

Regular Business Meeting
Monday, November 10, 2025 6:00 PM Central

Deer River High School Media Center
101 1st Avenue
Deer River, MN 56636

Kyle Fairbanks: Present
George Goggeley: Present
Lloyd Kongsjord: Present
LuAnn Robinson: Present
Pam Thompson: Absent
Jon White: Present

Present: 5, Absent: 1.

1. Call to Order
Guests: Jen Stefan, Charlie Box, Jennifer Lind, Crystal Purdie, Jennifer Drotts, Brent Schimek, Jackie Knowles, Deanna Hron
2. Agenda Approval
Motion to approve agenda. This motion, made by Jon White and seconded by George Goggeley, Carried.
Pam Thompson: Absent, Kyle Fairbanks: Yea, George Goggeley: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Jon White: Yea
Yea: 5, Nay: 0, Absent: 1
3. Recognition of Visitors
4. Regular Business
 - 4.A. Approval of Minutes
Motion to approve Regular Meeting Minutes October 20th, 2025. This motion, made by Jon White and seconded by Kyle Fairbanks, Carried.
Pam Thompson: Absent, Kyle Fairbanks: Yea, George Goggeley: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Jon White: Yea
Yea: 5, Nay: 0, Absent: 1
 - 4.B. Consent Agenda
Motion to approve consent agenda. This motion, made by George Goggeley and seconded by Jon White, Carried.
Pam Thompson: Absent, Kyle Fairbanks: Yea, George Goggeley: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Jon White: Yea
Yea: 5, Nay: 0, Absent: 1
 - 4.C. Approval of Accounts Payable / Payroll / Transfers
Motion to approve Accounts Payable / Payroll / Transfers. This motion, made by LuAnn Robinson and seconded by Jon White, Carried.
Pam Thompson: Absent, Kyle Fairbanks: Yea, George Goggeley: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Jon White: Yea
Yea: 5, Nay: 0, Absent: 1
5. Informational Items
 - 5.A. Financial Report from Auditors

- 5.B. High School Principal Report
- 5.C. Elementary Principal Report
- 5.D. Building and Grounds Department / Activities Program Report
- 5.E. Full Service Community Schools Program Report
- 5.F. Anishinaabe Education Coordinator Report
- 5.G. Boys and Girls Club / Community Education Program Report
- 5.H. S.T.E.P. Coalition Program Report
- 5.I. School Based Health Center Program Manager Report

5.J. Board Member Committee Reports

There was an AFSCME Meet and Confer last Thursday, November 6th. Suggest in the future AFSCME have an agenda and the building administration attend.

5.K. Superintendent's Report

Congratulations to LuAnn Robinson for her election to the Board. Discussed meeting with Eli at King Elementary.

5.L. Student Enrollment Data

6. Action Items

- 6.A. Resolution: Canvassing returns of votes for the school district general election
Motion to approve resolution for canvassing votes of school district special election. This motion, made by LuAnn Robinson and seconded by Jon White, Carried.

Pam Thompson: Absent, Kyle Fairbanks: Yea, George Goggeye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Jon White: Yea
Yea: 5, Nay: 0, Absent: 1

- 6.B. Approval of Request for State Support and Review of Tribal Consultation Process

Motion to approve Request for State Support and Review of Tribal Consultation Process. This motion, made by George Goggeye and seconded by Jon White, Carried.

Pam Thompson: Absent, Kyle Fairbanks: Yea, George Goggeye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Jon White: Yea
Yea: 5, Nay: 0, Absent: 1

Will send letter to Eli and the Commissioner and the Director for Leech Lake Band of Ojibwe

- 6.C. Approval to Form a Committee and Fill out Flexible Learning Year Application for Four Day School Week 26-27

Motion to approve to Form a Committee and Fill out Flexible Learning Year Application for Four Day School Week 26-27. This motion, made by LuAnn Robinson and seconded by Kyle Fairbanks, Carried.

Pam Thompson: Absent, Kyle Fairbanks: Yea, George Goggeye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Jon White: Yea
Yea: 5, Nay: 0, Absent: 1

- 6.D. Approval of Communications Letter and Financial Statements from 2024-2025 Audit

Motion to approve Communications Letter and Financial Statements from 2024-2025 Audit. This motion, made by George Goggeye and seconded by Kyle Fairbanks, Carried.

Pam Thompson: Absent, Kyle Fairbanks: Yea, George Goggeye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Jon White: Yea
Yea: 5, Nay: 0, Absent: 1

6.E. Approval of Donations

Motion to approve donations. This motion, made by Kyle Fairbanks and seconded by LuAnn Robinson, Carried.

Pam Thompson: Absent, Kyle Fairbanks: Yea, George Goggeye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Jon White: Yea
Yea: 5, Nay: 0, Absent: 1

7. Future Meetings

8. Adjournment

Motion to adjourn made by Jonathan White and second by George Goggeye 6:50 pm

Regular Business Meeting
Monday, October 20, 2025 6:00 PM Central

Deer River High School Media Center
101 1st Avenue
Deer River, MN 56636

1. Call to Order

Charlie Box, Susie Loeffler, Deanna Hron, Brent Schimek, Crystal Purdie and daughters,

2. Agenda Approval

Motion to approve agenda. This motion, made by George Gogleye and seconded by Pam Thompson, Carried.

Kyle Fairbanks: Yea, George Gogleye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea,
Pam Thompson: Yea, Jon White: Yea
Yea: 6, Nay: 0

3. Recognition of Visitors

4. Regular Business

4.A. Approval of Minutes

Motion to approve Regular Meeting Minutes from September 8th, 2025. This motion, made by Pam Thompson and seconded by Jon White, Carried.

Kyle Fairbanks: Yea, George Gogleye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea,
Pam Thompson: Yea, Jon White: Yea
Yea: 6, Nay: 0

4.B. Consent Agenda

Motion to approve consent agenda. This motion, made by Pam Thompson and seconded by LuAnn Robinson, Carried.

Kyle Fairbanks: Yea, George Gogleye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea,
Pam Thompson: Yea, Jon White: Yea
Yea: 6, Nay: 0

4.C. Approval of Accounts Payable / Payroll / Transfers

Motion to approve Accounts Payable / Payroll / Transfers. This motion, made by LuAnn Robinson and seconded by George Gogleye, Carried.

Kyle Fairbanks: Yea, George Gogleye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea,
Pam Thompson: Yea, Jon White: Yea
Yea: 6, Nay: 0

5. Informational Items

5.A. Vote Yes Committee - Guest Speaker

Charlie Box addressed the board to share information on the events and efforts of the Vote Yes Committee.

5.B. High School Principal Report

5.C. Elementary Principal Report

5.D. Building and Grounds Department / Activities Program Report

5.E. Full Service Community Schools Program Report

5.F. Anishinaabe Education Coordinator Report

5.G. Boys and Girls Club / Community Education Program Report

5.H. S.T.E.P. Coalition Program Report

5.I. School Based Health Center Program Manager Report

5.J. Board Member Committee Reports

The Board directs the Superintendent to formally draft a request for state support and review of the Tribal Consultation process. Added as Action Item 6D.

5.K. Superintendent's Report

The superintendent spoke to the board regarding cell phone survey results. Support is for current policy to remain as this seems to be working. Suggestions and posts throughout the building regarding cell phone use as a reminder for students.

5.L. Student Enrollment Data

6. Action Items

6.A. Approval of Resolution of Governing Board Supporting Form A and Form B

Applications to Minnesota State High School League Foundation

Motion to approve Resolution of Governing Board Supporting Form A and Form B

Applications to Minnesota State High School League Foundation. This motion, made by George Goggeye and seconded by Pam Thompson, Carried.

Kyle Fairbanks: Yea, George Goggeye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Pam Thompson: Yea, Jon White: Yea

Yea: 6, Nay: 0

6.B. Approval of Change in Last Day of School to June 3rd, 2025 and last Teacher Day to June 4th, 2025

Motion to approve Change in Last Day of School to June 3rd, 2025 and last Teacher Day to June 4th, 2025. This motion, made by Jon White and seconded by George Goggeye, Carried.

Kyle Fairbanks: Yea, George Goggeye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Pam Thompson: Yea, Jon White: Yea

Yea: 6, Nay: 0

6.C. Donations

Motion to approve donations. This motion, made by LuAnn Robinson and seconded by Jon White, Carried.

Kyle Fairbanks: Yea, George Goggeye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea, Pam Thompson: Yea, Jon White: Yea

Yea: 6, Nay: 0

6.D. Board Directs the Superintendent to formally compose a letter to address issues with the Tribal Consultation

Approve the Superintendent to formally compose a letter to address the issues with the Tribal Consultation. This motion, made by George Goggeye and seconded by Jon White, Carried.

Kyle Fairbanks: Yea, George Goggeye: Yea, Lloyd Kongsjord: Yea, LuAnn Robinson: Yea,

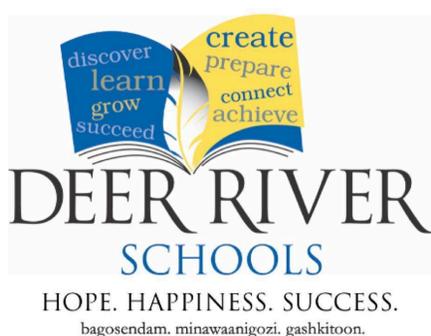
Pam Thompson: Yea, Jon White: Yea
Yea: 6, Nay: 0

7. Future Meetings

8. Adjournment

Motion to adjourn Jon White second Kyle Fairbanks 6:43 pm

Deer River High School
101 First Avenue NE
PO Box 307
Deer River, MN 56636
"Home of the Warriors"



King Elementary School
504 5th St. SE
PO Box 307
Deer River, MN 56636
"King Pride"

Memorandum

To: Deer River School Board
CC: Amie Hanson
From: Ara Anderson
Date: 10/31/25
Re: Recommendation for Hire: DCD Paraprofessional

On 10/31/2025, I interviewed a candidate for a DCD Paraprofessional position available at Deer River Schools for the 2025-26 school year. After reviewing the strengths and qualities of the candidate at length, I would like to recommend Melissa Bowstring for the position.

Ara Anderson

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Dedicated to develop lifelong learners prepared to succeed in an ever-changing world

Memorandum

To: Deer River School Board

CC: Amie Hanson

From: Jennifer Stefan

Date: November 2, 2025

Re: Recommendation for Paraprofessional Hire

On October 23, a team interviewed a candidate for an open paraprofessional position available at King Elementary for the 2025-2026 school year. After discussing the strengths and qualities of the candidate at length, I would like to recommend Ashley Kortekaas for the position..



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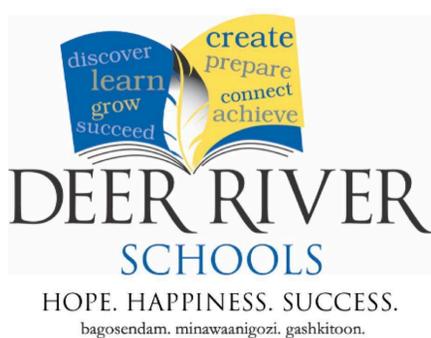
Memorandum

To: Deer River School Board
CC: Amie Hanson
From: Ara Anderson
Date: 11/3/25
Re: Recommendation for Hire: Long-Term Substitute 6th Grade Teacher

On 10/23/2025, I interviewed one candidate for the LTS 6th Grade Teacher position available at Deer River Schools during the 2025-26 school year from approximately February 17 to March 27, 2026. After reviewing the strengths and qualities of the candidate at length I would like to recommend Makenzie McGaughey for the position.

Ara Anderson
DRHS Principal

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Memorandum

To: Deer River School Board
CC: Amie Hanson
From: Ara Anderson
Date: 11/5/25
Re: Recommendation for Hire: DCD Paraprofessional

On 10/29/2025, Emilie Duffney interviewed a candidate for a DCD Paraprofessional position available at Deer River Schools for the 2025-26 school year. After reviewing the strengths and qualities of the candidate at length and discussing the interview with Mrs. Duffney, I would like to recommend Emily Miller for the position.

Ara Anderson



Amie Hanson <ahanson@isd317.org>

Consent Agenda

1 message

Brent Schimek <bschimek@isd317.org>

Wed, Nov 5, 2025 at 1:34 PM

To: Amie Hanson <ahanson@isd317.org>, Patty Schimek <pschimek@isd317.org>

Zyon Wickre Full time custodian at HS pending background check

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Brent Schimek
Activities Director
Head Football
Deer River High School
218.246.3410

Nov. 10, 2025

Dear Administration of DAD 317,

Due to my medical issues I
am forced to retire on Nov. 30, 2025.

I would like to thank the
district for my 5 weeks short
of 19 years of employment.

Sincerely,

Julie Peterson

	Last	First	Seniority Date	Grade/Lane	Step	Notes	License Info	License Exp.
315691	Box	Lisa	1/7/1991	MS+30	12		Tier 4 / 1-6 Elementary Education, Middle School Mathematics	6/30/2028
340495	Hanson-Kaasa	Karen	8/28/1995	BS+10	12		Tier 4 / 7-12 Coaching, K-12 Physical Education, PreK-12 Developmental/Adaptive Physical Education	6/30/2029
350162	Spaeth	Sheryl	8/27/1996	BS	12		Tier 4 / 7-12 Mathematics	6/30/2029
316048	Hron	Deanna	9/1/1998	MS+20	12	LOA 20/21, 21/22, 22/23, 23/24, 24/25, 25/26	Tier 4 / K-6 Elementary Education	6/30/2030
350825	Carlstrom	Matt	9/1/1998	BS+40	12		Tier 4 / 7-12 Social Studies	6/30/2027
286584	Anthony	Diane	8/21/2000	MS	12		Tier 4 / K-6 Elementary Education	6/30/2028
349956	Drennen	Denise	8/21/2000	BS+10	12		Tier 4 / PreK Pre-Kindergarten, K-6 Elementary Education	6/30/2029
361594	Wakefield	Robyn	8/20/2001	BS	12		Tier 4 / K-6 Elementary Education, K-12 Emotional Behavior Disorders	6/30/2027
401756	Marleau	Gail	8/6/2007	MS+30	12		Tier 4 / K-6 Elementary Education, 5-8 Communication Arts/Literature	6/30/2028
375494	Evans	Lynn	11/1/2007	BS	12		Tier 4 / 7-12 Social Studies	6/30/2028
413632	Goodell	Rebecca	12/3/2007	BS	12		Tier 4 / K-6 Elementary Education, 5-8 Communication Arts/Literature	6/30/2029
383694	Olson	Stacy	9/2/2008	BS+10	12		Tier 4 / 1-6 Elementary Education, Middle School Mathematics	6/30/2028
412692	Morrow	Maureen	9/7/2010	MA+30	12		Tier 4 / 7-12 Spanish, K-8 Spanish	6/30/2030
421045	Tokarczyk	Sondra	9/7/2010	MA +30	12		Tier 4 / 5-8 Science, K-6 Elementary Education	6/30/2026
432967	Grossell	Caitlin	9/6/2011	MA+10	12		Tier 4 / K-6 Elementary Education	6/30/2029
461839	Evans	Lenora	9/4/2012	MA+10	12		Tier 4 / K-12 Vocal and Classroom Music	6/30/2027
356877	Grose	Jodi	9/4/2012	MA+10	12		Tier 4 / 1-6 Elementary Education, 7-12 Coaching	6/30/2028
309082	Anderson	Jody	9/4/2012	BS+40	12		Tier 4 / K-12 Reading, K-12 Learning Disabilities, K-12 Mild to Moderate Mentally HDPC	6/30/2030
419968	Moen	Jennifer	9/4/2012	BA+40	12		Tier 4 / K-12 Physical Education, K-12 Emotional Behavior Disorders, K-12 Learning Disabilities, PreK-12 Developmental/Adaptive Physical Education	6/30/2030

	Last	First	Seniority Date	Grade/Lane	Step	Notes	License Info	License Exp.
475436	Rendon	Thea	9/3/2013	MA+30	12		Tier 4 / K-6 Elementary Education / District Professional Administration: Principal K-12	6/30/2029 / 6/30/2026
453866	Christiansen	Ryan	9/3/2013	MS	12		Tier 4 / 5-12 Mathematics	6/30/2029
481073	Seeley	Afton	9/2/2014	MA +30	12		Tier 4 / K-6 Elementary Education	6/30/2030
459958	Purdie	Crystal	9/2/2014	BS+10	12		Tier 4 / 5-8 Mathematics, K-6 Elementary Education	6/30/2027
475669	Wilson	Jade	9/2/2014	BS	12		Tier 4 / K-6 Elementary Educaion, K-12 American Indian Language & Culture	6/30/2029
376546	Swenson-Helmer	Mandy	12/2/2014	MS+20	12		Tier 4 / K-12 Emotional Behavior Disorders, K-6 Elementary Education	6/30/2027
417515	Loeffler	Susan	9/8/2015	MA+30	11		Tier 4 / K-6 Elementary Education, Age3-PreK Pre-primary	6/30/2027
490486	Storlie	Lael	9/8/2015	MS+30	11		Tier 4 / K-12 School Counselor	6/30/2028
478731	Tholen	Angela	9/8/2015	MA+20	11		Tier 4 / 1-6 Elementary Education	6/30/2027
504208	Gebhart	Patty	9/8/2015	BA+40	11		Tier 4 / K-12 Academic and Behavioral Statigist	6/30/2028
452166	Maxa	Benjamin	9/8/2015	BS+10	12		Tier 4 / K-12 Physical Educaion	6/30/2027
443143	Grooms	Bethany	9/8/2015	BS	12		Tier 4 / K-6 Elementary Education, 5-8 Communication Arts/Literature	6/30/2029
492021	Vaneps	Kiersten	9/6/2016	MA+30	10		Tier 4 / K-6 Elementary Education	6/30/2027
419734	Borgman	Kari	9/6/2016	MA+20	12		Tier 4 / 5-12 Communication Arts/Literature	6/30/2030
488966	Parmeter	Kari	9/6/2016	MS+20	10		Tier 4 / 5-8 Science, 9-12 Life Science	6/30/2028
469611	Blundell	Stephanie	9/6/2016	MA+10	12		Tier 4 / K-6 Elementary Educaion / K-12 Learning Disabilities	6/30/2029
463958	Burman	Brian	9/6/2016	MA	12		Tier 4 / K-12 Physical Education, 5-12 Health	6/30/2027
514114	Storm	Jennifer	9/6/2016	MS	10		Tier 4 / K-12 Learning Disabilities	6/30/2030
515114	Schultz	Kari	9/6/2016	BS+40	10		Tier 4 / K-12 Developmental Disabilites	6/30/2026
464390	Verbeck-Seeley	Annee	9/6/2016	BS	10		Tier 4 / 1-6 Elementary Education, 5-8 Social Studies	6/30/2030
486781	Buell	Ashley	9/5/2017	MA+10	11		Tier 4 / K-6 Elementary Education	6/30/2026

	Last	First	Seniority Date	Grade/Lane	Step	Notes	License Info	License Exp.
425210	Miller	Chrissy	9/5/2017	MS+10	12		Tier 4 / Age 3- PreK PrePrimary, K-12 Emotional Behavior Disorders, K-6 Elementary Education	6/30/2026
328833	VanBaak	Michele	9/5/2017	MS+10	12		Tier 4 / K-6 Elementary Education	6/30/2030
503311	Conrad	Jennifer	9/5/2017	MA	12		Tier 3 / K-12 Vocal and Classroom Music, K-12 Instrumental and Classroom Music	6/30/2028
501502	Rendle	Sam	9/5/2017	BA+20	9		Tier 4 / K-6 Elementary Education	6/30/2028
460267	Erickson	Heidi	9/5/2017	BS+10	12		Tier 4 / K-6 Elementary Education, 5-8 Mathematics	6/30/2027
501022	Box	Charles	8/28/2018	MA+20	9		Tier 4 / K-6 Elementary Education, 5-8 Social Studies	6/30/2028
506591	Lind	Jennifer	8/28/2018	MA+20	8		Tier 4 / K-6 Elementary Education	6/30/2028
478284	Bastian	Erin	8/28/2018	MA	11		Tier 4 / Age 3- PreK PrePrimary, K-6 Elementary Education	6/30/2026
444976	Evans	Chad	8/28/2018	BS+40	8		Tier 4 / K-12 Emotional Behavior Disorders	6/30/2029
369055	Jurvelin	Krystine	8/28/2018	BS+10	12		Tier 4 / K-6 Elementary Education	6/30/2028
426237	Jackson	Andrew	8/28/2018	BS	8		Tier 4 / K-12 American Indian Language & Culture	6/30/2028
510318	Suchy	Aaron	8/28/2018	MA +10	8		Tier 4 / K-12 Physical Education / 5-12 Health / PreK-12 Developmental/Adaptive Physical Education	6/30/2029
409767	Branca	Joleen	8/27/2019	MA+30	7		Tier 4 / K-6 Elementary Education / 5-8 Science / 5-8 Social Studies / B-12 Autism Spectrum Disorders / K-12 Learning Disabilities	6/30/2029
352075	Carlson	Dawn	8/27/2019	BS+40	7		Tier 4 / K-12 Reading / K-12 Instrumental and Classroom Music / B-Age 6 Early Childhood Special Education	6/30/2030
518030	Glines	Kristy	9/29/2020	BS+40	6		Tier 4 / K-12 Developmental Disabilities	6/30/2029
1007092	Goggleye	Tayler	1/19/2021	MA	6		Tier 4 / K-12 Academic and Behavioral Strategist	6/30/2029
406526	Meyers	Steve	8/31/2021	MA+30	12		Tier 4 / 7-12 Communications Technology Career / 5-12 Technology	6/30/2029

	Last	First	Seniority Date	Grade/Lane	Step	Notes	License Info	License Exp.
508273	Swanson	Maggie	8/31/2021	MA	8		Tier 4 / K-6 Elementary Education / 5-8 Communication Arts/Literature	6/30/2028
363669	Passi	Frederick	8/31/2021	BS	5		Tier 4 / 7-12 Social Studies / 5-8 Mathematics	6/30/2027
407403	Evans	Mary	8/30/2022	MA+30	12		Tier 4 / K-12 Developmental Disabilities / K-12 Learning Disabilities / K-12 Emotional Behavior Disorders / 1-6 Elementary Education	6/30/2027
440216	Limberg	Tami	8/30/2022	MA+10	12		Tier 4 / 9-12 Life Science / 9-12 Earth and Space Science	6/30/2030
1019136	Anderlie	McKenna	8/30/2022	BS +40	4		Tier 3 / B-Age 6 Early Childhood Special Education	6/30/2026
482408	Grossell	Casey	8/30/2022	BA	12		Tier 4 / 5-12 Social Studies	6/30/2026
1004591	Neumayer	Mackenzie	8/29/2023	MA	6		Tier 4 / K-6 Elementary Education	6/30/2028
508644	Benge-Briggs	Lily	8/29/2023	BS	8		Tier 3 / K-12 Visual Arts	6/30/2026
486249	Anderson	Michelle	10/10/2023	MA+10	6		Tier 4 / Pre K-12 School Social Worker	6/30/2029
405717	Langer	Teresa	8/27/2024	MA+20	12		Tier 4 / 5-12 Communication Arts/Literature	6/30/2027
507961	Wasson	Josie	8/27/2024	BS	12		Tier 4 Restricted / 7-12 Mathematics	6/30/2027

