** ~~Minn. Stat. §~~ 123B.12.

D. Clerk

1. The clerk or designee shall keep a record of all meetings in the books provided.
2. On or before August 15 of each year, the clerk or designee shall:
 - a. file with the school board a report of the revenues, expenditures and balances in each fund for the preceding fiscal year.
 - b. make and transmit to the **Commissioner of the Minnesota Department of Education (Commissioner)** certified reports, showing:
 - (1) condition and value of school property;
 - (2) revenues and expenditures in detail, and such other financial information required by law, rule, or as may be called for by the **C**ommissioner;
 - (3) length of school term and enrollment and attendance by grades; and
 - (4) other items of information as called for by the **C**ommissioner.
3. The clerk or designee shall enter into the clerk's record book copies of all reports and of the proceedings of any meeting, and keep an itemized account of all expenses of the school district.
4. The clerk or designee shall draw and sign all orders upon the treasurer for the payment of money for bills allowed by the school board for salaries of officers and for teachers' wages and all claims, to be countersigned by the chair.
5. **The clerk shall perform the duties of the chair in the event of the chair's and the vice-chair's temporary absences.**

E. Superintendent

1. The superintendent shall be an ex officio, nonvoting member of the school board.
2. The superintendent shall perform the following:
 - a. visit and supervise the schools in the school district, report and make recommendations about their condition when advisable or on request by the school board;
 - b. recommend to the school board employment and dismissal of teachers;
 - c. make reports required by the commissioner; and
 - d. perform other duties prescribed by the school board.

Legal References: Minn. Stat. § 123B.12 (~~Finance~~ **Insufficient Funds to Pay Orders**)
Minn. Stat. § 123B.14 (**Officers of Independent School Districts**)
Minn. Stat. § 123B.143 (Superintendent)

Cross References: MSBA/MASA Model Policy 101 (Legal Status of the School District)
MSBA/MASA Model Policy 201 (Legal Status of the School Board)
MSBA/MASA Model Policy 203 (Operation of the School Board – Governing Rules)
MSBA Service Manual, Chapter 1, School District Governance, Powers and Duties