1010841	Setness	David	8/31/2021	MS+30	5	Non Tenure	Tier 4 / 5-12 Technology	6/3/2030
1024017	Lindgren	Erin	2/28/2023	BA	12	Non Tenure	Tier 3 / K-12 School Social Worker	6/30/2026
1009324	Eastman	Brittney	3/1/2023	BS	4	Non Tenure	Tier 3 / K-12 Academic and Behavioral Strategist	6/30/2027
1015950	Hemphill	Paige	8/29/2023	BS	3	Non Tenure	Tier 3 / K-6 Elementary Education	6/30/2028
1027696	Herring	Rachel	8/29/2023	BS	5	Non Tenure	Tier 3 / American Indian Language & Culture	6/30/2026
1026312	Nickelson	Conrad	8/29/2023	BS	3	Non Tenure	Tier 3 / K-12 Instrumental and Classroom Music	6/30/2026
1030822	Williams	Lilly	1/8/2024	BA	3	Non Tenure	Tier 3 / K-6 Elementary Educations / K-12 Academic and Behavioral Strategist	6/30/2027

	Last	First	Seniority Date	Grade/Lane	Step	Notes	License Info	License Exp.
1022690	Kowalke	Briana	8/25/2025	BA	2	Non Tenure	Tier 3 / Science 5-8 / 9/12 Life Science	6/30/2028
1037921	Collins	Camryn	10/1/2025	MS+30	8	Non Tenure	Tier 3 / Pre K-12 Speech Language Pathologist	6/30/2027



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Consent Agenda

November 10th, 2025

~Any Board Member may request that any item be removed from this consent agenda and moved to a regular agenda item~

- Appointments
 - Melissa Bowstring, High School Paraprofessional, effective 11/11/2025
 - Ashley Kortekaas, King Paraprofessional, effective 11/11/2025
 - Makenzie McGaughey, Long Term Substitute for 6th grade leave
 - Emily Miller, High School Paraprofessional, effective 11/11/2025
 - Zyon Wickre, Custodian, effective 11/11/2025
 - Change of Position
 - Samantha Torgerson, Speech Language Pathologist, .77 DREA Contract effective 11/11/2025
- Resignations/Retirements/Terminations/Layoffs:
 - Julie Peterson, King Elementary Custodian, Retirement, effective 11/30/2025
- Leaves:
 -
- Contracts/Job Descriptions/Seniority Lists:
 -
 - Seniority Lists
 - DREA, as of 10/1/2025 (Updated Lane Information)

Deer River ISD #317
Check Register by Bank and Check

Check Number: 0-2147483647 Payment Date: 09.01.2025-9/30/2025 Period: 0-99999999

Batch	Bank	Pymt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Print	Recon	Void	Pmt/Void Date	Amount
2		54089	1334106925	Check	1	3577		OBEY, SHERWIN	Yes	Yes	No	09/04/2025	940.00
		54146	1334106926	Check	1	6332		7 MINDSETS ACADEMY LLC	Yes	Yes	No	09/10/2025	4,725.00
		54090	1334106927	Check	1	01460		AMERICAN DISPOSAL	Yes	Yes	No	09/10/2025	4,858.74
		54149	1334106928	Check	1	6584		AMPLIFY EDUCATION INC	Yes	Yes	No	09/10/2025	24,649.60
		54139	1334106929	Check	1	5604		BIX PRODUCE	Yes	Yes	No	09/10/2025	468.12
		54118	1334106930	Check	1	4178		BLUE CROSS BLUE SHIELD OF MN	Yes	Yes	No	09/10/2025	4,617.67
		54144	1334106931	Check	1	6066		C&L DISTRIBUTING	Yes	Yes	No	09/10/2025	247.40
		54091	1334106932	Check	1	07020		CITY OF DEER RIVER	Yes	Yes	No	09/10/2025	1,353.79
		54110	1334106933	Check	1	3079		D ERVASTI SALES CO	Yes	Yes	No	09/10/2025	2,551.01
		54134	1334106934	Check	1	5173	R1	FERGUSON ENTERPRISES #3093	Yes	Yes	No	09/10/2025	215.05
		54094	1334106935	Check	1	1619		FRABONI WHOLESALE INC	Yes	Yes	No	09/10/2025	2,798.92
		54095	1334106936	Check	1	16428		GEVING, ROBBY JEROME	Yes	No	No	09/10/2025	250.00
		54092	1334106937	Check	1	1065		GRAINGER, INC	Yes	Yes	No	09/10/2025	279.98
		54098	1334106938	Check	1	19222		HILLYARD / HUTCHINSON	Yes	Yes	No	09/10/2025	4,409.00
		54150	1334106939	Check	1	6590		HOMER, LYNETTE	Yes	No	No	09/10/2025	183.60
		54130	1334106940	Check	1	4896		ISD 0182 - CROSBY IRONTON	Yes	Yes	No	09/10/2025	200.00
		54101	1334106941	Check	1	21455	REMIT	ISD 0316-GREENWAY	Yes	Yes	No	09/10/2025	50.00
		54102	1334106942	Check	1	21500	REMIT	ISD 0318 - GRAND RAPIDS	Yes	No	No	09/10/2025	100.00
		54137	1334106943	Check	1	5349		ISD 0695 - CHISHOLM	Yes	Yes	No	09/10/2025	100.00
		54129	1334106944	Check	1	4883		ISD 2174 - PINE RIVER/BACKUS	Yes	Yes	No	09/10/2025	150.00
		54142	1334106945	Check	1	5996		ISD 2909 - ROCK RIDGE	Yes	No	No	09/10/2025	300.00
		54143	1334106946	Check	1	5996	R1	ISD 2909 - ROCK RIDGE	Yes	No	No	09/10/2025	50.00
		54140	1334106947	Check	1	5749		JOHNSON, JEREMIAH	Yes	Yes	No	09/10/2025	146.00
		54120	1334106948	Check	1	4265		JOHNSON, PHILLIP	Yes	Yes	No	09/10/2025	125.00
		54113	1334106949	Check	1	3390		KENNEDY & GRAVEN CHARTERED	Yes	Yes	No	09/10/2025	662.50
		54147	1334106950	Check	1	6366	R1	KOSSOW FAMILY FARM	Yes	Yes	No	09/10/2025	230.85
		54109	1334106951	Check	1	3032		KULLY SUPPLY INC	Yes	Yes	No	09/10/2025	51.46
		54116	1334106953	Check	1	4076	R1	MASSP	Yes	Yes	No	09/10/2025	195.00
		54104	1334106954	Check	1	27260	R1	MCGRAW-HILL SCHOOL EDUCATION	Yes	Yes	No	09/10/2025	5,356.70
		54124	1334106955	Check	1	4442		MEDURE, PAT	Yes	Yes	No	09/10/2025	125.00
		54138	1334106956	Check	1	5540	R1	MINERS INC	Yes	Yes	No	09/10/2025	227.94
		54100	1334106957	Check	1	2036		MINUTEMAN PRESS	Yes	No	No	09/10/2025	248.50
		54108	1334106958	Check	1	2994	R1	MN ENERGY RESOURCES	Yes	Yes	No	09/10/2025	195.99
		54105	1334106959	Check	1	28900		MN POWER & LIGHT CO	Yes	Yes	No	09/10/2025	23,682.60
		54106	1334106960	Check	1	29100		MN STATE HIGH SCHOOL LEAGUE	Yes	Yes	No	09/10/2025	1,630.00
		54093	1334106961	Check	1	14200		NORTHERN STAR COOPERATIVE SE	Yes	Yes	No	09/10/2025	417.46
		54103	1334106962	Check	1	2610		NOR-TRAN INC	Yes	No	No	09/10/2025	2,651.15
		54107	1334106963	Check	1	2930		OREILLY AUTOMOTIVE INC	Yes	Yes	No	09/10/2025	7.00
		54132	1334106964	Check	1	5003	R1	PARTS TOWN	Yes	Yes	No	09/10/2025	764.85

Deer River ISD #317
Check Register by Bank and Check

Check Number: 0-2147483647 Payment Date: 09.01.2025-9/30/2025 Period: 0-99999999

Batch	Bank	Pymt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Print	Recon	Void	Pmt/Void Date	Amount
2		54122	1334106965	Check	1	43022		PAUL BUNYAN RURAL TELEPHONE	Yes	Yes	No	09/10/2025	1,284.82
		54131	1334106966	Check	1	4968		PELLINEN, MATT	Yes	No	No	09/10/2025	125.00
		54148	1334106967	Check	1	6547		PEMBERTON LAW PLLP	Yes	Yes	No	09/10/2025	138.00
		54123	1334106968	Check	1	43258	REMIT	PEPSI BOTTLING GROUP	Yes	Yes	No	09/10/2025	911.18
		54128	1334106969	Check	1	4819		PIONEER VALLEY BOOKS	Yes	No	No	09/10/2025	135.00
		54125	1334106970	Check	1	45575		QUALITY REFRIGERATION & HEATIN	Yes	Yes	No	09/10/2025	158.50
		54126	1334106971	Check	1	45790		RANGE PAPER CORPORATION	Yes	Yes	No	09/10/2025	280.64
		54127	1334106972	Check	1	4732		RIGHT WAY DRIVING INC	Yes	Yes	No	09/10/2025	288.00
		54141	1334106973	Check	1	5895		SAVELA, DAWN	Yes	No	No	09/10/2025	220.00
		54097	1334106974	Check	1	1852		SCHOOL NURSE SUPPLY INC	Yes	Yes	No	09/10/2025	865.40
		54121	1334106975	Check	1	4298	R1	SCHOOL SPECIALTY LLC	Yes	Yes	No	09/10/2025	3,169.58
		54111	1334106976	Check	1	3255		SCHULTZ, BRIAN	Yes	Yes	No	09/10/2025	185.00
		54119	1334106977	Check	1	4257		SEATON, SCOTT	Yes	Yes	No	09/10/2025	185.00
		54099	1334106978	Check	1	1967		SHERWIN WILLIAMS	Yes	No	No	09/10/2025	59.54
		54115	1334106979	Check	1	4044		SPORT DECALS	Yes	Yes	No	09/10/2025	743.70
		54112	1334106980	Check	1	3272		SVL SERVICE CORPORATION	Yes	Yes	No	09/10/2025	1,452.76
		54114	1334106981	Check	1	3941		TRAINING ROOM INC	Yes	Yes	No	09/10/2025	435.68
		54133	1334106982	Check	1	51610		TREASURE BAY PRINTING	Yes	Yes	No	09/10/2025	246.60
		54145	1334106983	Check	1	6087		UNITED GLASS INC	Yes	Yes	No	09/10/2025	53,190.00
		54136	1334106984	Check	1	52555		UPS	Yes	Yes	No	09/10/2025	25.00
		54096	1334106985	Check	1	16430		US FOOD SERVICE	Yes	Yes	No	09/10/2025	2,779.67
		54135	1334106986	Check	1	5245		VAKE, KATHLEEN	Yes	Yes	No	09/10/2025	150.00
		54151	1334106987	Check	1	6591		WITTNER, RENEE	Yes	Yes	No	09/10/2025	183.60
		54152	1334106988	Check	1	4076	R1	MASSP	Yes	Yes	No	09/10/2025	195.00
		54153	1334106989	Check	1	43258	REMIT	PEPSI BOTTLING GROUP	Yes	Yes	No	09/10/2025	465.33
		54154	1334106990	Check	1	6478		LIBERTY MUTUAL INSURANCE	Yes	Yes	No	09/12/2025	1,404.00
		54164	1334106991	Check	1	02400		ANDERSON GLASS INC	Yes	Yes	No	09/16/2025	5,000.00
		54185	1334106992	Check	1	5604		BIX PRODUCE	Yes	Yes	No	09/16/2025	1,145.97
		54165	1334106993	Check	1	11650	R1	BLICK ART MATERIALS LLC	Yes	Yes	No	09/16/2025	1,238.64
		54174	1334106994	Check	1	4318	R1	BSN SPORTS	Yes	Yes	No	09/16/2025	62.30
		54182	1334106995	Check	1	5106		CLAYTONS PRODUCE	Yes	Yes	No	09/16/2025	124.32
		54166	1334106996	Check	1	1619		FRABONI WHOLESALE INC	Yes	Yes	No	09/16/2025	1,973.43
		54190	1334106997	Check	1	6293		GRAND RAPIDS FARMERS MARKET	Yes	Yes	No	09/16/2025	631.06
		54168	1334106998	Check	1	19222		HILLYARD / HUTCHINSON	Yes	Yes	No	09/16/2025	1,313.35
		54192	1334106999	Check	1	6349		JOES SANDY HILL VINEYARD AND PI	Yes	Yes	No	09/16/2025	60.00
		54193	1334107000	Check	1	6366	R1	KOSSOW FAMILY FARM	Yes	No	No	09/16/2025	16.00
		54189	1334107001	Check	1	6121		KOSSOW, HUNTER	Yes	Yes	No	09/16/2025	120.00
		54194	1334107002	Check	1	6483	Remit	MYSTERY SCIENCE	Yes	Yes	No	09/16/2025	1,695.00
		54171	1334107003	Check	1	3673	R1	NCS PEARSON INC	Yes	Yes	No	09/16/2025	450.18

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Check Register by Bank and Check

Check Number: 0-2147483647 Payment Date: 09.01.2025-9/30/2025 Period: 0-99999999

Batch	Bank	Pymt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Print	Recon	Void	Pmt/Void Date	Amount
2		54172	1334107004	Check	1	40600		NESC	Yes	Yes	No	09/16/2025	950.00
		54184	1334107005	Check	1	5266		NINHAM, DANIEL C	Yes	No	No	09/16/2025	300.00
		54169	1334107006	Check	1	2896		PAN-O-GOLD BAKING CO	Yes	Yes	No	09/16/2025	297.80
		54195	1334107007	Check	1	6542		PEAC SOLUTIONS	Yes	No	No	09/16/2025	276.51
		54180	1334107008	Check	1	4791		PITNEY BOWES-PURCHASE POWEF	Yes	Yes	No	09/16/2025	492.00
		54175	1334107009	Check	1	44170		POPPLERS MUSIC STORE	Yes	Yes	No	09/16/2025	492.26
		54177	1334107010	Check	1	45575		QUALITY REFRIGERATION & HEATIN	Yes	Yes	No	09/16/2025	1,002.20
		54178	1334107011	Check	1	45790		RANGE PAPER CORPORATION	Yes	Yes	No	09/16/2025	240.64
		54170	1334107012	Check	1	3044		REGION 7A MSHSL	Yes	Yes	No	09/16/2025	1,200.00
		54179	1334107013	Check	1	46375		SANDSTROM'S	Yes	Yes	No	09/16/2025	4,044.04
		54176	1334107014	Check	1	4444		SCHULTZ, TIM	Yes	Yes	No	09/16/2025	40.00
		54188	1334107015	Check	1	6108		SIGN CONTRACTORS LLC	Yes	No	No	09/16/2025	175.00
		54187	1334107016	Check	1	6003		SIMPLY GOOD FOOD LLC	Yes	Yes	No	09/16/2025	3,694.00
		54186	1334107017	Check	1	5761		SPEECH PARTNERS	Yes	Yes	No	09/16/2025	591.70
		54181	1334107018	Check	1	49700		SUPREME SCHOOL SUPPLY CO	Yes	Yes	No	09/16/2025	143.02
		54191	1334107019	Check	1	6348		TIMBERSWEET FARMS	Yes	Yes	No	09/16/2025	977.20
		54196	1334107020	Check	1	6594		TREBNICK, BRUCE	Yes	No	No	09/16/2025	59.50
		54183	1334107021	Check	1	52559		UPPER LAKES FOODS, INC	Yes	Yes	No	09/16/2025	6,356.07
		54167	1334107022	Check	1	16430		US FOOD SERVICE	Yes	Yes	No	09/16/2025	3,535.22
		54173	1334107023	Check	1	4255		VILLENEUVE, CALEB	Yes	No	No	09/16/2025	40.00
		54201	1334107024	Check	1	6592		BISMARCK, DEVRY JORDAN	Yes	No	No	09/23/2025	350.00
		54199	1334107025	Check	1	6494		BISMARCK, DORIAN J	Yes	No	No	09/23/2025	350.00
		54200	1334107026	Check	1	6495		BISMARCK, MICHAEL DAVID	Yes	Yes	No	09/23/2025	350.00
		54197	1334107027	Check	1	4265		JOHNSON, PHILLIP	Yes	Yes	No	09/23/2025	350.00
		54198	1334107028	Check	1	4819		PIONEER VALLEY BOOKS	Yes	No	No	09/23/2025	13.50
		54202	1334107029	Check	1	6593		WHITE, VALYNNCIA	Yes	No	No	09/23/2025	350.00
		54204	1334107030	Check	1	1063		ARROWHEAD LIBRARY SYSTEM	Yes	No	No	09/24/2025	375.00
		54205	1334107031	Check	1	11650	R1	BLICK ART MATERIALS LLC	Yes	No	No	09/24/2025	718.57
		54217	1334107032	Check	1	4748	R1	BRAINPOP LLC	Yes	No	No	09/24/2025	4,500.00
		54214	1334107033	Check	1	4318		REMIT TBSN SPORTS INC	Yes	No	No	09/24/2025	952.25
		54229	1334107034	Check	1	6524	REMIT	CENTRAL MCGOWAN INC	Yes	No	No	09/24/2025	23.42
		54232	1334107035	Check	1	6585		CHARMTECH LABS LLC	Yes	No	No	09/24/2025	3,800.00
		54235	1334107036	Check	1	6596		CHAVERS, EDDIE	Yes	No	No	09/24/2025	217.90
		54203	1334107037	Check	1	07020		CITY OF DEER RIVER	Yes	No	No	09/24/2025	2,528.90
		54222	1334107038	Check	1	5567	R1	CONSTELLATION ENERGY-GAS DIVI	Yes	No	No	09/24/2025	2,334.62
		54225	1334107039	Check	1	6152	R1	GAME ONE	Yes	No	No	09/24/2025	976.93
		54226	1334107040	Check	1	6302		GRAND RAPIDS DENTAL CARE LLC	Yes	No	No	09/24/2025	755.00
		54231	1334107041	Check	1	6581	R1	GREAT MINDS PBC	Yes	No	No	09/24/2025	6,131.62
		54230	1334107042	Check	1	6570		GUARDIAN PEST SOLUTIONS INC	Yes	No	No	09/24/2025	105.00

Deer River ISD #317
Check Register by Bank and Check

Check Number: 0-2147483647 Payment Date: 09.01.2025-9/30/2025 Period: 0-99999999

Batch	Bank	Pymt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Print	Recon	Void	Pmt/Void Date	Amount
2		54209	1334107043	Check	1	3168		HIBBING VOLLEYBALL CLUB	Yes	No	No	09/24/2025	100.00
		54206	1334107044	Check	1	19222		HILLYARD / HUTCHINSON	Yes	Yes	No	09/24/2025	1,110.08
		54228	1334107045	Check	1	6496		ISD 0004	Yes	No	No	09/24/2025	175.00
		54224	1334107046	Check	1	5763		ISD 0097- MOOSE LAKE	Yes	No	No	09/24/2025	250.00
		54219	1334107047	Check	1	4896		ISD 0182 - CROSBY IRONTON	Yes	No	No	09/24/2025	175.00
		54211	1334107048	Check	1	3399		ISD 6070 - IASC	Yes	No	No	09/24/2025	6,905.96
		54207	1334107049	Check	1	23009	REMIT	ITASCA CO HEALTH & HUMAN SER	Yes	No	No	09/24/2025	5,000.00
		54216	1334107050	Check	1	4491		IXL LEARNING	Yes	No	No	09/24/2025	23,943.75
		54210	1334107051	Check	1	3287		LAMPPA, DAVIS	Yes	Yes	No	09/24/2025	115.00
		54234	1334107052	Check	1	6595		LIND, CAITLYNN	Yes	No	No	09/24/2025	160.00
		54233	1334107053	Check	1	6588		MARZANO RESOURCES LLC	Yes	Yes	No	09/24/2025	8,520.00
		54218	1334107054	Check	1	4877		MN DEPT OF HUMAN SERVICES-SW	Yes	Yes	No	09/24/2025	441.00
		54213	1334107055	Check	1	40400		NASCO	Yes	No	No	09/24/2025	875.70
		54208	1334107056	Check	1	2610		NOR-TRAN INC	Yes	No	No	09/24/2025	5,505.78
		54227	1334107057	Check	1	6426		PARENTEAU, JORDAN	Yes	No	No	09/24/2025	115.00
		54220	1334107058	Check	1	5265		SHOW YOUR LOGO INC	Yes	No	No	09/24/2025	2,805.27
		54221	1334107059	Check	1	5438	R1	SHRED-IT	Yes	Yes	No	09/24/2025	248.26
		54223	1334107060	Check	1	5638		VAADELAND, HAAKEN	Yes	No	No	09/24/2025	250.00
		54215	1334107061	Check	1	4461		VAKE, TRAVIS	Yes	No	No	09/24/2025	115.00
		54212	1334107062	Check	1	3809		VIA ACTUARIAL SOLUTIONS	Yes	No	No	09/24/2025	2,200.00
		54236	1334107063	Check	1	4842		ARROW EMBROIDERY	Yes	Yes	No	09/25/2025	1,703.00
		54237	1334107064	Check	1	3399		ISD 6070 - IASC	Yes	No	No	09/26/2025	6,528.75
		54246	1334107065	Check	1	6208		DYNAMIC FITNESS AND STRENGTH	Yes	No	No	09/30/2025	2,110.40
		54245	1334107066	Check	1	6152	R1	GAME ONE	Yes	No	No	09/30/2025	1,143.30
		54238	1334107067	Check	1	1065		GRAINGER, INC	Yes	No	No	09/30/2025	482.52
		54240	1334107069	Check	1	23009	REMIT	ITASCA CO HEALTH & HUMAN SER	Yes	No	No	09/30/2025	5,000.00
		54242	1334107070	Check	1	5306		RAPIDS PRINTING	Yes	No	No	09/30/2025	75.00
		54243	1334107071	Check	1	5306		RAPIDS PRINTING	Yes	No	No	09/30/2025	75.00
		54241	1334107072	Check	1	4732		RIGHT WAY DRIVING INC	Yes	No	No	09/30/2025	2,992.00
		54244	1334107073	Check	1	53207		WAL-MART STORE #1609	Yes	No	No	09/30/2025	1,500.00
		54247	1334107074	Check	1	6599		HRON, DEANNA	Yes	No	No	09/30/2025	266.00
Bank Total: 2												\$304,299.77	
Report Total:												\$304,299.77	

Deer River ISD #317
Exp/Rev Summary - Fd
Period Ending September 30, 2025

Sequence: L, Fd

		InProc26					% YTD	Remaining
Description		Annual Budget	Period 202603	Year To Date	% YTD	Encumbrances	+ Enc	Balance
E	Expenditure							
01	General	15,034,193.00	1,202,052.83	2,418,942.75	16%	95,950.45	17%	12,519,299.80
02	Food Service	838,064.00	56,105.48	86,486.62	10%	13,646.26	12%	737,931.12
03	Transportation	1,247,111.00	4,761.42	8,579.25	1%	0.00	1%	1,238,531.75
04	Community Service	243,710.00	5,955.95	19,425.77	8%	0.00	8%	224,284.23
05	Capital Expenditure	257,151.00	83,789.60	224,392.00	87%	151.36	87%	32,607.64
06	Building Construction Fund	0.00	0.00	75,605.00	0%	0.00	0%	(75,605.00)
07	Debt Redemption	1,877,974.00	0.00	261,096.25	14%	0.00	14%	1,616,877.75
08	Trust Fund	2,500.00	0.00	0.00	0%	0.00	0%	2,500.00
11	Student Activities	55,000.00	1,929.18	2,429.18	4%	0.00	4%	52,570.82
25	OPEB Revocable Trust	250.00	21,147.67	26,667.10	10667%	0.00	10667%	(26,417.10)
E	Expenditure	19,555,953.00	1,375,742.13	3,123,623.92	16%	109,748.07	17%	16,322,581.01
R	Revenue							
01	General	(14,746,081.00)	(1,309,807.77)	(3,963,995.23)	27%	943,588.55	20%	(11,725,674.32)
02	Food Service	(827,500.00)	(567.13)	(24,137.46)	3%	0.00	3%	(803,362.54)
03	Transportation	(1,258,485.00)	(1,065.72)	799.29	(0%)	0.00	(0%)	(1,259,284.29)
04	Community Service	(260,356.00)	(47,860.28)	(41,824.79)	16%	0.00	16%	(218,531.21)
05	Capital Expenditure	(395,560.00)	0.00	0.00	0%	0.00	0%	(395,560.00)
07	Debt Redemption	(1,920,817.00)	(31,717.62)	(199,329.71)	10%	0.00	10%	(1,721,487.29)
08	Trust Fund	(2,500.00)	(2,000.00)	(2,000.00)	80%	0.00	80%	(500.00)
11	Student Activities	(55,000.00)	(2,009.90)	(2,543.15)	5%	0.00	5%	(52,456.85)
25	OPEB Revocable Trust	(104,000.00)	(3,447.10)	(10,349.91)	10%	0.00	10%	(93,650.09)
R	Revenue	(19,570,299.00)	(1,398,475.52)	(4,243,380.96)	22%	943,588.55	17%	(16,270,506.59)
Report Totals:		(14,346.00)	(22,733.39)	(1,119,757.04)	7805%	1,053,336.62	463%	52,074.42

Deer River ISD #317
Exp Summary - Fd, Pro
Period Ending September 30, 2025

Sequence: Fd, Pro

Description		InProc26				Encumbrances	% YTD + Enc	Remaining Balance
		Annual Budget	Period 202603	Year To Date	% YTD			
01	General							
010	Board of Education	36,010.00	1,839.05	9,243.07	26%	0.00	26%	26,766.93
020	Superintendent	202,000.00	15,069.49	58,590.36	29%	0.00	29%	143,409.64
050	School Adm	542,865.00	44,768.19	128,306.11	24%	16.51	24%	414,542.38
105	General Administrative Support	187,000.00	9,630.37	28,627.15	15%	0.00	15%	158,372.85
108	Admin Technology Services	600.00	0.00	0.00	0%	0.00	0%	600.00
110	Business Services	447,407.00	27,334.78	100,685.62	23%	0.00	23%	346,721.38
130	Community Relations	123.00	0.00	0.00	0%	0.00	0%	123.00
140	Data Processing	18,000.00	0.00	13,673.68	76%	0.00	76%	4,326.32
150	Legal Services	2,500.00	138.00	1,680.00	67%	0.00	67%	820.00
199	School Elections	38,000.00	662.50	725.75	2%	0.00	2%	37,274.25
200	Voluntary Pre-Kindergarten	145,000.00	0.00	0.00	0%	0.00	0%	145,000.00
201	Kindergarten	162,632.00	8,041.20	8,041.20	5%	0.00	5%	154,590.80
203	Elementary Education	1,623,234.00	121,369.37	134,335.14	8%	94.76	8%	1,488,804.10
211	Secondary	495,670.00	22,739.49	31,826.85	6%	0.00	6%	463,843.15
212	Art	84,628.00	9,729.24	9,729.24	11%	0.00	11%	74,898.76
216	Title I	290,000.00	25,132.66	31,025.66	11%	0.00	11%	258,974.34
218	Gifted and Talented	11,272.00	0.00	0.00	0%	0.00	0%	11,272.00
220	English	319,626.00	25,621.85	25,854.50	8%	0.00	8%	293,771.50
230	Foreign Language	0.00	820.96	820.96	0%	0.00	0%	(820.96)
231	Ojibwe	41,183.00	3,493.86	3,493.86	8%	0.00	8%	37,689.14
240	Health Physical Ed	322,384.00	25,023.45	26,974.99	8%	0.00	8%	295,409.01
255	Industrial Education	67,757.00	7,353.93	7,712.28	11%	1,778.45	14%	58,266.27
256	Mathematics	152,622.00	11,399.87	11,858.81	8%	0.00	8%	140,763.19
257	Computer Instruction	53,838.00	4,366.36	4,366.36	8%	0.00	8%	49,471.64
258	Music	323,261.00	26,194.56	26,194.56	8%	0.00	8%	297,066.44
260	Science	194,266.00	21,414.05	22,246.00	11%	93.06	11%	171,926.94
270	Social Sciences	196,488.00	15,973.33	16,012.63	8%	0.00	8%	180,475.37
271	Remedial Reading and Language	113,222.00	9,549.46	9,549.46	8%	0.00	8%	103,672.54
272	Remedial Mathematics	117,902.00	9,830.73	9,830.73	8%	0.00	8%	108,071.27

Deer River ISD #317
Exp Summary - Fd, Pro
Period Ending September 30, 2025

Sequence: Fd, Pro

		InProc26					% YTD	Remaining
Description		Annual Budget	Period 202603	Year To Date	% YTD	Encumbrances	+ Enc	Balance
01	General							
273	Remedial Other Content Areas	317,485.00	18,752.57	18,752.57	6%	0.00	6%	298,732.43
275	Kindergarten Instruction	109,568.00	9,138.73	9,138.73	8%	0.00	8%	100,429.27
276	Elementary Instruction	713,177.00	60,660.93	60,660.93	9%	0.00	9%	652,516.07
278	Regular School Day Addt'l Time	31,748.00	1,374.92	4,124.76	13%	0.00	13%	27,623.24
280	Other Regular Inst	16,300.00	0.00	1,500.00	9%	0.00	9%	14,800.00
291	Co-Curricular	28,090.00	370.00	370.00	1%	0.00	1%	27,720.00
292	Boys/Girls Athletics	168,109.00	11,641.03	23,598.51	14%	0.00	14%	144,510.49
294	Boys Athletics	163,304.00	24,019.32	33,665.43	21%	0.00	21%	129,638.57
296	Girls Athletics	116,405.00	18,325.42	23,572.46	20%	0.00	20%	92,832.54
298	Extra Curricular	2,850.00	0.00	0.00	0%	0.00	0%	2,850.00
361	Trade and Industrial	117,459.00	9,836.10	9,836.10	8%	0.00	8%	107,622.90
380	Special Needs	2,798.00	225.60	225.60	8%	0.00	8%	2,572.40
400	Special Ed - General (non-reim)	169,755.00	355.06	117,416.10	69%	0.00	69%	52,338.90
401	Speech Impaired	265,582.00	7,186.00	7,475.02	3%	0.00	3%	258,106.98
402	DCD-MM	197,847.00	17,691.49	17,691.49	9%	0.00	9%	180,155.51
403	Mental Imp-Mod/Sev	57,262.00	4,625.70	4,625.70	8%	0.00	8%	52,636.30
404	Physically Impaired	111,626.00	7,618.08	7,618.08	7%	0.00	7%	104,007.92
405	Deaf Hard of Hearing	57,066.00	965.65	965.65	2%	0.00	2%	56,100.35
407	Specific Learning Di	576,219.00	53,085.56	125,270.85	22%	0.00	22%	450,948.15
408	Emotional Disorder	476,822.00	45,468.67	45,468.67	10%	0.00	10%	431,353.33
410	Other Health Impairments	90,220.00	7,424.98	7,424.98	8%	0.00	8%	82,795.02
411	Autistic Spectrum Disorders	238,171.00	15,737.21	15,737.21	7%	0.00	7%	222,433.79
412	Developmentally Delayed (EC)	288,120.00	23,420.61	25,654.83	9%	0.00	9%	262,465.17
414	Traumatic Brain Inj	59,950.00	4,737.20	4,737.20	8%	0.00	8%	55,212.80
416	Severly Multiply Impaired	277,240.00	13,026.18	13,026.18	5%	0.00	5%	264,213.82
420	Special Education	353,973.00	14,062.01	14,062.01	4%	0.00	4%	339,910.99
422	ADSIS	453,359.00	31,925.47	31,925.47	7%	0.00	7%	421,433.53
605	Gen Inst Support	281,569.00	19,707.35	46,096.50	16%	0.00	16%	235,472.50
610	Curriculum/Assessment	122,883.00	9,547.83	9,547.83	8%	0.00	8%	113,335.17

Deer River ISD #317
Exp Summary - Fd, Pro
Period Ending September 30, 2025

Sequence: Fd, Pro

		InProc26					% YTD	Remaining
Description		Annual Budget	Period 202603	Year To Date	% YTD	Encumbrances	+ Enc	Balance
01	General							
620	Library Media Center	154,405.00	2,988.54	4,713.59	3%	8,000.00	8%	141,691.41
630	Human Relations	130,000.00	10,566.83	19,296.44	15%	0.00	15%	110,703.56
640	Staff Development	87,671.00	15,290.70	30,933.37	35%	0.00	35%	56,737.63
680	Instruc-Related Technology	296,665.00	47,066.24	136,571.55	46%	0.00	46%	160,093.45
710	Counseling-Guidance	127,205.00	13,264.68	17,933.56	14%	0.00	14%	109,271.44
715	School Security	50,300.00	0.00	35,095.00	70%	0.00	70%	15,205.00
718	Other School Safety	4,429.00	0.00	0.00	0%	0.00	0%	4,429.00
720	Health Services	164,753.00	10,767.94	13,017.67	8%	152.86	8%	151,582.47
740	Interventionist	144,489.00	14,121.34	14,121.34	10%	0.00	10%	130,367.66
790	Other Pupil Support	257,927.00	92,542.57	194,714.35	75%	14,860.21	81%	48,352.44
810	Plant Operations	1,389,402.00	115,613.57	359,687.52	26%	70,954.60	31%	958,759.88
850	Capital Facilities	17,500.00	0.00	0.00	0%	0.00	0%	17,500.00
940	Insurance	155,000.00	1,404.00	191,264.53	123%	0.00	123%	(36,264.53)
01	General	15,034,193.00	1,202,052.83	2,418,942.75	16%	95,950.45	17%	12,519,299.80
02	Food Service							
770	Food Services	838,064.00	56,105.48	86,486.62	10%	13,646.26	12%	737,931.12
02	Food Service	838,064.00	56,105.48	86,486.62	10%	13,646.26	12%	737,931.12
03	Transportation							
760	Pupil Transportation	1,247,111.00	4,761.42	8,579.25	1%	0.00	1%	1,238,531.75
03	Transportation	1,247,111.00	4,761.42	8,579.25	1%	0.00	1%	1,238,531.75
04	Community Service							
505	Community Education	37,341.00	2,095.14	4,992.41	13%	0.00	13%	32,348.59
510	Continuing Education	0.00	105.74	317.22	0%	0.00	0%	(317.22)
560	Recreation	0.00	32.00	32.00	0%	0.00	0%	(32.00)
570	School - Age Care	8,670.00	1,065.68	6,206.07	72%	0.00	72%	2,463.93
580	Early Childhood Family Educ	57,066.00	0.00	0.00	0%	0.00	0%	57,066.00
582	School Readiness	113,483.00	0.00	0.00	0%	0.00	0%	113,483.00
583	Preschool Screening	1,080.00	0.00	0.00	0%	0.00	0%	1,080.00
585	YouthDevel/Servs/After School	21,552.00	2,538.31	7,614.93	35%	0.00	35%	13,937.07

Deer River ISD #317
Exp Summary - Fd, Pro
Period Ending September 30, 2025

Sequence: Fd, Pro

		InProc26					% YTD	Remaining
Description		Annual Budget	Period 202603	Year To Date	% YTD	Encumbrances	+ Enc	Balance
04	Community Service							
591	Youth Service/Development	4,518.00	119.08	263.14	6%	0.00	6%	4,254.86
04	Community Service	243,710.00	5,955.95	19,425.77	8%	0.00	8%	224,284.23
05	Capital Expenditure							
108	Admin Technology Services	7,290.00	0.00	6,782.70	93%	0.00	93%	507.30
140	Data Processing	36,000.00	0.00	32,272.82	90%	0.00	90%	3,727.18
203	Elementary Education	28,300.00	24,649.60	24,708.55	87%	0.00	87%	3,591.45
211	Secondary	28,300.00	0.00	0.00	0%	0.00	0%	28,300.00
292	Boys/Girls Athletics	0.00	0.00	3,376.00	0%	0.00	0%	(3,376.00)
810	Plant Operations	1,500.00	0.00	0.00	0%	0.00	0%	1,500.00
850	Capital Facilities	118,761.00	0.00	4,500.00	4%	0.00	4%	114,261.00
865	LTFM <\$100,000	37,000.00	59,140.00	152,751.93	413%	151.36	413%	(115,903.29)
05	Capital Expenditure	257,151.00	83,789.60	224,392.00	87%	151.36	87%	32,607.64
06	Building Construction Fund							
867	LTFM > \$2,000,000	0.00	0.00	75,605.00	0%	0.00	0%	(75,605.00)
06	Building Construction Fund	0.00	0.00	75,605.00	0%	0.00	0%	(75,605.00)
07	Debt Redemption							
910	Debt Redemption	1,877,974.00	0.00	261,096.25	14%	0.00	14%	1,616,877.75
07	Debt Redemption	1,877,974.00	0.00	261,096.25	14%	0.00	14%	1,616,877.75
08	Trust Fund							
960	Other Nonrecurring Items	2,500.00	0.00	0.00	0%	0.00	0%	2,500.00
08	Trust Fund	2,500.00	0.00	0.00	0%	0.00	0%	2,500.00
11	Student Activities							
298	Extra Curricular	55,000.00	1,929.18	2,429.18	4%	0.00	4%	52,570.82
11	Student Activities	55,000.00	1,929.18	2,429.18	4%	0.00	4%	52,570.82
25	OPEB Revocable Trust							
935	Post Employment Benefits	250.00	21,147.67	26,667.10	10667%	0.00	10667%	(26,417.10)
25	OPEB Revocable Trust	250.00	21,147.67	26,667.10	10667%	0.00	10667%	(26,417.10)
Report Totals:		19,555,953.00	1,375,742.13	3,123,623.92	16%	109,748.07	17%	16,322,581.01

Deer River ISD #317
Rev Summary - Fd, Org
Period Ending September 30, 2025

Sequence: Fd, Org

		InProc26				% YTD		Remaining
Description		Annual Budget	Period 202603	Year To Date	% YTD	Encumbrances	+ Enc	Balance
01	General							
005	District	(14,274,262.00)	(1,332,603.96)	(3,961,850.87)	28%	943,588.55	21%	(11,255,999.68)
110	King	(19,842.00)	(14,331.88)	(16,165.22)	81%	0.00	81%	(3,676.78)
300	Deer River High School	(373,793.00)	37,128.07	14,020.86	(4%)	0.00	(4%)	(387,813.86)
310	Alternative Learning Program	(78,184.00)	0.00	0.00	0%	0.00	0%	(78,184.00)
01	General	(14,746,081.00)	(1,309,807.77)	(3,963,995.23)	27%	943,588.55	20%	(11,725,674.32)
02	Food Service							
005	District	(686,000.00)	(567.13)	(22,488.26)	3%	0.00	3%	(663,511.74)
110	King	(1,500.00)	0.00	0.00	0%	0.00	0%	(1,500.00)
300	Deer River High School	(140,000.00)	0.00	(1,649.20)	1%	0.00	1%	(138,350.80)
02	Food Service	(827,500.00)	(567.13)	(24,137.46)	3%	0.00	3%	(803,362.54)
03	Transportation							
005	District	(1,258,485.00)	(1,065.72)	799.29	(0%)	0.00	(0%)	(1,259,284.29)
03	Transportation	(1,258,485.00)	(1,065.72)	799.29	(0%)	0.00	(0%)	(1,259,284.29)
04	Community Service							
500	Community Service	(260,356.00)	(47,860.28)	(41,824.79)	16%	0.00	16%	(218,531.21)
04	Community Service	(260,356.00)	(47,860.28)	(41,824.79)	16%	0.00	16%	(218,531.21)
05	Capital Expenditure							
005	District	(395,560.00)	0.00	0.00	0%	0.00	0%	(395,560.00)
05	Capital Expenditure	(395,560.00)	0.00	0.00	0%	0.00	0%	(395,560.00)
07	Debt Redemption							
005	District	(1,920,817.00)	(31,717.62)	(199,329.71)	10%	0.00	10%	(1,721,487.29)
07	Debt Redemption	(1,920,817.00)	(31,717.62)	(199,329.71)	10%	0.00	10%	(1,721,487.29)
08	Trust Fund							
005	District	(2,500.00)	(2,000.00)	(2,000.00)	80%	0.00	80%	(500.00)
08	Trust Fund	(2,500.00)	(2,000.00)	(2,000.00)	80%	0.00	80%	(500.00)
11	Student Activities							
300	Deer River High School	(55,000.00)	(2,009.90)	(2,543.15)	5%	0.00	5%	(52,456.85)
11	Student Activities	(55,000.00)	(2,009.90)	(2,543.15)	5%	0.00	5%	(52,456.85)
25	OPEB Revocable Trust							

Deer River ISD #317
Rev Summary - Fd, Org
Period Ending September 30, 2025

Sequence: Fd, Org

Description		InProc26					% YTD + Enc	Remaining Balance
		Annual Budget	Period 202603	Year To Date	% YTD	Encumbrances		
25	OPEB Revocable Trust							
005	District	(104,000.00)	(3,447.10)	(10,349.91)	10%	0.00	10%	(93,650.09)
25	OPEB Revocable Trust	(104,000.00)	(3,447.10)	(10,349.91)	10%	0.00	10%	(93,650.09)
Report Totals:		(19,570,299.00)	(1,398,475.52)	(4,243,380.96)	22%	943,588.55	17%	(16,270,506.59)

ISD No. 317 Deer River, MN

Jackie Knowles, CPA



The Audit

Independent Auditor's Report

- ◆ Unmodified opinion on the District's basic financial statements which comprise the District's governmental activities, each major fund, the aggregate remaining fund information, and the budget to actual statement for the General Fund.
- ◆ Financial Statements present fairly, in all material respects, the financial position and changes in the financial position of the Governmental Activities, each major fund, and the aggregate remaining funds.

Audit Communications

- ◆ Report in Accordance with Government Auditing Standards
 - ◇ Internal Control Findings
 - ❖ Lack of Segregation of Accounting Duties
 - ❖ Material Audit Adjustments

- ◆ Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance
 - ◇ Single audit required when federal expenditures exceed \$750,000
 - ◇ Tested the Title I and Impact Aid programs
 - ❖ One program finding - Time and Effort Reporting

- ◆ Report on Minnesota Legal Compliance
 - ◇ Findings on compliance with legal provisions contained in the Minnesota Legal Compliance Audit Guide for School Districts
 - ❖ Timely Payment of Bills

Financial Communications

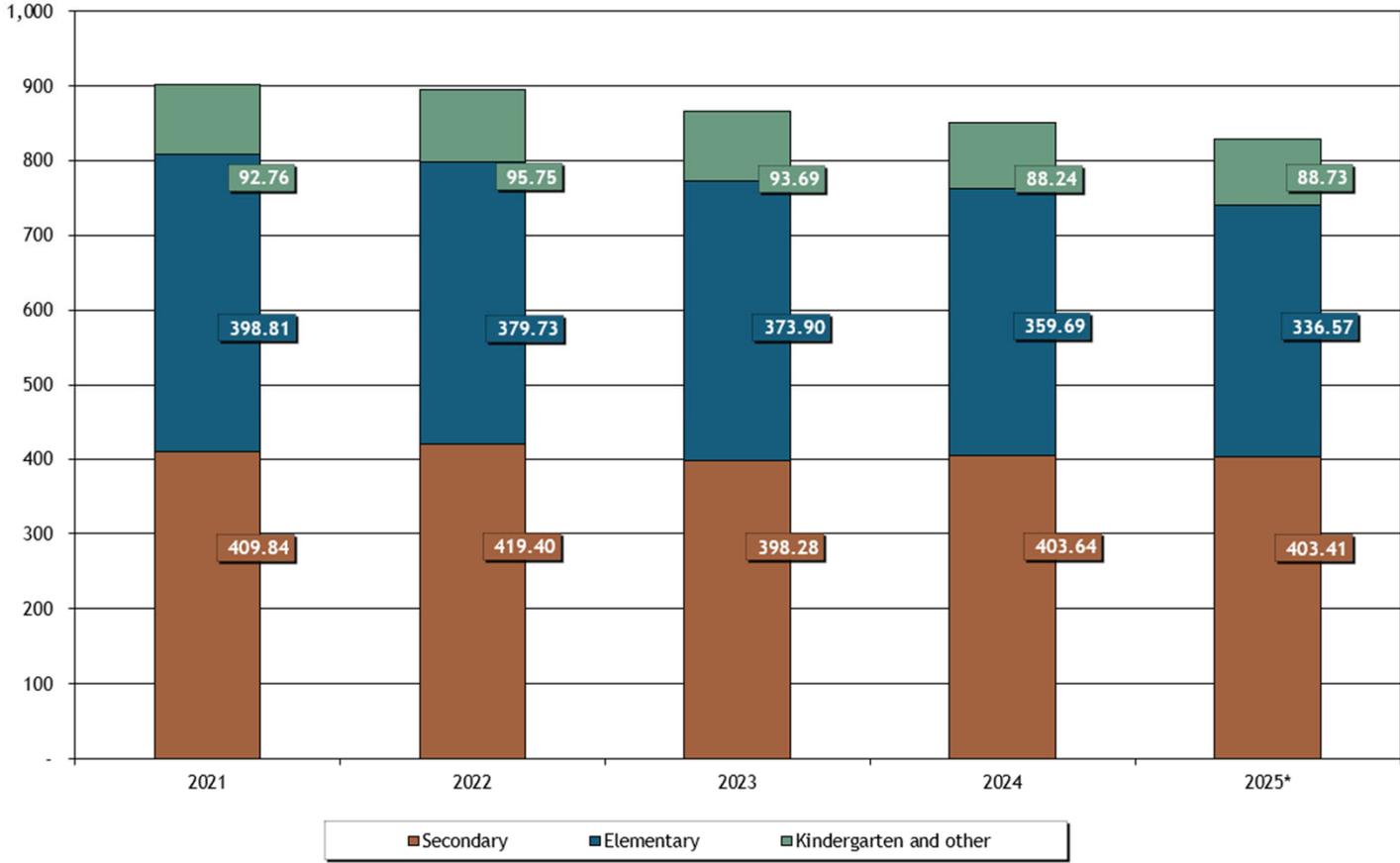
General Education Aid – Formula Allowance

Year	General Education Aid Formula Allowance	
	Amount	Percent Increase
2016	\$ 5,948	2.0%
2017	6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%
2024	7,138	4.0%
2025	7,281	2.0%
2026	7,481	2.7%

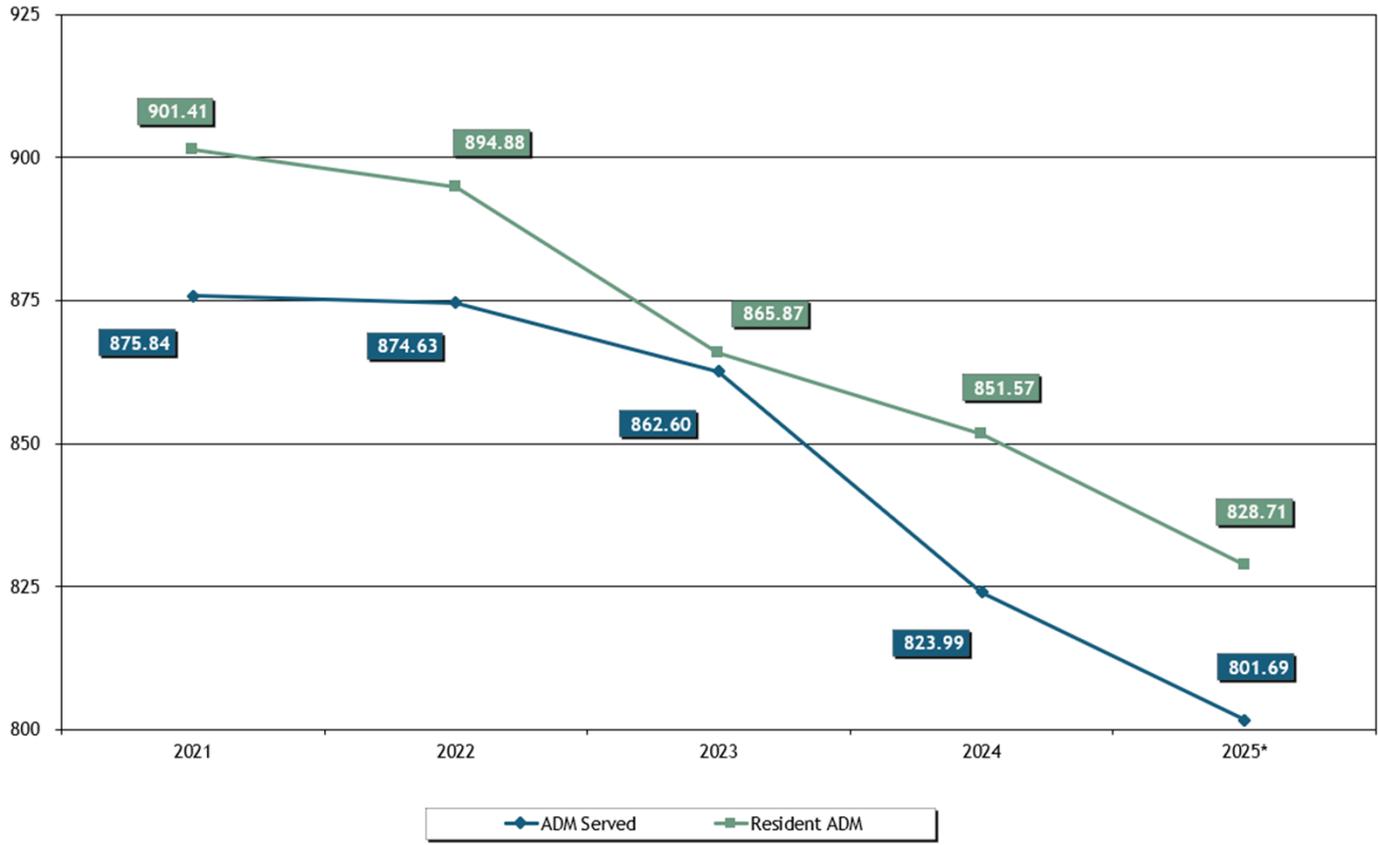
Average Daily Membership and Pupil Units - Resident ADM

Resident ADM	2021	2022	2023	2024	2025*
Kindergarten and other	92.76	95.75	93.69	88.24	88.73
Elementary	398.81	379.73	373.90	359.69	336.57
Secondary	409.84	419.40	398.28	403.64	403.41
Total Resident ADM	901.41	894.88	865.87	851.57	828.71

Average Daily Membership and Pupil Units - Resident ADM



Average Daily Membership and Pupil Units - Resident ADM

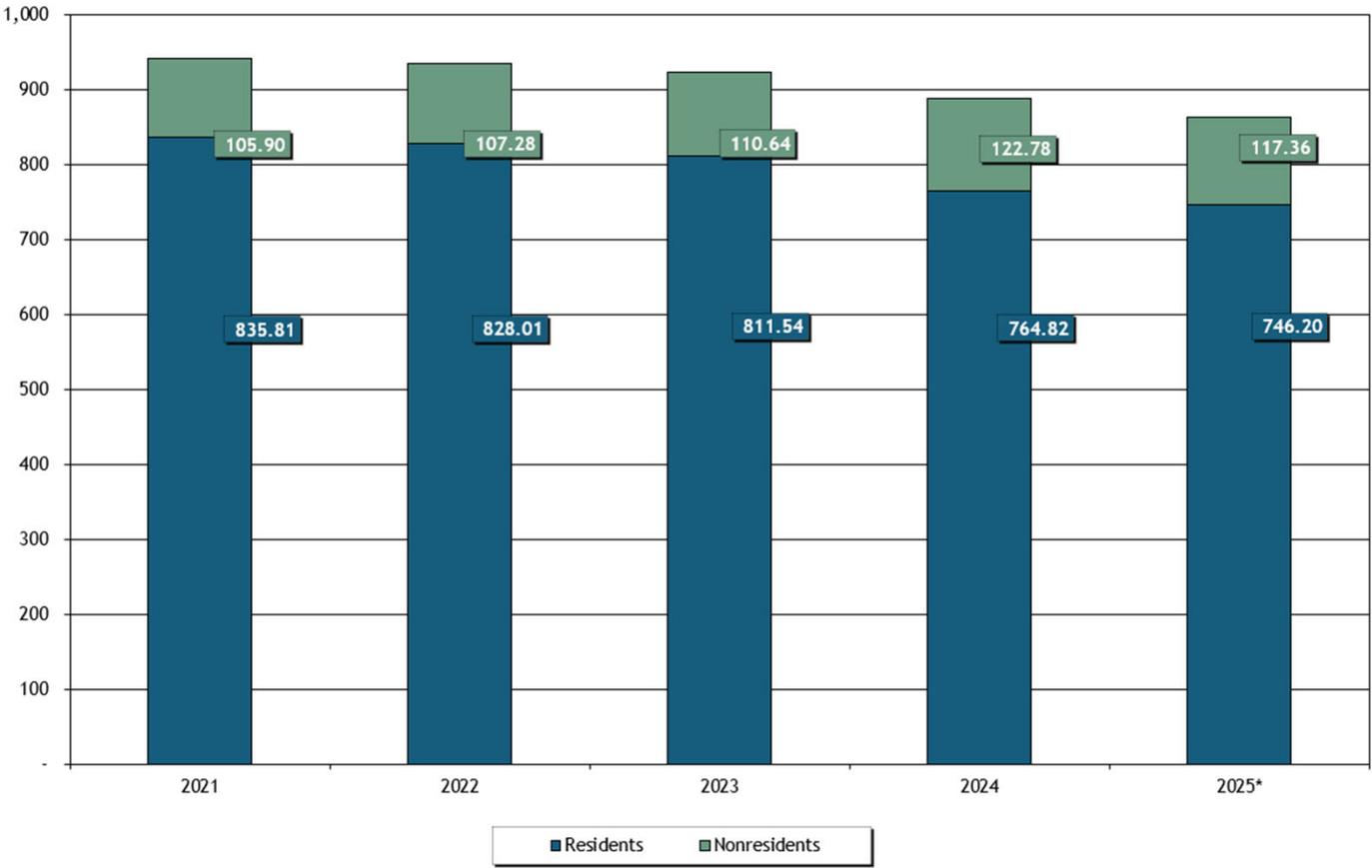


Average Daily Membership and Pupil Units - Weighting and Adjusted PUN

Pupil Units Weighting						
	Pre- Kindergarten	Kindergarten	Elementary Grades 1-3	Elementary Grades 4-6	Secondary	
2021-2025	1.000	1.000	1.000	1.000	1.200	

Pupil Unit Numbers	2021	2022	2023	2024	2025*
Residents	983.38	978.78	945.50	932.29	909.41
Residents going elsewhere	(147.57)	(150.77)	(133.96)	(167.47)	(163.21)
Nonresident gain	105.90	107.28	110.64	122.78	117.36
Total	941.71	935.29	922.18	887.60	863.56

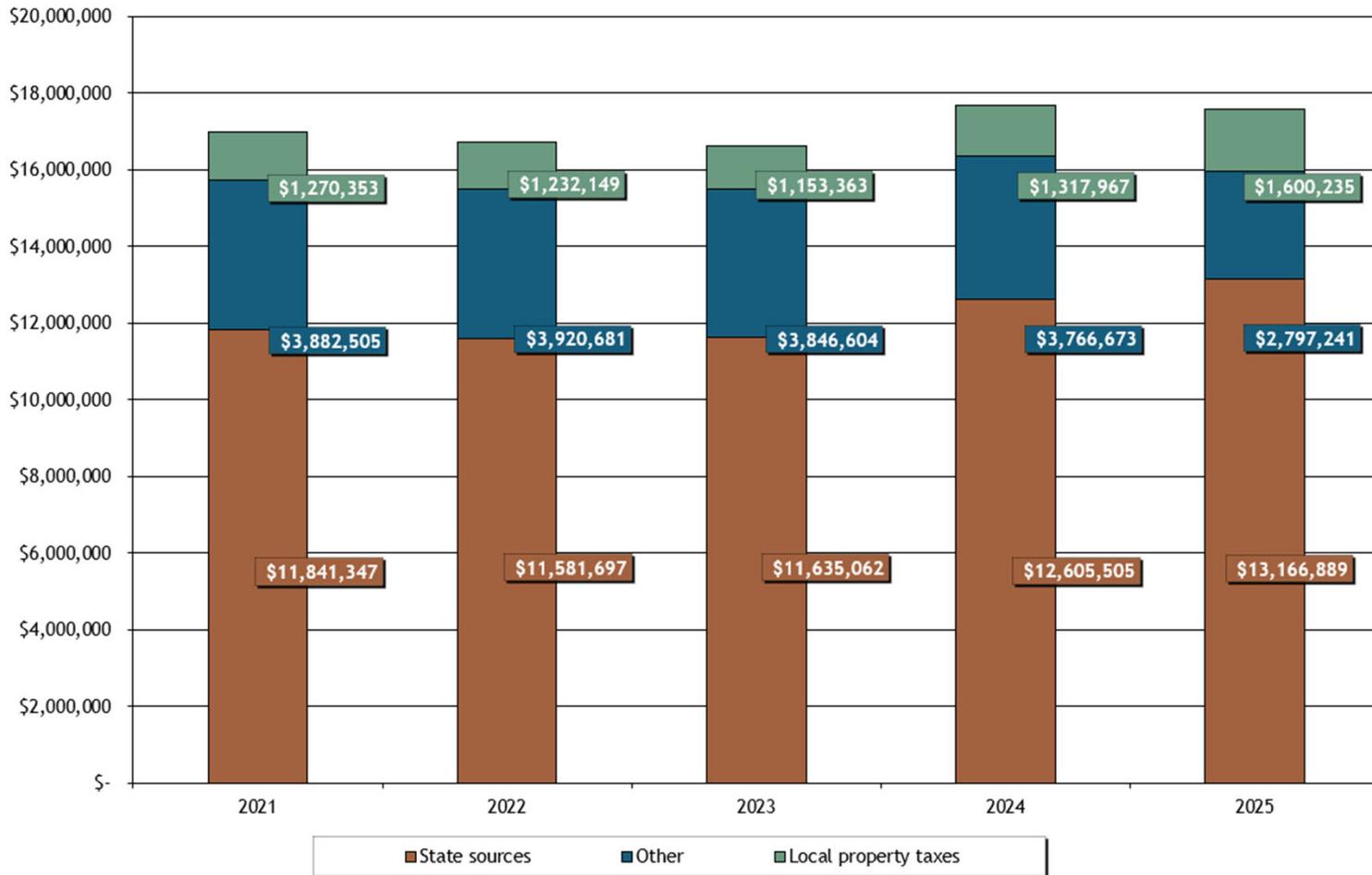
Average Daily Membership and Pupil Units - Adjusted PUN



General Fund - Sources of Revenue

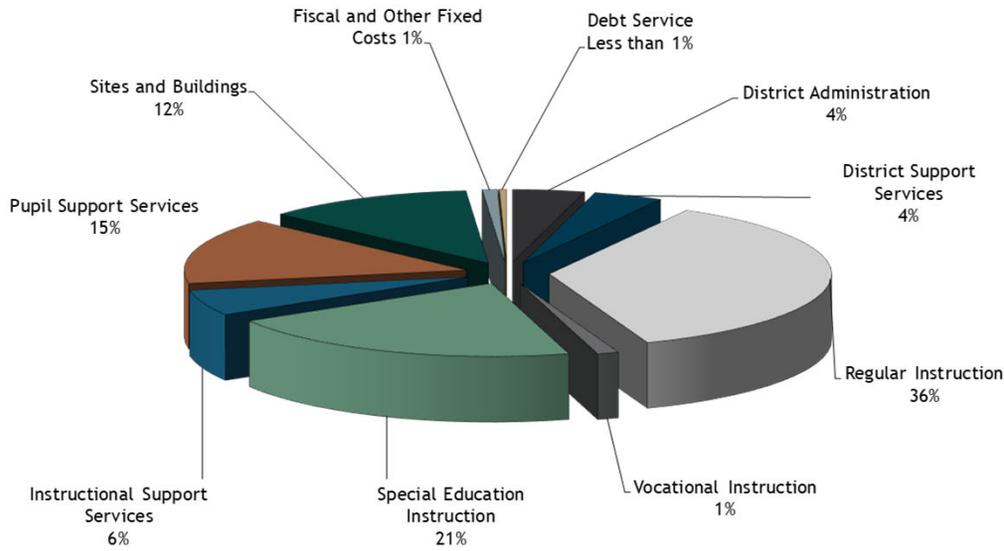
	2021	2022	2023	2024	2025
Local property taxes	\$ 1,270,353	\$ 1,232,149	\$ 1,153,363	\$ 1,317,967	\$ 1,600,235
State sources	11,841,347	11,581,697	11,635,062	12,605,505	13,166,889
Other	3,882,505	3,920,681	3,846,604	3,766,673	2,797,241
Total	\$ 16,994,205	\$ 16,734,527	\$ 16,635,029	\$ 17,690,145	\$ 17,564,365

General Fund - Sources of Revenue

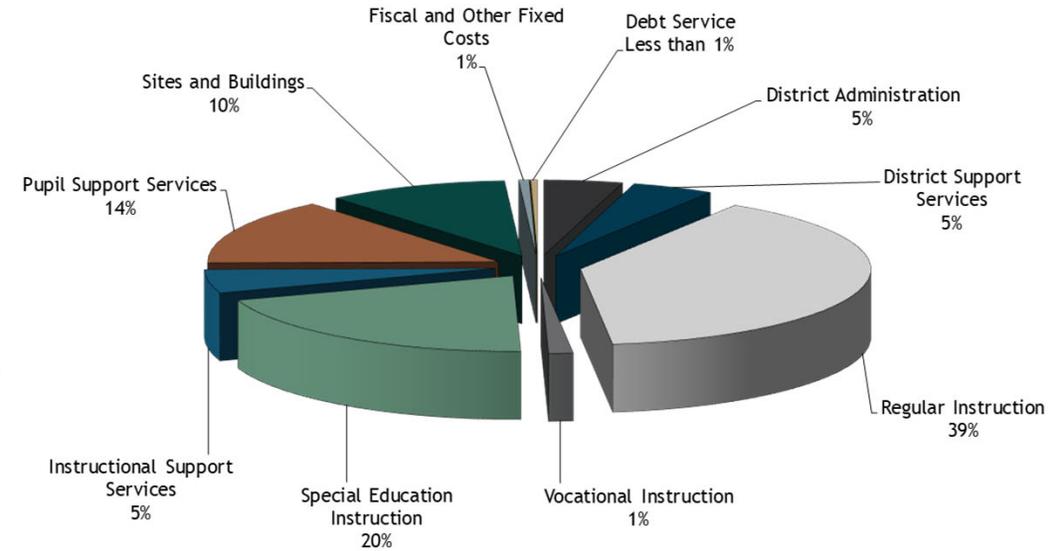


General Fund – Expenditures

2025 Expenditures
\$17,843,550



2024 Expenditures
\$18,216,241



General Fund Budget and Actual

	Final Budget	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues			
Local property taxes	\$ 1,350,922	\$ 1,600,235	\$ 249,313
Other local and county revenues	423,856	483,672	59,816
Revenue from state sources	13,679,780	13,166,889	(512,891)
Revenue from federal sources	2,487,921	2,307,042	(180,879)
Sales and other conversion of assets	5,900	6,527	627
Total revenues	17,948,379	17,564,365	(384,014)
Expenditures			
Administration	753,053	733,587	(19,466)
District support services	610,746	712,967	102,221
Regular instruction	6,683,738	6,470,168	(213,570)
Vocational education instruction	219,660	218,073	(1,587)
Special education instruction	3,935,822	3,707,899	(227,923)
Instructional support services	1,094,606	1,019,105	(75,501)
Pupil support services	2,696,192	2,624,434	(71,758)
Sites and buildings	1,770,557	2,128,625	358,068
Fiscal and other fixed cost programs	149,776	154,826	5,050
Debt service	36,761	73,866	37,105
Total expenditures	17,950,911	17,843,550	(107,361)
Excess of revenues over (under) expenditures	(2,532)	(279,185)	(276,653)
Other Financing Sources			
Proceeds from sale of capital assets	16,858	16,858	-
Insurance recovery	99,267	99,267	-
Transfers in	-	879,736	879,736
Transfers out	-	(67,845)	(67,845)
Total other financing sources	116,125	928,016	811,891
Net change in fund balances	\$ 113,593	\$ 648,831	\$ 535,238

General Fund

- Revenues Per Student ADM Served

Deer River					
General Fund Revenue	2021*	2022*	2023*	2024*	2025**
Property taxes	\$ 833	\$ 778	\$ 619	\$ 828	\$ 1,012
Other local sources	1,654	1,584	1,848	1,497	1,596
State aid	13,488	13,229	13,443	15,229	16,424
Federal aid	3,405	3,548	3,388	3,989	2,878
Total General Fund Revenue	\$ 19,380	\$ 19,139	\$ 19,298	\$ 21,543	\$ 21,909

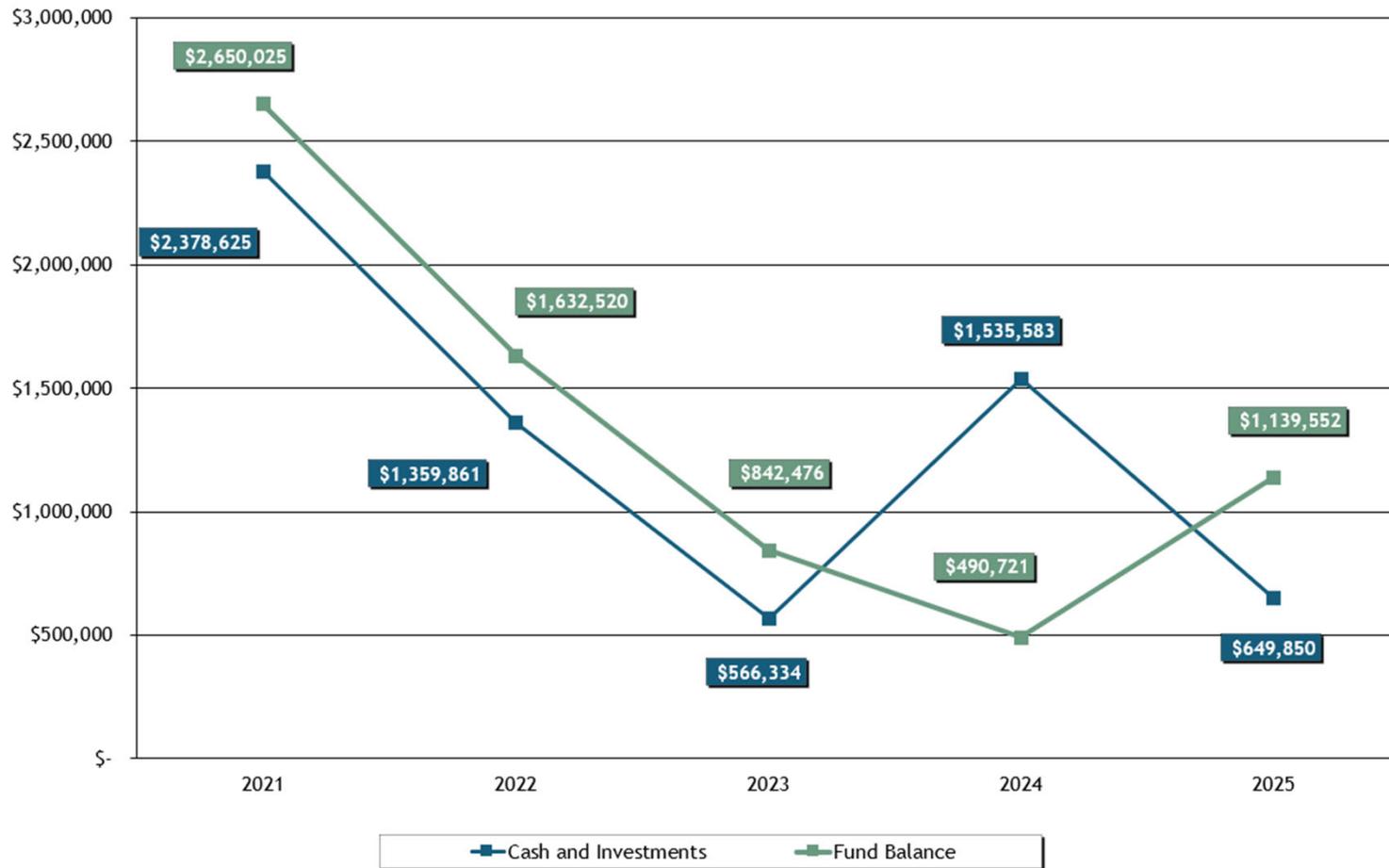
State-Wide					
General Fund Revenue	2021*	2022*	2023*	2024*	2025**
Property taxes	\$ 2,381	\$ 2,443	\$ 2,545	\$ 2,728	N/A
Other local sources	432	558	731	880	N/A
State aid	10,758	10,782	11,073	12,448	N/A
Federal aid	1,041	1,383	1,378	1,131	N/A
Total General Fund Revenue	\$ 14,612	\$ 15,166	\$ 15,727	\$ 17,187	N/A

General Fund

- Expenditures Per Student ADM Served

	2021*	2022*	2023*	2024*	2025**
General Fund	\$ 18,704	\$ 20,306	\$ 20,259	\$ 21,971	\$ 22,257
Food Service	858	948	993	1,171	1,140
Community Service	279	341	383	270	312
State-Wide Averages	2021*	2022*	2023*	2024*	2025**
General Fund	\$ 14,167	\$ 15,010	\$ 15,730	\$ 16,649	N/A
Food Service	529	666	702	801	N/A
Community Service	571	646	715	765	N/A

General Fund – Financial Position



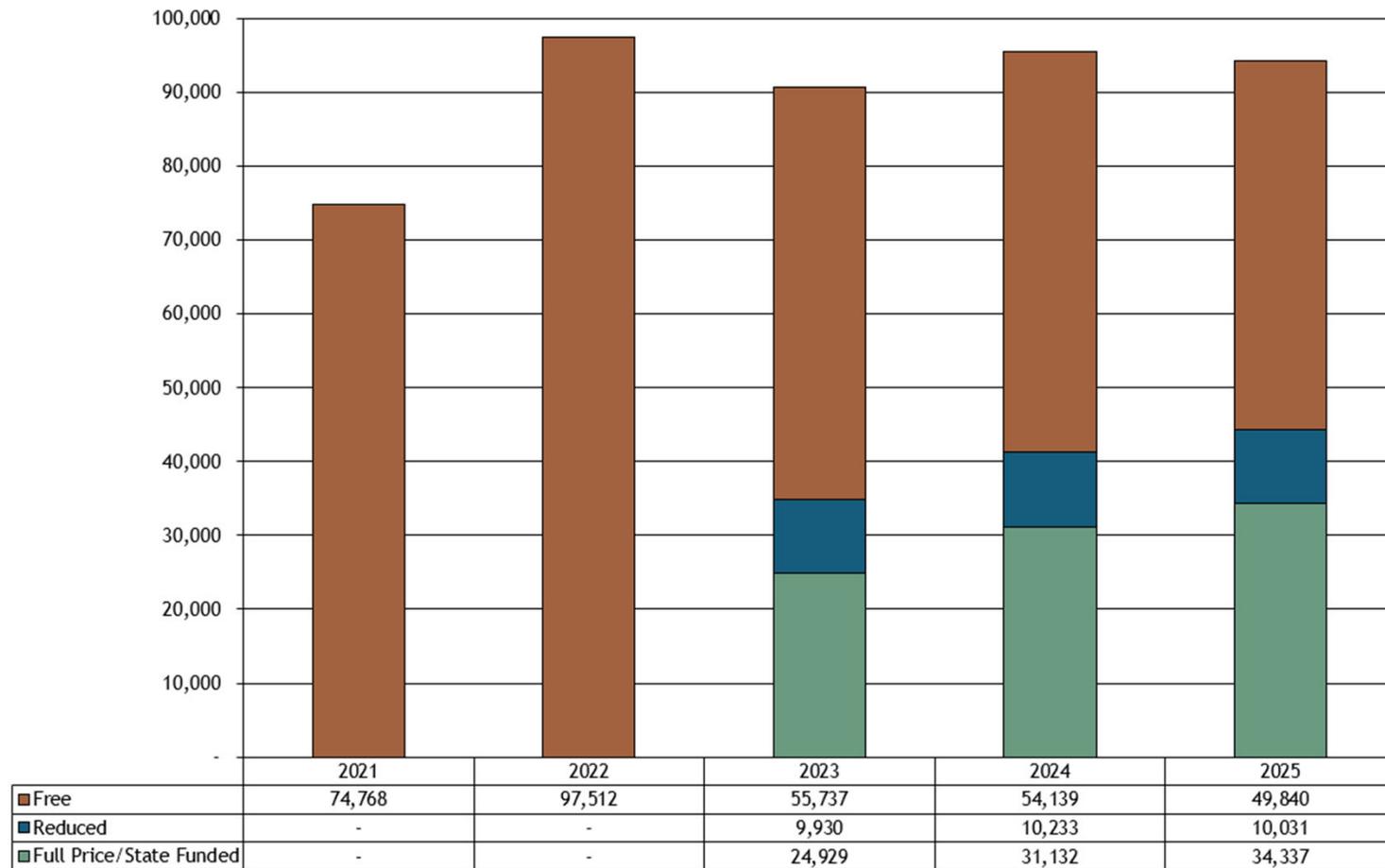
General Fund – Operations

For the Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	\$ 16,994,205	\$ 16,734,527	\$ 16,635,029	\$ 17,690,145	\$ 17,564,365
Expenditures	16,403,570	17,752,032	17,521,837	18,216,241	17,843,550
Excess of revenues over (under) expenditures	590,635	(1,017,505)	(886,808)	(526,096)	(279,185)
Proceeds from debt issuances	-	-	11,613	50,997	-
Proceeds from sale of capital assets	-	-	38,285	-	16,858
Insurance recovery	-	-	46,866	123,344	99,267
Transfers in	-	-	-	-	879,736
Transfers out	-	-	-	-	(67,845)
Fund balance, July 1	2,059,390	2,650,025	1,632,520	842,476	490,721
Fund Balance, June 30	\$ 2,650,025	\$ 1,632,520	\$ 842,476	\$ 490,721	\$ 1,139,552
Components of the fund balance					
Restricted	\$ 1,196,904	\$ 292,639	\$ 201,756	\$ 511,080	\$ 372,517
Committed	357,275	75,166	70,486	70,486	70,486
Unassigned	1,095,846	1,264,715	570,234	(90,845)	696,549
Fund Balance, June 30	\$ 2,650,025	\$ 1,632,520	\$ 842,476	\$ 490,721	\$ 1,139,552

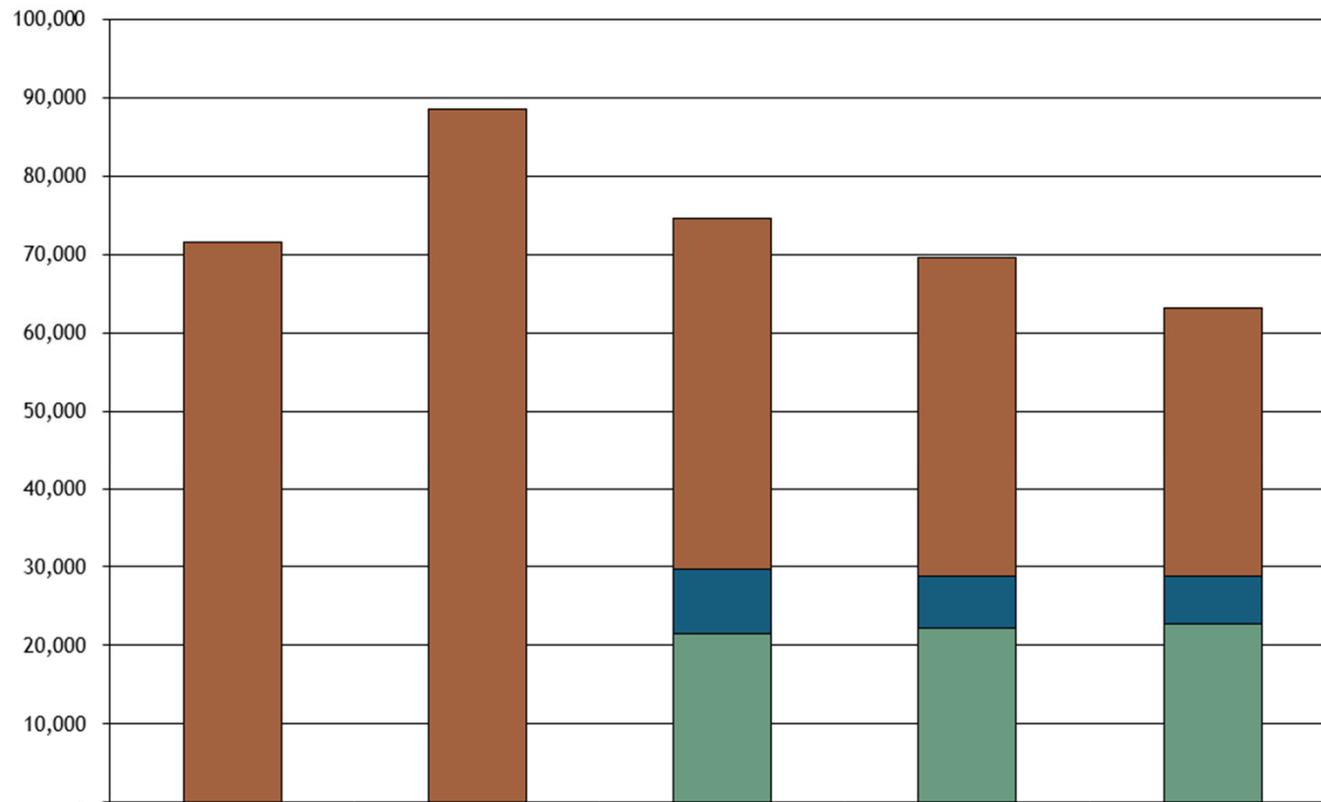
Food Service Fund

Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	\$ 737,824	\$ 853,937	\$ 730,213	\$ 851,955	\$ 816,622
Expenditures	750,064	826,136	855,857	965,567	913,556
Excess of revenues over (under) expenditures	(12,240)	27,801	(125,644)	(113,612)	(96,934)
Proceeds from sale of capital assets	-	-	2,735	-	-
Transfers in	-	-	-	-	67,845
Fund balance, July 1	269,404	257,164	284,965	162,056	48,444
Fund Balance, June 30	\$ 257,164	\$ 284,965	\$ 162,056	\$ 48,444	\$ 19,355

Food Service Fund - Lunch



Food Service Fund - Breakfast



	2021	2022	2023	2024	2025
Free	71,496	88,473	44,886	40,795	34,313
Reduced	-	-	8,305	6,734	6,000
Full Price/State Funded	-	-	21,481	22,153	22,757

Community Service Fund

Year Ended June 30,	2021	2022	2023	2024	2025
Revenues	\$ 270,838	\$ 319,158	\$ 281,318	\$ 280,599	\$ 262,540
Expenditures	243,618	297,444	329,848	222,367	250,158
Excess of revenues over (under) expenditures	27,220	21,714	(48,530)	58,232	12,382
Fund balance, July 1	(6,331)	20,889	42,603	(5,927)	52,305
Fund Balance, June 30	\$ 20,889	\$ 42,603	\$ (5,927)	\$ 52,305	\$ 64,687

Fund Balance Components					
Restricted/reserved for					
Community Education	\$ (3,726)	\$ 1,774	\$ (20,783)	\$ 17,090	\$ 35,657
ECFE	360	(78)	(2,996)	(1,913)	-
School Readiness	(8,783)	4,926	(19,778)	2,409	2,408
Community Service	33,038	35,981	37,630	34,719	26,622
Total	\$ 20,889	\$ 42,603	\$ (5,927)	\$ 52,305	\$ 64,687

Auditor



Jackie Knowles

AUDIT DIRECTOR

320.650.0231

JACKIE.KNOWLES@CREATIVEPLANNING.COM

Thank You

Thank You



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ISD No. 317 Deer River, MN

Jackie Knowles, CPA



The Audit

Independent Auditor's Report

- ◆ Unmodified opinion on the District's basic financial statements which comprise the District's governmental activities, each major fund, the aggregate remaining fund information, and the budget to actual statement for the General Fund.
- ◆ Financial Statements present fairly, in all material respects, the financial position and changes in the financial position of the Governmental Activities, each major fund, and the aggregate remaining funds.

Audit Communications

- ◆ Report in Accordance with Government Auditing Standards
 - ◇ Internal Control Findings
 - ❖ Lack of Segregation of Accounting Duties
 - ❖ Material Audit Adjustments

- ◆ Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance
 - ◇ Single audit required when federal expenditures exceed \$750,000
 - ◇ Tested the Title I and Impact Aid programs
 - ❖ One program finding - Time and Effort Reporting

- ◆ Report on Minnesota Legal Compliance
 - ◇ Findings on compliance with legal provisions contained in the Minnesota Legal Compliance Audit Guide for School Districts
 - ❖ Timely Payment of Bills

Financial Communications

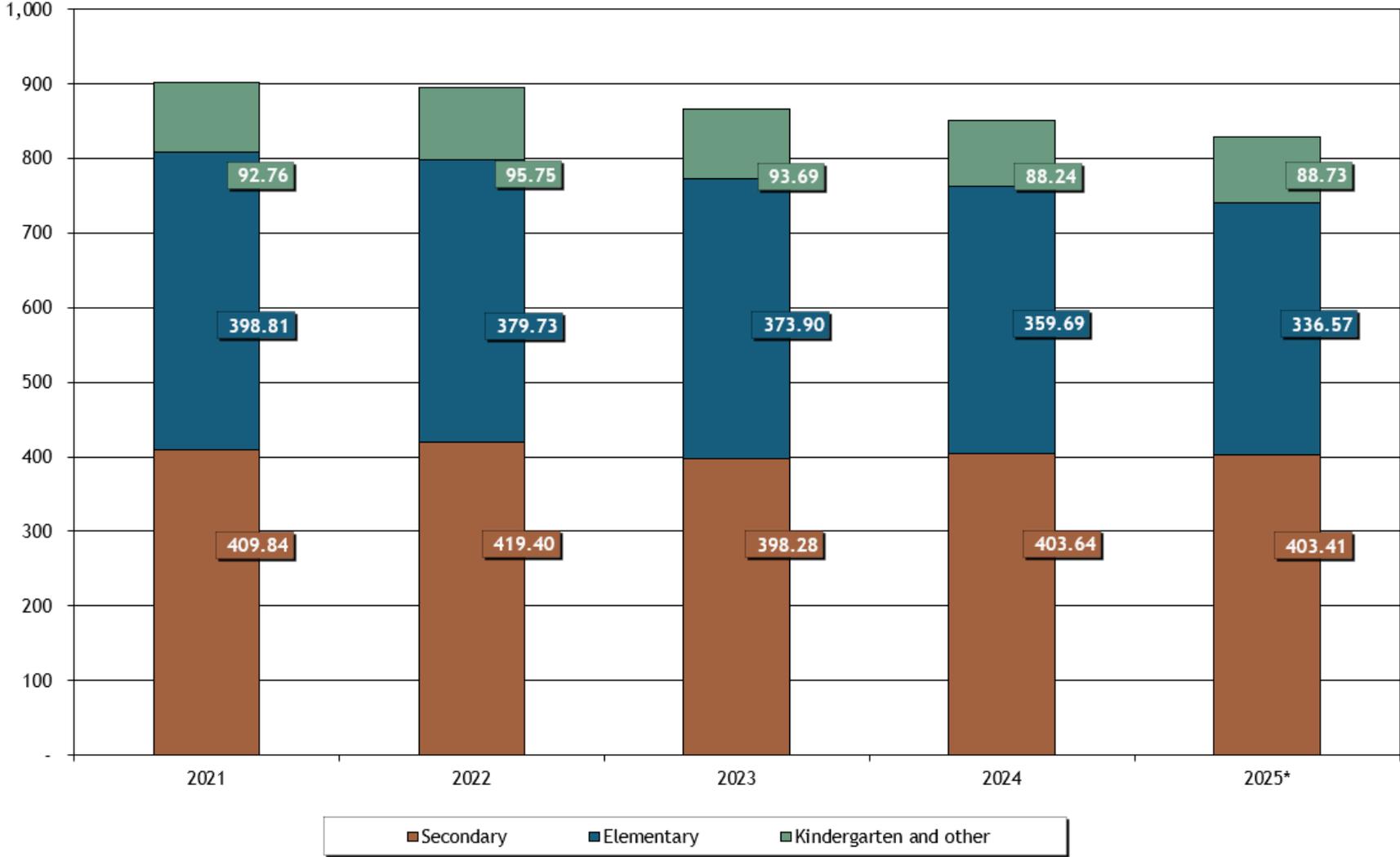
General Education Aid – Formula Allowance

Year	General Education Aid Formula Allowance	
	Amount	Percent Increase
2016	\$ 5,948	2.0%
2017	6,067	2.0%
2018	6,188	2.0%
2019	6,312	2.0%
2020	6,438	2.0%
2021	6,567	2.0%
2022	6,728	2.5%
2023	6,863	2.0%
2024	7,138	4.0%
2025	7,281	2.0%
2026	7,481	2.7%

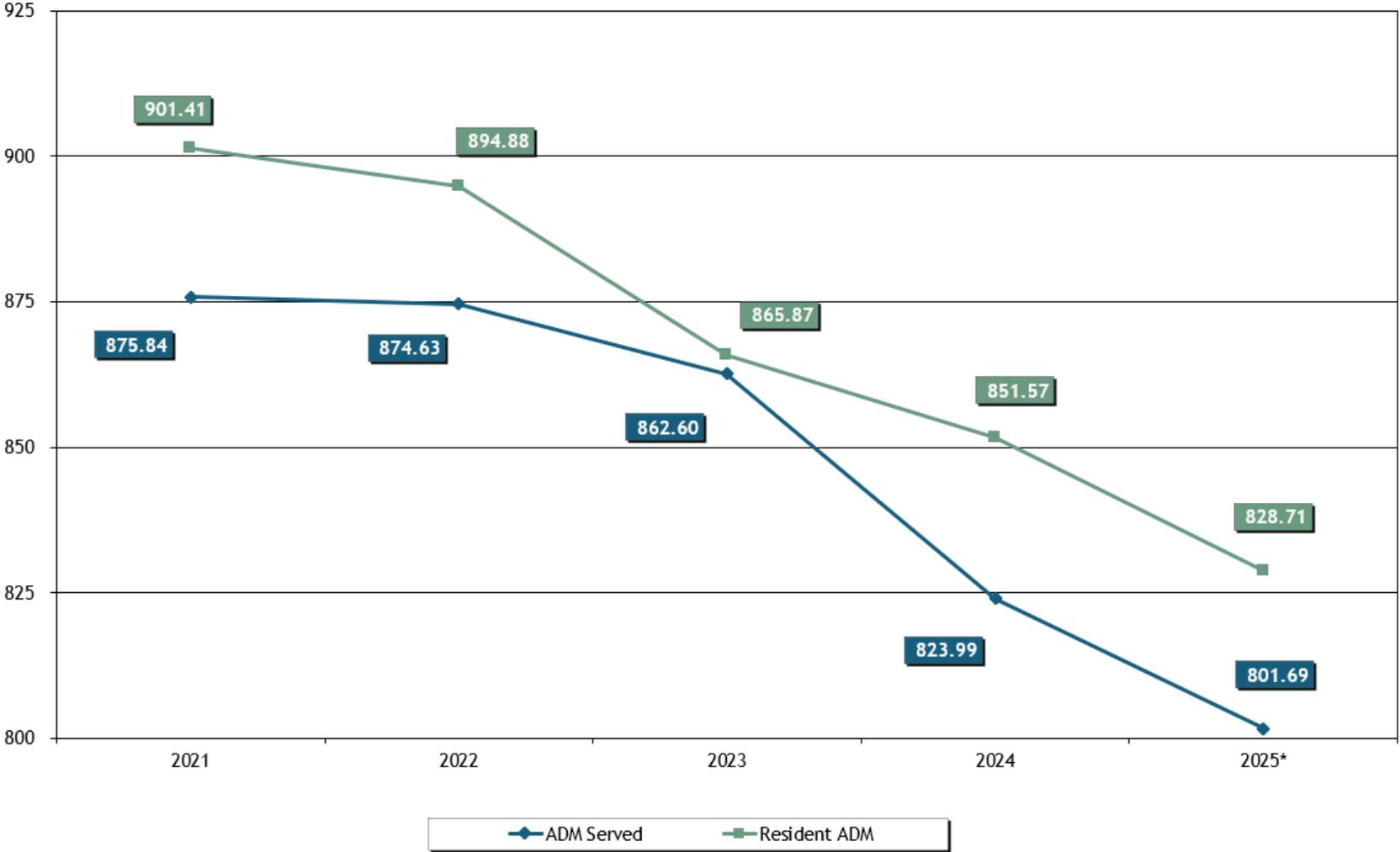
Average Daily Membership and Pupil Units - Resident ADM

Resident ADM	2021	2022	2023	2024	2025*
Kindergarten and other	92.76	95.75	93.69	88.24	88.73
Elementary	398.81	379.73	373.90	359.69	336.57
Secondary	409.84	419.40	398.28	403.64	403.41
Total Resident ADM	901.41	894.88	865.87	851.57	828.71

Average Daily Membership and Pupil Units - Resident ADM



Average Daily Membership and Pupil Units - Resident ADM

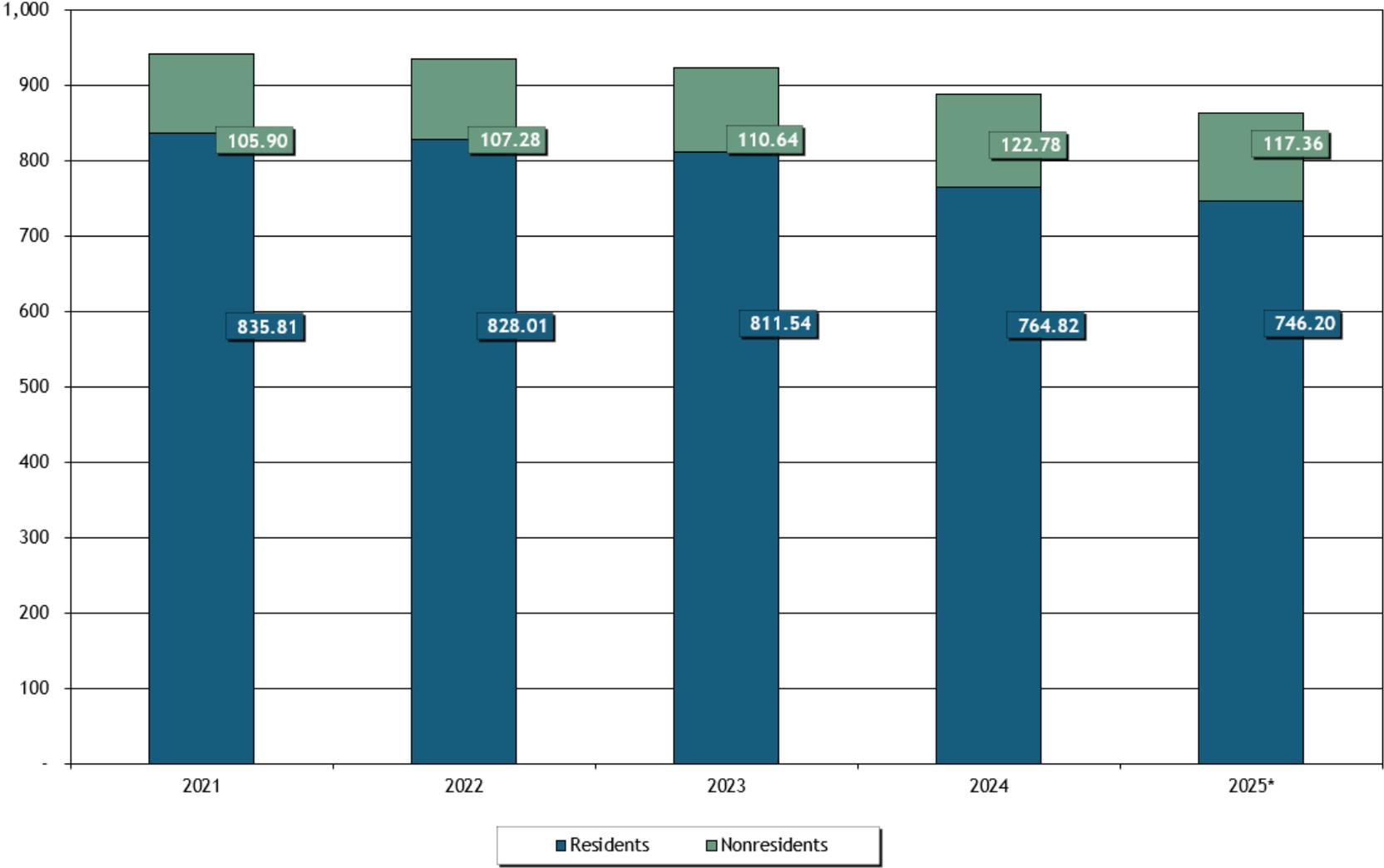


Average Daily Membership and Pupil Units - Weighting and Adjusted PUN

Pupil Units Weighting					
	Pre- Kindergarten	Kindergarten	Elementary Grades 1-3	Elementary Grades 4-6	Secondary
2021-2025	1.000	1.000	1.000	1.000	1.200

Pupil Unit Numbers	2021	2022	2023	2024	2025*
Residents	983.38	978.78	945.50	932.29	909.41
Residents going elsewhere	(147.57)	(150.77)	(133.96)	(167.47)	(163.21)
Nonresident gain	105.90	107.28	110.64	122.78	117.36
Total	941.71	935.29	922.18	887.60	863.56

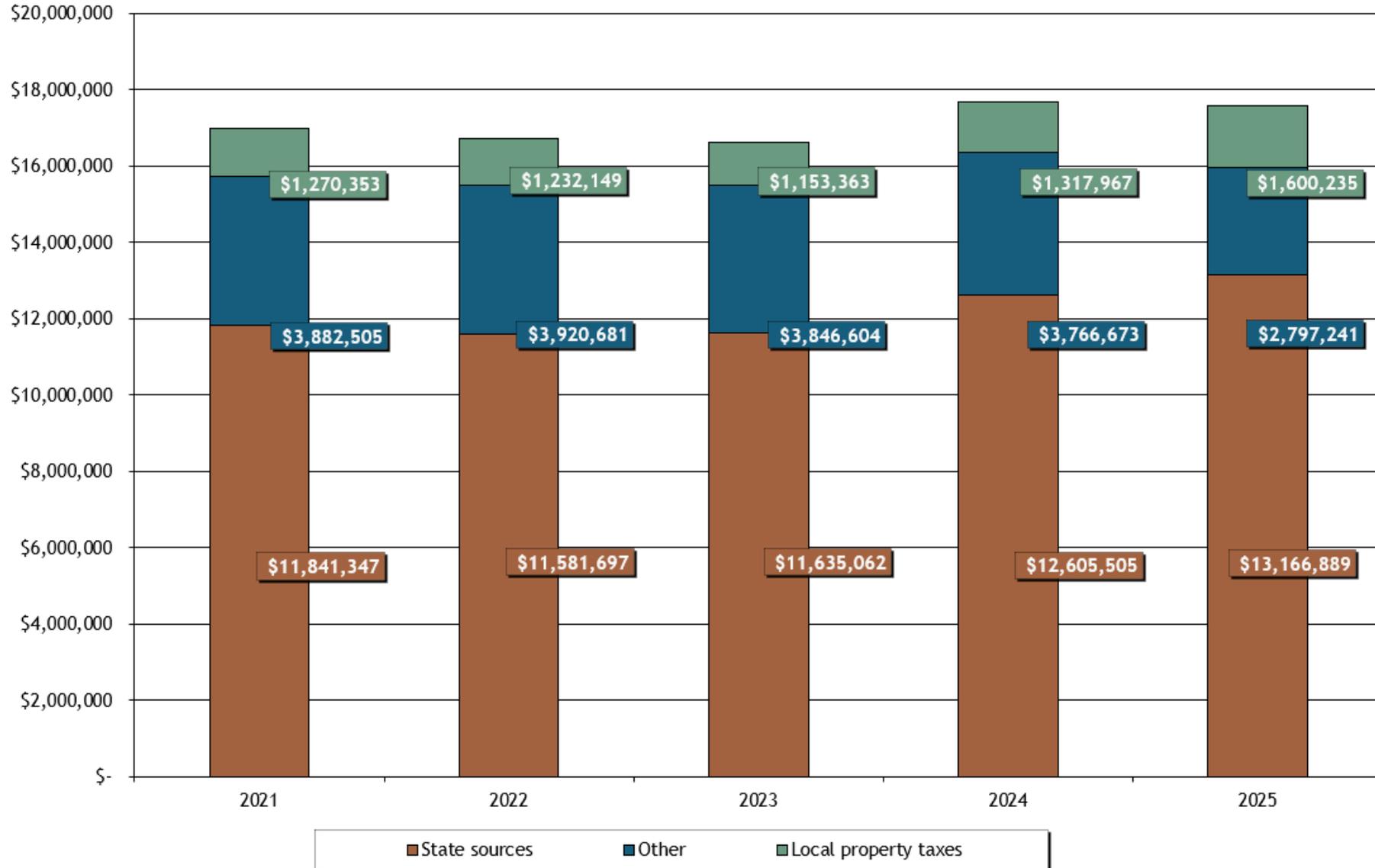
Average Daily Membership and Pupil Units - Adjusted PUN



General Fund - Sources of Revenue

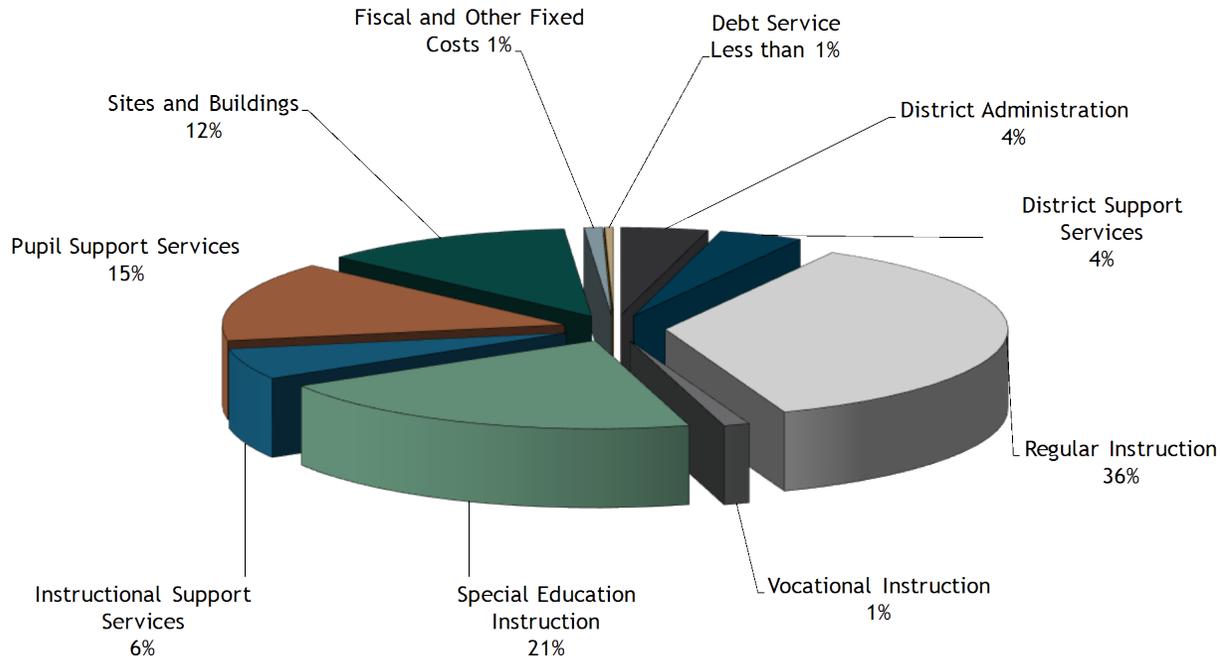
	2021	2022	2023	2024	2025
Local property taxes	\$ 1,270,353	\$ 1,232,149	\$ 1,153,363	\$ 1,317,967	\$ 1,600,235
State sources	11,841,347	11,581,697	11,635,062	12,605,505	13,166,889
Other	3,882,505	3,920,681	3,846,604	3,766,673	2,797,241
Total	\$ 16,994,205	\$ 16,734,527	\$ 16,635,029	\$ 17,690,145	\$ 17,564,365

General Fund - Sources of Revenue

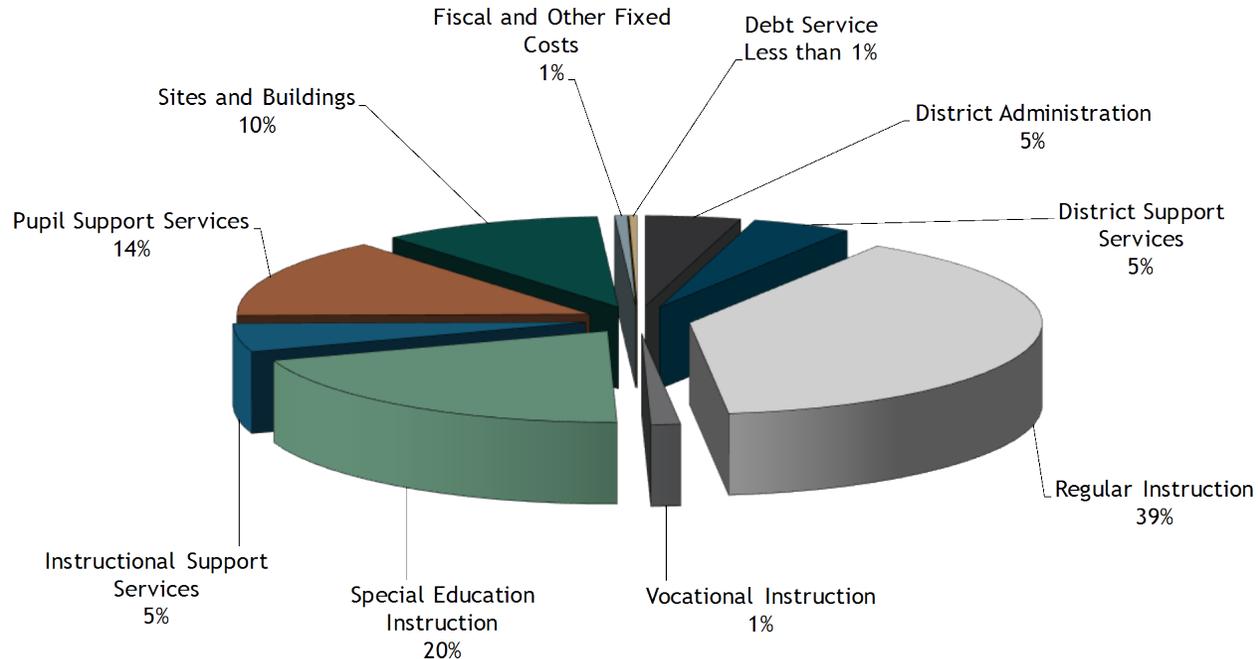


General Fund – Expenditures

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General Fund Budget and Actual

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General Fund

- Revenues Per Student ADM Served

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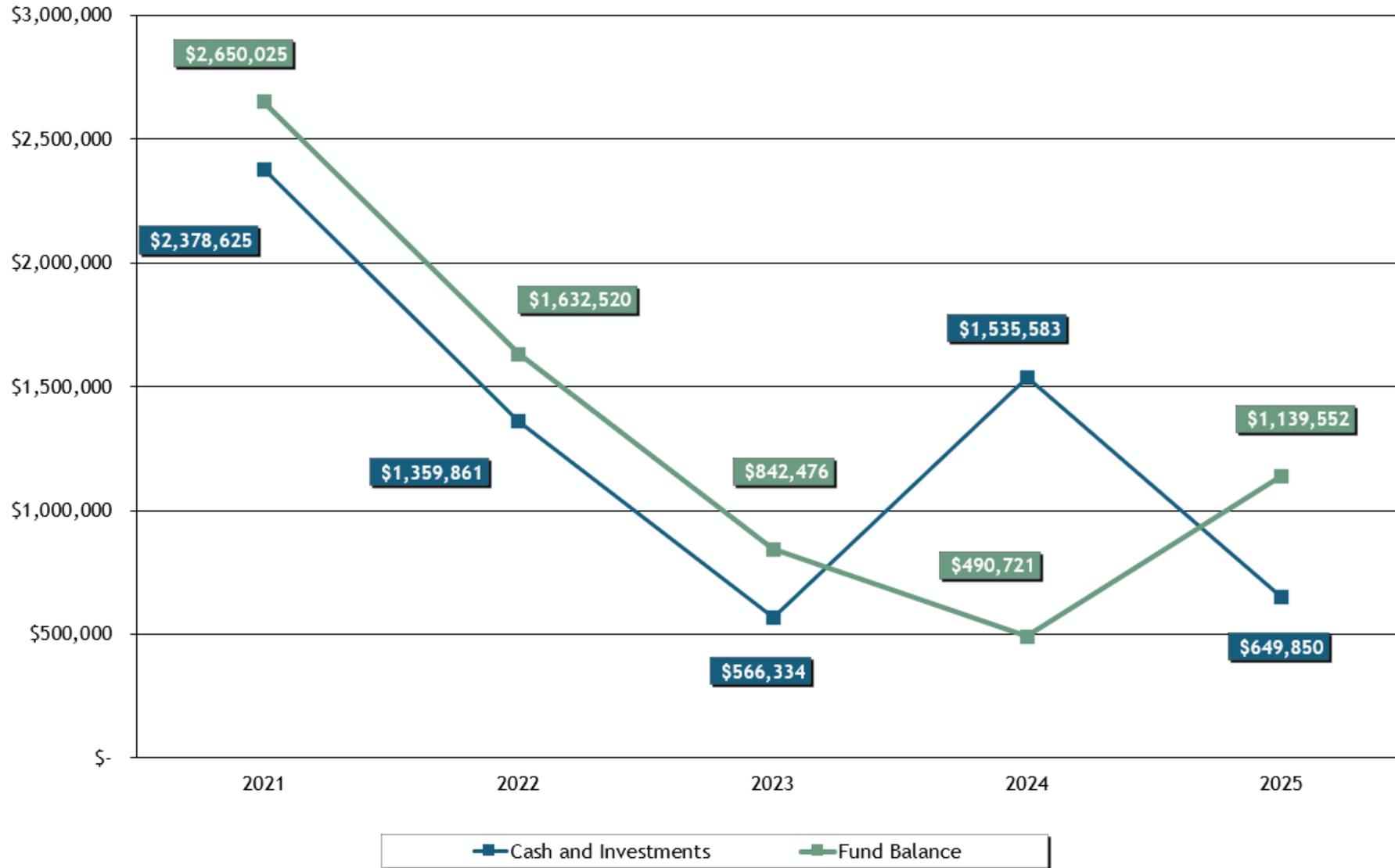
General Fund

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General Fund – Financial Position



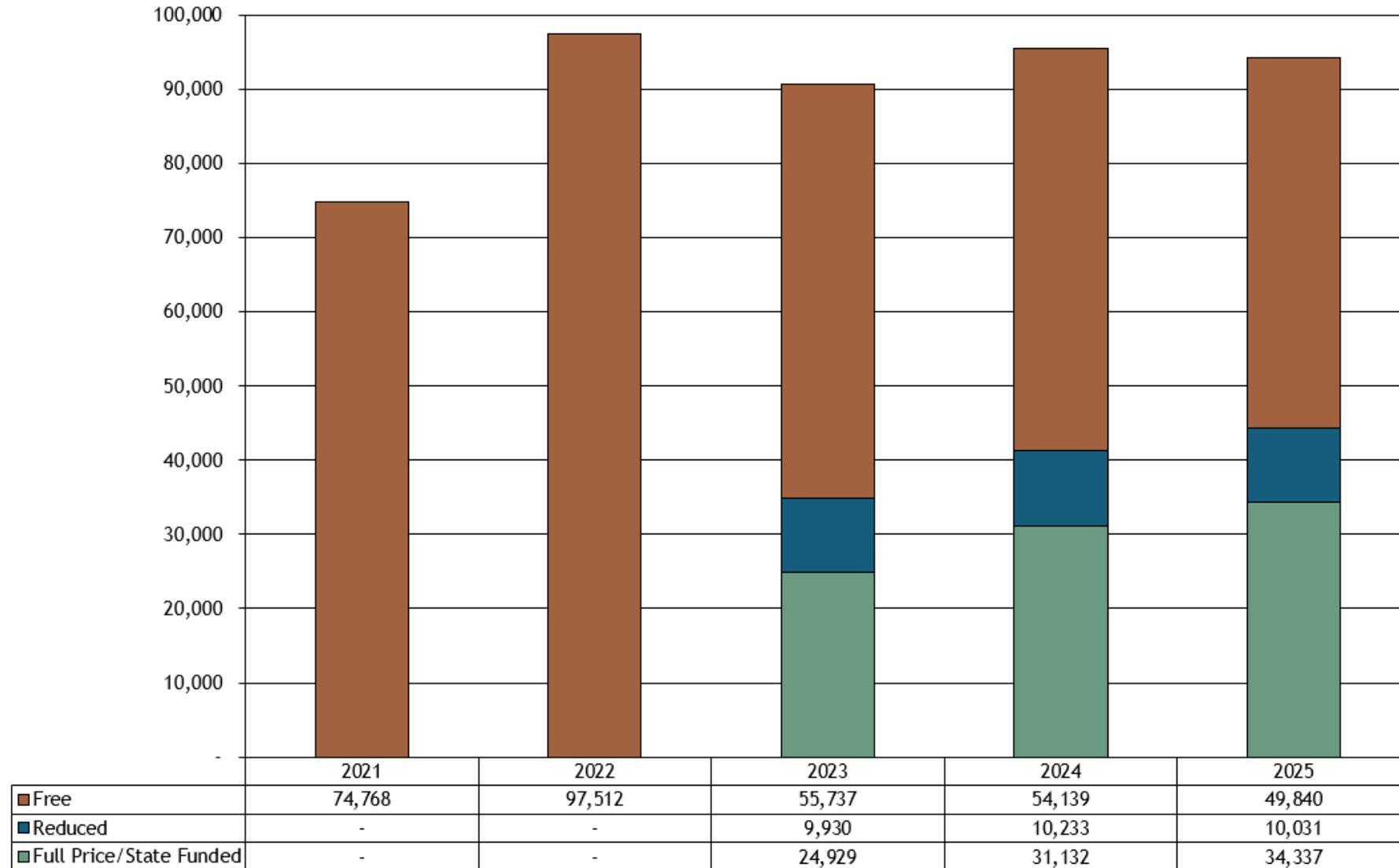
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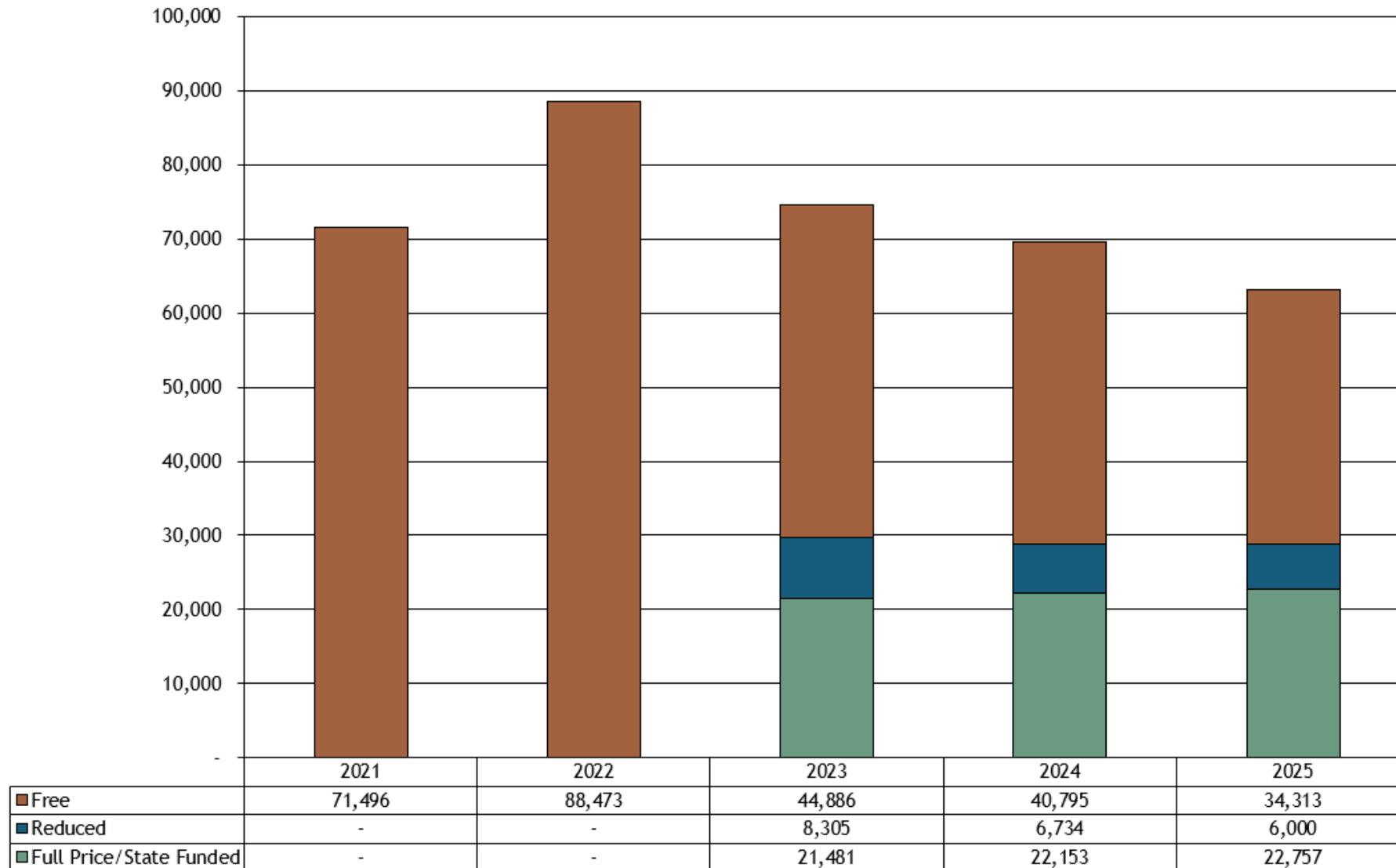
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Proceeds from sale of capital assets	-	-	2,735	-	-
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Food Service Fund - Lunch



Food Service Fund - Breakfast



Community Service Fund

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Fund Balance Components

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ECFE	360	(78)	(2,996)	(1,913)	-
School Readiness	(8,783)	4,926	(19,778)	2,409	2,408
Community Service	33,038	35,981	37,630	34,719	26,622
Total	\$ 20,889	\$ 42,603	\$ (5,927)	\$ 52,305	\$ 64,687

Auditor



Jackie Knowles

AUDIT DIRECTOR

320.650.0231

JACKIE.KNOWLES@CREATIVEPLANNING.COM

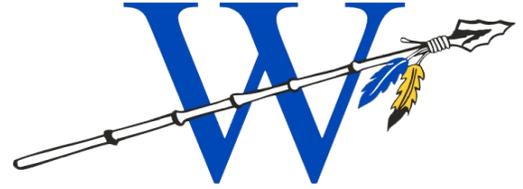
Thank You

Thank You



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TO: ISD 317 Board of Directors
FROM: Ara Anderson, DRHS Principal
DATE: Nov. 6, 2025



Student Achievement:

- 54% of DRHS students are on the Qtr 1 A or B Academic Honor Roll
- We are currently in the 3rd STAR Testing window for this school year. The STAR assessment is used to help to identify skills gaps, address foundational skills needs and monitor student learning in ELA and Math. This year's STAR testing schedule is found below.

Safe, Welcoming and Trusting Environment:

- PBIS team hosted a 1st Quarter Celebration Assembly on Wed. Nov. 5. Students
- Postcards home with positive messages from teachers about students will be going out in the mail soon. The postcards highlight the 4 core expectations of PBIS: *Engaged, Respectful, Responsible, Generous*

Professional Development:

- Marzano High Reliability Schools and Professional Learning Community training with Debbie Nicolai *Associate*, Marzano Resources. Teachers participated in a ½ day training in the morning. Jen Stefan., Lisa Box and I worked with Debbie in the afternoon to grow our Professional Learning Communities.
- Emilie Duffeny and I attend a full day MASSP Law Seminar in Cloquet on October 30, 2025. This yearly session provides updates on changes to school law as well as potential or pending legislation that impacts schools.

Upcoming Events:

- Veterans Day Program hosted by Anishinaabe Ed. Nov. 11 at 9:00 a.m. in East Gym

Respectfully Submitted,

A handwritten signature in black ink, appearing to be 'Ara Anderson', written in a cursive style.

Ara Anderson
DRHS Principal

Star Math and Reading Benchmarking Windows Students in Grades 6 - 8

- **ELA** - Test every month (April & May optional). Data points will be used as a Universal Screener to identify students reading at or above grade level
- **Math** - Test **Fall**, **November**, **Winter**, and **Spring** Benchmark. (Other months are optional, as needed, or if students are in an intervention)

Fall Benchmark - 9/3/2025 - 9/19/2025
October - 10/6/2024 - 10/17/2025
November - 11/4/2025 - 11/14/2025
December - 12/1/2025 - 12/12/2025
Winter Benchmark - 1/5/2026 - 1/15/2026
February - 2/2/2026 - 2/12/2026
Spring Benchmark - 3/2/2026 - 3/13/2026
April - 4/6/2026 - 4/17/2026 (Teacher Choice)
May - 5/4/2026 - 5/15/2026 (Teacher Choice)

Star Math and Reading Benchmarking Windows
Students in Grades 9 - 12
Math and ELA

Fall Benchmark - 9/3/2025 - 9/19/2025
October - 10/6/2025 - 10/17/2025
November - 11/4/2025 - 11/14/2025 (Reading)
December - 12/1/2025 - 12/12/2025
Winter Benchmark - 1/5/2026- 1/15/2026
February - 2/22/2025 - 2/12/2026
Spring Benchmark - 3/2/2026- 3/13/2026



Deer River High School



Quarter 1

Grade 6 - "A" Honor Roll

Anttila Lukas
Erickson Oliver
Grooms Mattaya
Hanson Brooklynn
Hazelrigg Endonnis
Hughes Vincent
Huju Cwyn
Johnson Ashlynn
Melchert Micki
Nason Orion
O'Shea Aubree
Ramsdell Gavyn
Randall Memphis
Schultz Evelyn
Spry Grayson
Stangler Daniel
Vaneps Brooklyn
Washburn Paisley
White Keegan

Grade 6 - "B" Honor Roll

Armstrong Reba
Basswood Donovan
Bebeau Easton
Cloud Mason
Fieldsend Michael
Gladue Zaydyn
Howard-Bellanger Ava
Isham Anoodin
Jimenez Harmony
Langer Sophia
Laroque Curtis
Leen William
Lyytinen Jack
Patterson Joseph
Paulley Meah
Villeneuve Maylah

Grade 7 - "A" Honor Roll

Baker Natalie
Bebeau Audrina
Blackbear Lilith
Evans Aeson
Fox Cameron
Herme Amaiah
Jurvelin Henrik
Kongsjord Wyatt
Osse Jacob
Sayers Kiera
Schultz Ethan
Sibbert Avery
Smith Ernest
Stangler Jacob
Thompson Tristyn
Villeneuve James
Villeneuve Shiloh

Grade 7 - "B" Honor Roll

Birt Emma
Brink Mason
Elletson Henry Abrianna
Goodrich Charlee
Grossell Saylor
Hawk Otto
Hughes Thayer
Isaacs Aleksandra
O'Gorman Kaydence
Oothoudt Aaron
Powell Ruth
Rodgers Charles
Rubin Nevaeh
Watkins Shane

Grade 8 - "A" Honor Roll

Abell Hadley
Abell Haven
Dahl Rianna
Frits Landon
Gullickson Mahala
Hanson Elizabeth
Holmied Marlayna
Howard Julian
Isaacs Jackson
Lathrop Brietta
Martin Amelia
Skarlupka Sloan
Thompson Talina
Treat Hadassah
Wilson Cooper

Grade 8 - "B" Honor Roll

Bacalan Ranz Yuehan
Barnes Revlyn
Carstensen Layne
Grauman Kaine
Hauer Izabella
Hemphill Bentley
Jackson Murphy
Johnson Koltin
Jones Tey'Mond
Kingbird Faith
Mayfield Jennaya
Miller Erin
Monacelli Lydia
Ortloff TJ
Randall Tara
Sampson Mandi
Shaw EmmaLou
Snakenberg Skylar
Stangler Leo
Storlie Bowen
White Aja

Grade 9 - "A" Honor Roll

Alzen McKenna
Belgarde Ayanna
Benham Cara
Bonestell Zoey
Bowstring Natalie
Brenden Emma
Evans Jaret
Fieldsend Cami
Foix Sadie
Goodman Chaskay
Hawkins Hope
Herring Isabelle
Hinman Abigail
Jensen Lanieka
Kossow Brooklyn
Morrison Tennille
Rubin Mahteya
Schwochert Gage
Stangler Autumn
Stangler David
Swett Aiyanna
Tyler Sophia
Villeneuve Mattea
Watkins Josie
Wilson Kori

Grade 9 - "B" Honor Roll

Baker Hoyt
Bowstring Madison
Bunker-Howe Landon
Burton Riley
Cook Hannah
Gotchie Angelina
Hughes Bryleigh
Jackson Kyra
Johnson Kendall
Johnson Triston
Jones Tra'Norvea
Reed Peyton
Snyder Makenna
Wesley Kiri

Grade 10 - "A" Honor Roll

Barnes Awren
Carlson Emma
Fairbanks Kaydence
Fieldsend Bailey
Frits Isabella
Grigsby Desirae
Grossell Stellan
Huf Cory
Isaacs Carter
Isaacs Kellan
Kongsjord Brett
Lathrop Alexia
McGinnis Carson
Morrison Tatum
O'Shea Quinton
Petermeier Ridge
Potasnak Leon
Reed Kaden
Rubin Raven
Skarlupka Brooke
Tyler Madison

Grade 10 - "B" Honor Roll

Bacalan Rhain Aizen
Brink Connor
Davis Jaden
Evans Edmund
French August
Hron Jeremiah
Morse Isaac
Smith Aundrea
Snakenberg Coal

Grade 11 - "A" Honor Roll

Churchwell Angel
Gotchie Makaya
Jensen Damari
Petermeier Grant
Snyder Rilee
Villeneuve Ian
Wilson Brooklynn

Grade 11 - "B" Honor Roll

Applebee Hunter
Baker Apani
Barnes Hudson
Belgarde Christopher
Brown Justice
Bruers Laila
Doust Matthew
Erickson Teijha
Harrison Abbigale
Lambert Kina
Latvala Tyler
Miller Dustin
Mitchell Emma
Morgan Beau
Morrison Leon
Rivera Anthony
Smith Tessa
Stearns Jack
Warner Joel
Wilson-Keezer Serene

Grade 12 - "A" Honor Roll

Benham Ian
Bergland Odin
Churchwell Rebecca
Edwards Cole
Erickson Lorella
Evans Jordin
Foix Gracie
Goodrich Ava
Hemphill Caitlynn
Isaacs Gabriella
Johnson Kaelynn
McGinnis Brecken
Miller Kierra
Patterson Ethan
Sjolund Keaton
Stangler Sarah
Thuney Shanae

Grade 12 - "B" Honor Roll

Bailey Finn
Belgarde Ra'leigh
Drouillard Rihana
Evans Cash
Herring Caiden
Holmied Justin
Hron Colby
Mann Zachary
Miller Audrina
Parks Eli
Prica Danica
Rhodes Hunter
Schjenken Ariaiana
Stearns Lydia
Tyler Connor



DEER RIVER HIGH SCHOOL
101 First Avenue NE
PO Box 307
Deer River, MN 56636
Home of the Warriors

KING ELEMENTARY SCHOOL
504 5th St. SE
PO Box 307
Deer River, MN 56636
King Pride

TO: ISD 317 Board of Directors
FROM: Jennifer Stefan
Date: November 10, 2025

Resilient and Supported Students

End of the Quarter Celebration - Inflatable Party

PBIS Data - 93% of student with 0-1 Office Discipline Referrals

Fall Conferences November 18 and 20

High Quality Instruction and Equipped and Supported Staff

HRS training for all teachers November 3

District Leadership team HRS training November 18

Respectfully Submitted,

Jennifer Stefan



TO: ISD 317 Board of

Directors

FROM: Brent Schimek B/G

Director

DATE: Nov 10 , 2025

Building and Grounds

Agenda items: None

Items of Interest:

- Sprinkler systems at all fields and buildings purged.
- Window decals /Security for King Ordered

Still very short custodial employees. Down 1.5 Soon to be 2 positions from summer yet to be filled.



TO: ISD 317 Board of

FROM: Brent Schimek A.D.

DATE: Nov 10 , 2025

Directors

Activities Report:

No Action items

MSHSL AAA and ExCel selections will be happening in December

Other items/Informational

Winter Season start Nov 10th GBB and Cheer, Nov 17 BBB and WR

School Board Meeting
November 2025

Student and Family Engagement

Native American Heritage month planning a family night

Collaborative leadership, shared power and voice

Jaeger toured two site based clinics within schools in Moorhead and Ortonville

Working on plan for SBHC

Expanded, enriched learning opportunities

Learning Academy will be having after school classes at King School starting in December

Integrated systems of support

Working with school nurse to assist families with referrals to vision and hearing

Anishinaabe Gikinoo'amaadiwin

Board Report – October 2025

Department Purpose

To support cultural identity, academic success, postsecondary readiness, and family/community partnership for Native students across grades PreK–12.

Program Highlights & Activities

Ogitchiidaag Leadership Club

- Preparing and **hosting the Veterans Day Ceremony** on **November 11, 2025** in collaboration with the Leech Lake Honor Guard and school leadership.
- **October 7:** Ogitchiidaag drummers performed for the **American Indian Cancer Foundation** opening ceremony at Breezy Point.

Drum & Dance

- Invited to perform at **Greenway Area Schools**, with **28 student singers and dancers** representing Deer River in a school-wide cultural expo.

Traditional Wooden Stick Lacrosse (Bagadowe)

- **October 11:** Regional lacrosse gathering hosted locally with **50+ players** from MN and WI.
- **Cass Lake WeCover Recovery Event: 17 student athletes** led a skill and cultural demonstration.
- **October 26 (Duluth): 17 students** traveled to participate in event, representing the program well.

Seasonal Cultural Activities Class

- **Muskrat Trapping (Oct. 30–31):** Students learned trap setting, harvesting, skinning, and preparation teachings.
- Students prepared and **ate muskrat in class on November 4**, reinforcing teachings on respect and using all parts of the animal.

Family & Community Engagement

Family Fun Night – King School NOVEMBER 24th

- Activities include lacrosse, **bagezi**, and the moccasin game.
- Community meal of **fry bread & soup** will be served.
- The yearly survey addressing community needs will be opened this night.

Tribal Consultation

- Held **October 15**.

- **Consultation paperwork remains unsigned** and is pending return from LLBO Education Department.

Postsecondary & Career Readiness

Date	Activity	Participants
Nov. 20	BSU Recruitment Visit	Grades 10-12
Dec. 2	Fond du Lac Tribal & Community College Visit	Grades 10-12

Counselors and LLBO staff are assisting with FAFSA, scholarships, and Tribal education benefits.

FOCUS Academic Support – Quarter 1 Results

Grade	Total Served	Passed	Failing	Pass Rate
6th	31	22	8	70%
7th	23	13	10	62%
8th	28	18	10	64%
9th	29	20	9	69%

- Continued teacher collaboration and home communication are underway for Quarter 2.

Next Steps

- Finalize Veterans Day Ceremony logistics.
- Continue fall/winter Drum & Dance and Lacrosse practice cycles.
- Complete Tribal Consultation documentation.
- Begin planning for winter cultural programming and college field trips.

S.T.E.P. COALITION

STANDING TOGETHER EMBRACING PREVENTION



Nov 10, 2025

School Board Meeting Agenda

DFC Grant

Project Coordinator: Breanne Kaanta

Contact: bkaanta@isd317.org

Events:

- **Girls Night Out**
 - October 23rd featured crafting, drinks/treats, and free haircuts/styling and manicures. The event was open to all female students grades 6-12.
 - **We had about 50 students attend!**
- **Boys Night Out**
 - Boys have already been asking when we will be doing a Boys Night!
 - Looking to schedule sometime during the winter months (Dec or Jan)
- **JH Winter Dance**
 - Will be hosting a JH winter dance sometime in Dec, Jan, or Feb

Warrior Wardrobe:

- We have had over **100 students** utilize the Warrior Wardrobe in October!

SBHC Project Board Meeting Update

Progress Report as of November 7, 2025

Telehealth Access Implementation

On October 13, 2025, we successfully launched telehealth access for our School-Based Health Center (SBHC) project. The utilization rate has started slower than anticipated, but this trend aligns with our expectations as the community adapts to the new system. We continue to monitor usage and are confident that adoption will increase as awareness and comfort with the platform grow.

Project Phase Two: Expanding Provider Participation

We have officially initiated the second phase of the project, which focuses on incorporating additional healthcare providers (HCPs) into our telehealth initiative. This collaborative expansion is designed to enhance the breadth and quality of services offered to our students and families. Outreach to prospective HCPs is ongoing, and we are optimistic about the positive impact their involvement will bring.

Enhancing Telehealth Exams with TYTO Care Device

To further improve the quality of medical assessments conducted via telehealth, we are working to implement the TYTO Care Device. This technology will enable us to perform more comprehensive exams, including throat and ear assessments, which are critical for accurate diagnosis and treatment. We anticipate this device will significantly enhance patient care and satisfaction.

MPC Grant Development

The MPC Grant is currently in the development stage, and we are excited about its potential to support and expand our SBHC project. This grant will provide essential funding to advance our goals, and we are actively working on required documentation and collaboration to ensure a strong application.

Next Steps and Outlook

- Continue outreach to additional healthcare providers.
- Finalize implementation of TYTO Care Device for comprehensive telehealth exams.
- Progress MPC Grant through the development phase.
- Monitor telehealth usage and adjust engagement strategies as needed.

Highlights

We were featured in the Herald Review which has led to other schools interested in what we are doing.

WDIO will be on campus November 12th, 2025, to do an interview so this is a great way to get out there and be heard.

Thank you for your continued support and guidance as we move forward with these important initiatives. We look forward to sharing further updates at our next board meeting.

Student Enrollment Summary
May 24-25

Elementary Schools:

Grade Level	K	1	2	3	4	5	Total
King Elem.	60	55	60	57	61	55	348
DR Sped		1	2	1	2	2	8

Secondary Schools:

Grade Level	6	7	8	9	10	11	12	Total
DRHS	57	64	64	55	65	60	48	413
DR ALP					2	1	3	6

Actual

Grand Total	775
--------------------	------------

Sept 25-26

Elementary Schools:

Grade Level	K	1	2	3	4	5	Total
King Elem.	47	58	56	55	54	59	329
DR Sped		1	1	2	1	1	6

Secondary Schools:

Grade Level	6	7	8	9	10	11	12	Total
DRHS	55	55	67	68	57	64	60	426
DR ALP					1	3	1	5

Actual

Grand Total	766
--------------------	------------

EXTRACT OF MINUTES OF MEETING
OF THE SCHOOL BOARD
OF INDEPENDENT SCHOOL DISTRICT NO. 317
(DEER RIVER SCHOOLS)
STATE OF MINNESOTA

Pursuant to due call and notice thereof, a _____ meeting of the School Board of Independent School District No. 317 (Deer River Schools), State of Minnesota, was duly held in the School District on _____, 2025, at _____ o'clock __.m. for the purpose, in part, of canvassing its special election.

The following members were present:

and the following were absent:

Member _____ moved the adoption of the following resolution:

**RESOLUTION CANVASSING RETURNS
OF VOTES OF SCHOOL DISTRICT SPECIAL ELECTION**

BE IT RESOLVED by the School Board of Independent School District No. 317, State of Minnesota, as follows:

1. It is hereby found, determined and declared that the special election of the voters of this School District held on November 4, 2025, was in all respects duly and legally called and held.

2. As specified in the attached Abstract and Return of Votes Cast, at said election a total of _____ voters of the School District voted on the question of approving capital project levy to fund technology of the School District for taxes payable in 2026 and thereafter (SCHOOL DISTRICT QUESTION 1), of which _____ voted in favor, _____ voted against the

same. Said proposition, having (not) received the approval of at least a majority of such votes, is hereby declared to have carried (failed).

3. As specified in the attached Abstract and Return of Votes Cast, at said election a total of _____ voters of the School District voted on the question of revoking the existing referendum revenue authorization of the School District and replacing that authorization with a new authorization for taxes payable in 2026 and thereafter (SCHOOL DISTRICT QUESTION 2), of which _____ voted in favor, _____ voted against the same. Said proposition, having (not) received the approval of at least a majority of such votes, is hereby declared to have carried (failed).

4. The Clerk is hereby directed to certify the results of the election to the County Auditor of each county in which the School District is located in whole or in part. The Clerk is further directed to notify the Commissioner of Education of the results of the special election within fifteen (15) days following the adoption of this resolution.

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.

Precinct AB/MB Summary Statement

Special Election April 29, 2025

Precinct: **Ball Club**

Absentee (AB)

County: Itasca

Number of Election Judges who worked in this precinct: * N/A

Number of Voting Booths in this precinct * N/A

Registration Statistics

Number of persons registered at 7 a.m. *1. 428

Number of new registrants on election day *2 0

Ballots delivered to the precinct

Ballots Ordered 3. 50

Ballots from Vote By Mail Vendor 4. 0

Number of printed ballots 5. 0

Total number of ballots delivered to precinct (3+4+5=A) A 50

Ballots not in the ballot box

Number of spoiled ballots *7. 0

Number of originals for which duplicates made *8. 0

Number of rejected absentees *9. 0

Number of unused ballots 10. 40

Total number ballots not in the ballot box (7+8+9+10 = B) B 40

Ballots cast in the ballot box

Number of absentee ballots *12. 10

Number of federal only absentee ballots *13. 0

Number of presidential only absentee ballots *14. 0

Total number of ballots in the ballot box (= persons voting) (12+13+14 = C) C 10

Ballots returned to Auditor/Clerk

Ballots returned from the precinct (B + C = D) D 50

Difference for auditor/clerk notation on delivery record (A - D = E) E 0

*are entered in ERS stats

Precinct AB/MB Summary Statement

Special Election April 29, 2025

Precinct: Inger

Absentee (AB)

County: Itasca

Number of Election Judges who worked in this precinct: * N/A

Number of Voting Booths in this precinct * N/A

Registration Statistics

Number of persons registered at 7 a.m. *1. 150

Number of new registrants on election day *2 0

Ballots delivered to the precinct

Ballots Ordered 3. 50

Ballots from Vote By Mail Vendor 4. 0

Number of printed ballots 5. 0

Total number of ballots delivered to precinct (3+4+5=A) A 50

Ballots not in the ballot box

Number of spoiled ballots *7. 0

Number of originals for which duplicates made *8. 0

Number of rejected absentees *9. 0

Number of unused ballots 10. 40

Total number ballots not in the ballot box (7+8+9+10 = B) B 40

Ballots cast in the ballot box

Number of absentee ballots *12. 10

Number of federal only absentee ballots *13. 0

Number of presidential only absentee ballots *14. 0

Total number of ballots in the ballot box (= persons voting) (12+13+14 = C) C 10

Ballots returned to Auditor/Clerk

Ballots returned from the precinct (B + C = D) D 50

Difference for auditor/clerk notation on delivery record (A – D = E) E 0

*are entered in ERS stats

Precinct AB/MB Summary Statement

Special Election April 29, 2025

Precinct: Jesse Lake

Absentee (AB)

County: Itasca

Number of Election Judges who worked in this precinct:	*	N/A
Number of Voting Booths in this precinct	*	N/A
Registration Statistics		
Number of persons registered at 7 a.m.	*1.	1079
Number of new registrants on election day	*2	0
<hr/>		
Ballots delivered to the precinct		
Ballots Ordered	3.	100
Ballots from Vote By Mail Vendor	4.	0
Number of printed ballots	5.	0
Total number of ballots delivered to precinct (3+4+5=A)	A	100
<hr/>		
Ballots not in the ballot box		
Number of spoiled ballots	*7.	0
Number of originals for which duplicates made	*8.	0
Number of rejected absentees	*9.	0
Number of unused ballots	10.	60
Total number ballots not in the ballot box (7+8+9+10 = B)	B	60
<hr/>		
Ballots cast in the ballot box		
Number of absentee ballots	*12.	40
Number of federal only absentee ballots	*13.	0
Number of presidential only absentee ballots	*14.	0
Total number of ballots in the ballot box (= persons voting) (12+13+14 = C)	C	40
<hr/>		
Ballots returned to Auditor/Clerk		
Ballots returned from the precinct (B + C = D)	D	100
Difference for auditor/clerk notation on delivery record (A - D = E)	E	0

*are entered in ERS stats

Precinct AB/MB Summary Statement

Special Election April 29, 2025

Precinct: King Elementary

Absentee (AB)

County: Itasca

Number of Election Judges who worked in this precinct:

* N/A

Number of Voting Booths in this precinct

* N/A

Registration Statistics

Number of persons registered at 7 a.m.

*1. 1833

Number of new registrants on election day

*2. 0

Ballots delivered to the precinct

Ballots Ordered

3. 150

Ballots from Vote By Mail Vendor

4. 0

Number of printed ballots

5. 0

Total number of ballots delivered to precinct (3+4+5=A)

A 150

Ballots not in the ballot box

Number of spoiled ballots

*7. 0

Number of originals for which duplicates made

*8. 0

Number of rejected absentees

*9. 0

Number of unused ballots

10. 88

Total number ballots not in the ballot box (7+8+9+10 = B)

B 88

Ballots cast in the ballot box

Number of absentee ballots

*12. 62

Number of federal only absentee ballots

*13. 0

Number of presidential only absentee ballots

*14. 0

Total number of ballots in the ballot box (= persons voting) (12+13+14 = C)

C 62

Ballots returned to Auditor/Clerk

Ballots returned from the precinct (B + C = D)

D 150

Difference for auditor/clerk notation on delivery record (A - D = E)

E 0

*are entered in ERS stats

Abstract of Votes Cast
Independent School District No. 317 (DEER RIVER)
State of Minnesota
at the Municipal and School District General Election
Held Tuesday, November 4, 2025

Compiled from the Official Returns.

Summary of Totals
Independent School District No. 317 (DEER RIVER)
Tuesday, November 4, 2025 Municipal and School District General Election

KEY TO PARTY ABBREVIATIONS

NP - Nonpartisan

Special Election for School Board Member (ISD #317)

NP	NP	WI
Richard Fieldsend	LuAnn Robinson	WRITE-IN
420	450	17

SCHOOL DISTRICT QUESTION 1 (ISD #317)

NP	NP
YES	NO
392	663

SCHOOL DISTRICT QUESTION 2 (ISD #317)

NP	NP
YES	NO
389	669

Detail of Election Results
 Independent School District No. 317 (DEER RIVER)
 Tuesday, November 4, 2025 Municipal and School District General Election

Office Title: Special Election for School Board Member (ISD #317)

Precinct	NP Richard Fieldsend	NP LuAnn Robinson	WI WRITE-IN
31 9330 : BALL CLUB COMMUNITY CENTER	36	49	2
31 9331 : JESSE LAKE LUTHERAN CHURCH	105	145	6
31 9332 : INGER COMMUNITY CENTER	16	29	1
31 9594 : ISD 317-KING ELEMENTARY SCHOOL	263	227	8
Total:	420	450	17

Office Title: SCHOOL DISTRICT QUESTION 1 (ISD #317)

Precinct	NP YES	NP NO
31 9330 : BALL CLUB COMMUNITY CENTER	36	53
31 9331 : JESSE LAKE LUTHERAN CHURCH	93	245
31 9332 : INGER COMMUNITY CENTER	32	24
31 9594 : ISD 317-KING ELEMENTARY SCHOOL	231	341
Total:	392	663

Office Title: SCHOOL DISTRICT QUESTION 2 (ISD #317)

Precinct	NP YES	NP NO
31 9330 : BALL CLUB COMMUNITY CENTER	37	52
31 9331 : JESSE LAKE LUTHERAN CHURCH	86	252
31 9332 : INGER COMMUNITY CENTER	30	26
31 9594 : ISD 317-KING ELEMENTARY SCHOOL	236	339
Total:	389	669

We, the school board members of Independent School District No. 317 (DEER RIVER), certify that we have canvassed the returns of the Municipal and School District General Election held on Tuesday, November 4, 2025 and have herein specified the names of any candidates receiving votes and the number of votes received by each candidate, and have herein specified the number of votes for and against any ballot questions voted on in this election.

As appears by the returns of the election precincts voting in this election, duly returned to, filed, opened, and canvassed, and now remaining on file in the office of the clerk of Independent School District No. 317 (DEER RIVER).

Witness our official signature at _____ in _____ County this _____ day of _____, 2025.

School Board Member

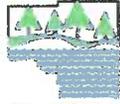
State of Minnesota
Independent School District No. 317 (DEER RIVER)

I, _____, Clerk of the Independent School District No. 317 (DEER RIVER) do hereby certify the within and foregoing _____ pages to be a full and correct copy of the original abstract and return of the votes cast in the Independent School District No. 317 (DEER RIVER) Municipal and School District General Election held on Tuesday, November 4, 2025.

Witness my hand and official seal of office this _____ day of _____, 2025.

INCIDENT LOG -
Itasca County

Jesse Lake



Itasca County
Minnesota

<<Election>>

<<Date>>

<<Precinct>>

Voters unable to register

* Tally of the number of voters unable to register to vote on Election Day.

Total

RETURN ALL PAGES TO THE RETURN TO COURTHOUSE FORMS FOLDER

Time of Incident	Voter ID if applicable	* Please record any unusual events or problems. * PLEASE PRINT! If the information line is insufficient, use a blank sheet of paper and attach.	Resolution
<i>6:40 pm</i>		<i>Man raise applied to vote. One judge ran ran the line in Pa. Another judge ran it the same time by mistake. His spouse which it register so.</i>	<i>Registered husband who then added</i>

OFFICIAL ELECTIONS SEAL

Tamper Evident Label
Report immediately if
"VOID OPEN" appears.

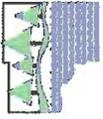


45910310

Reorder online at www.intab.net Item: 03-1372

INCIDENT LOG - King
 It a County

<<Election>>
 <<Date>>
 <<Precinct>>



Itasca County
 Minnesota

RETURN ALL PAGES TO THE RETURN TO COURTHOUSE FORMS FOLDER

Time of Incident	Voter ID if applicable	* Please record any unusual events or problems. * PLEASE PRINT! If the information line is insufficient, use a blank sheet of paper and attach.	Resolution
1:38p	Jams	Ballot didn't go into machine. The voter left. Two judges removed it & re-inserted it.	2 judges removed the ballot, reinserted it & marked "cast ballot"
4:12	DJ	Ballot Box counted Ballot but jammed. We collected Ballots in the overflow box until repaired (Emily & David)	WE unlocked Ballot counter - removed jam
4:25	DJ	Ballot Box jammed again - repaired immediately and no other went into overflow (Clynn & David)	Solved
4:55	DJ	Ran 10 Ballots from overflow and balanced totals on screens (Emily & David)	✓
4:55p		Curbside voting in neglected to complete Court of Supervisors Form. Used Poll Pad & got signature	01
5:20	DJ	Media removed before full power &	01

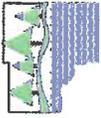


INCIDENT LOG · Ball Clubs
Itasca County

<<Election>>

<<Date>>

<<Precinct>>



Itasca County
Minnesota

RETURN ALL PAGES TO THE RETURN TO COURTHOUSE FORMS FOLDER

Time of Incident	Voter ID if applicable	* Please record any unusual events or problems. * PLEASE PRINT! If the information line is insufficient, use a blank sheet of paper and attach.	Resolution
5:50		* man left without voting after giving info	Gen Hennen Decided No to give us the correct First Three Letters of his last Name.
5:50		Man left without voting after giving information -	His wife told us he is short tempered and to just let him go. Todd Christensen
			DS2000 used seal Deamth
C			
C			

Precinct Summary Statement
ISD #317 Election November 4, 2025

Precinct Ball Club Community Center

County Itasca

Number of Election Judges who worked in this precinct * 3 Found on tapes or summary statement

Number of Voting Booths in this precinct * 3 Found on tapes or summary statement

Registration Statistics

Number of persons registered at 7 a.m. *1. 428 If different than precincts, this is the number to use

Number of new registrants on election day (Polls = EDRs) (ABs = non-registered ABs) *2. 5 Found on pollpad report or count EDRs

Ballots delivered to the precinct

Ballots delivered to precinct as certified by the auditor/clerk (Polls = blank ballots delivered for voting) (ABs = review notes of auditor/clerk) 3. 200

Ballot count adjustments from incident log (+/-) 4. 0 Found on Incident Logs

Total number of ballots delivered to precinct (3+4 = A) A 200

Ballots not in the ballot box

Number of spoiled ballots *5. 0 Found in Spoiled Ballot Envelope

Number of unused ballots 6. 120

Total number ballots not in the ballot box (5+6 = B) B 120

Ballots cast in the ballot box

Number of signatures on roster (preregistered + EDR) *11. 80 Found on pollpad report

Total number of ballots in the ballot box (= persons voting) (11 = C) C 80

Ballots returned to Auditor/Clerk

Ballots returned from the precinct (B + C = D) D 200

Difference for auditor/clerk notation on delivery record (A - D = E) E 0

* are entered into ERS stats

Precinct Summary Statement
ISD #317 Election November 4, 2025

Precinct Jesse Lake Lutheran Church

County Itasca

Number of Election Judges who worked in this precinct * 4 Found on tapes or summary statement

Number of Voting Booths in this precinct * 5 Found on tapes or summary statement

Registration Statistics

Number of persons registered at 7 a.m. *1. 1079 If different than precincts, this is the number to use

Number of new registrants on election day (Polls = EDRs) (ABs = non-registered ABs) *2. 11 Found on pollpad report or count EDRs

Ballots delivered to the precinct

Ballots delivered to precinct as certified by the auditor/clerk (Polls = blank ballots delivered for voting) (ABs = review notes of auditor/clerk) 3. 550

Ballot count adjustments from incident log (+/-) 4. 0 Found on Incident Logs

Total number of ballots delivered to precinct (3+4 = A) A 550

Ballots not in the ballot box

Number of spoiled ballots *5. 1 Found in Spoiled Ballot Envelope

Number of unused ballots 6. 250

Total number ballots not in the ballot box (5+6 = B) B 251

Ballots cast in the ballot box

Number of signatures on roster (preregistered + EDR) *11. 300 Found on pollpad report
299

Total number of ballots in the ballot box (= persons voting) (11 = C) C ~~550~~ 299

Ballots returned to Auditor/Clerk

Ballots returned from the precinct (B + C = D) D 550

Difference for auditor/clerk notation on delivery record (A - D = E) E 0

* are entered into ERS stats

Precinct Summary Statement
ISD #317 Election November 4, 2025

Precinct Inger Community Center

County Itasca

Number of Election Judges who worked in this precinct

* 3

Found on tapes or summary statement

Number of Voting Booths in this precinct

* 3

Found on tapes or summary statement

Registration Statistics

Number of persons registered at 7 a.m.

*1. 150

If different than precincts, this is the number to use

Number of new registrants on election day
(Polls = EDRs) (ABs = non-registered ABs)

*2. 4

Found on pollpad report or count EDRs

Ballots delivered to the precinct

Ballots delivered to precinct as certified by the auditor/clerk
(Polls = blank ballots delivered for voting) (ABs = review notes of auditor/clerk)

3. 75

Ballot count adjustments from incident log (+/-)

4. 0

Found on Incident Logs

Total number of ballots delivered to precinct (3+4 = A)

A 75

Ballots not in the ballot box

Number of spoiled ballots

*5. 0

Found in Spoiled Ballot Envelope

Number of unused ballots

6. 29

Total number ballots not in the ballot box (5+6 = B)

B 29

Ballots cast in the ballot box

Number of signatures on roster (preregistered + EDR)

*11. 46

Found on pollpad report

Total number of ballots in the ballot box (= persons voting) (11 = C)

C 46

Ballots returned to Auditor/Clerk

Ballots returned from the precinct (B + C = D)

D 75

Difference for auditor/clerk notation on delivery record (A - D = E)

E 0

* are entered into ERS stats

Precinct Summary Statement
ISD #317 Election November 4, 2025

Precinct King Elementary School

County Itasca

Number of Election Judges who worked in this precinct * 4 Found on tapes or summary statement

Number of Voting Booths in this precinct * 5 Found on tapes or summary statement

Registration Statistics

Number of persons registered at 7 a.m. *1. 1833 If different than precincts, this is the number to use

Number of new registrants on election day (Polls = EDRs) (ABs = non-registered ABs) *2. 21 Found on pollpad report or count EDRs

Ballots delivered to the precinct

Ballots delivered to precinct as certified by the auditor/clerk (Polls = blank ballots delivered for voting) (ABs = review notes of auditor/clerk) 3. 900

Ballot count adjustments from incident log (+/-) 4. 0 Found on Incident Logs

Total number of ballots delivered to precinct (3+4 = A)

A 900

Ballots not in the ballot box

Number of spoiled ballots *5. 0 Found in Spoiled Ballot Envelope

Number of unused ballots

6. 387

Total number ballots not in the ballot box (5+6 = B)

B 387

Ballots cast in the ballot box

Number of signatures on roster (preregistered + EDR) *11. 513 Found on pollpad report

Total number of ballots in the ballot box (= persons voting) (11 = C)

C 513

Ballots returned to Auditor/Clerk

Ballots returned from the precinct (B + C = D) D 900

Difference for auditor/clerk notation on delivery record (A - D = E) E 0

* are entered into ERS stats

Summary Results Report
 Special Election
 November 4, 2025

UNOFFICIAL RESULTS

Itasca County, MN

Statistics	TOTAL
Election Day Precincts Reporting	4 of 4
Precincts Complete	0 of 4
Precincts Partially Reported	4 of 4
Absentee/ Early Precincts Reporting	4 of 4
Registered Voters - Total	3,490
Ballots Cast - Total	1,060
Ballots Cast - Blank	0
Voter Turnout - Total	30.37%

Special Election for School Board Member

Vote For 1

	TOTAL
Richard Fieldsend	420
LuAnn Robinson	450
Write-In Totals	17
Write-In: Gayle Guthrie	1
Write-In: Blank	3
Write-In: Dan Graf	2
Write-In: Jordan Osse	1
Write-In: Mickey Mouse	1
Write-In: John Drotts	1
Write-In: William Polchou	1
Write-In: Fred Strangler	1
Write-In: Jason Vickerman	1
Write-In: Scott Ramsdell Jr	1
Write-In: Vonnice Peck	1
Write-In: Kelly Young	1
Write-In: Larry Meyer	1
Write-In: Gerald Berber	1
Not Assigned	0
Total Votes Cast	887
Overvotes	1
Undervotes	172
Contest Totals	1,060

Capital Project Levy

Vote For 1

	TOTAL
Yes	392
No	663
Total Votes Cast	1,055
Overvotes	1
Undervotes	4
Contest Totals	1,060

Referendum Revenue

Vote For 1

TOTAL

Yes	389
No	669
Total Votes Cast	1,058
Overvotes	0
Undervotes	2
Contest Totals	1,060



DEER RIVER HIGH SCHOOL
101 First Avenue NE
PO Box 307
Deer River, MN 56636
Home of the Warriors

KING ELEMENTARY SCHOOL
504 5th St. SE
PO Box 307
Deer River, MN 56636
King Pride

Date: 10 November, 2025

Subject: Request for State Support and Review of Tribal Consultation Process

Dear Minnesota Department of Education,

As members of the ISD #317 School Board, we are writing to express our deep concern and disappointment regarding the ongoing Tribal Consultation process between our district and the Leech Lake Education Department.

Over the years, our district has participated in these consultations with the intent to strengthen relationships, improve educational opportunities for our Native American students, and uphold our shared commitment to equity. Unfortunately, despite our continued efforts, the process has not led to productive collaboration or meaningful progress.

The consultations have too often been unstructured, unprofessional, and unproductive. Rather than fostering open dialogue and shared problem-solving, these meetings have increasingly become negative and adversarial in tone. District representatives frequently feel belittled and criticized without clear examples, actionable guidance, or collaborative problem-solving. This atmosphere undermines the shared goal of supporting Native American students and creates unnecessary tension between partners who should be working together for student success.

Additionally, paperwork and procedural follow-ups have repeatedly been delayed or held without clear explanation, which further disrupts the ability to meet program and compliance expectations. This lack of communication and transparency leaves both our district and our Native students at a disadvantage.

We believe this situation stems, in part, from a breakdown in leadership and relationship-building within the consultation process. A coordinator or liaison who prioritizes collaboration, clear communication, and mutual respect could help rebuild trust and focus on what truly matters — the students. Our district remains committed to working with Leech Lake Education and all tribal partners, but this partnership must be grounded in professionalism, transparency, and a shared focus on student outcomes.

We respectfully request that the Minnesota Department of Education review this situation and provide guidance or facilitation to help reset the consultation process. Our district wants to be part of a positive, solutions-oriented approach that respects all voices and restores productive collaboration between the district and tribal representatives.

We are proud of the meaningful work being done in our district to support all learners, including our Native American students, and we welcome an opportunity to work with MDE to ensure the consultation process reflects the mutual respect, professionalism, and student-centered focus it was intended to achieve. I will be reaching out to set up a meeting. Pat Rendle, Superintendent ISD 317. Cell number 218-256-5466. Email prendle@isd317.org

Sincerely,

Lloyd Kongsjord

#317 Board Chair

LuAnn Robinson

#317 Board Member

Kyle Fairbanks

#317 Board Member

George Gogleye

#317 Board Member

Pam Thompson

#317 Board Member

Jon White

#317 Board Member



Flexible Learning Year Application 2025-26

Applicants: Wait until you have completed your application and are about to submit it to the Minnesota Department of Education (MDE) to enter these two dates:

_____ Enter the first business date (during business hours) for MDE to have received this completed application from your district.

_____ Enter 45 business days from that date here. Exclude state holidays and weekends. **MDE will review groups of applications that arrive close to each other on a rolling basis. This is the latest you will have to wait for a decision from MDE. [Use this calculator.](#)**

Instructions

Please complete this form by typing your answer or checking the appropriate box. Send a separate document of attachments with numbered pages, as needed.

If you are a **consortium** of school districts with more than the five schools this form allows you to list, please duplicate this form **before** starting the application process to be able to include the other school information on the second form.

For a fall 2025 start date, please submit the application to mde.FlexibleLearning@state.mn.us no later than **Friday, April 25, 2025**. Please number the pages of any attachments. Please contact [Cynthia Jackson](#) at MDE at 651-582-8572 if you have questions or need technical assistance. Applications will be reviewed within 45 business days of receipt per [Minnesota Statutes 2024, section 124D.122](#).

Applicant Information

School District Name: _____ District Number: _____

Site Name: (if applicable): _____

School District Address: _____ School District Phone: _____

Superintendent Name: _____ Email Address: _____

Note: If a consortium of school districts is applying, please see the final page to list additional districts. Please also complete the following table.

Name of Flexible Learning Year Consortium Program	Consortium Contact Name and Title	Mailing Address	Phone Number	Email Address

This application is: (choose one)

New

Renewal.

For what school year was Flexible Learning Year first approved? _____

MDE requested revision of an application currently under review

Basics of Your Proposed Program

School Years. Our district is applying for the following school years. Select check box for all years that are applicable:

Year 1: 2025-26

Year 2: 2026-27

Year 3: 2027-28

Four-Day Week only: Year 4: 2028-2029

Four-Day Week only: Year 5: 2029-2030

Four-Day Week only: Year 6: 2031-2031

Pre-Labor Day. Does the calendar for any of the proposed implementation years involve a pre-Labor Day start? Select radio button no or yes. If yes, complete start date for all years that are applicable:

No

Yes. If yes, list start dates below for each year.

2025-26: Start Date: _____

2026-27: Start Date: _____

2027-28: Start Date: _____

- Four-Day Week only: Year 4: 2028-2029, Start Date, if known: _____
- Four-Day Week only: Year 5: 2029-2030, Start Date, if known: _____
- Four-Day Week only: Year 6: 2030-2031, Start Date, if known: _____

Type of Program. Select check box for all years that are applicable to identify the type of flexible learning year program you are applying for ([Minn. R. 3500.1000, subp. 3 \[2024\]](#)).

- 45-15
- Flexible All-Year
- Extended Learning Year
- Four-Quarters
- Quinmester
- Four-Day Week
- Other: Describe your district's "other" category: _____

Purpose for Proposed Flexible Learning Year Program

Flexible learning year programs shall be designed to accomplish at least one of the following. Select check box to identify all of the following purposes that apply to your program.

- Improve instructional quality
- Increase cost-effectiveness
- Make better use of community resources
- Establish alternative eligibility criteria to identify pupils in need of special education services

Research, Rationale and Other Background

Skip if **only** applying for early start

Why this route? How did you decide this would be the best calendar for your district or consortium?

4-Day Week only:

Please describe plans for the “fifth day” when students will not be in school. For example, will meals be provided to students? Will they be responsible for getting rides to school for athletic practices? Are both teachers and students off? Are any academic or support services provided?

45-15 only:

Please describe how intersessions will have academic value, especially for students who are not performing at grade level. Describe any partnerships for these weeks, how you will recruit enrollment, and any fees involved.

For renewing districts – Is this model worth continuing?

Instructional impact:

Leverage and coordination:

What else, if anything, would you like MDE to know?

Goals

List the S.M.A.R.T. (**S**pecific, **M**easurable, **A**chievable, **R**ealistic, **T**ime-Bound) goal(s) and objectives of your program.

Instructional Hours

Student Grade Level	2024-25 Hours (pre-approval base year)	2025-26 Hours	2026-27 Hours	2027-28 Hours
Kindergarten without a disability				
Grades 1-6				
Grades 7-12				

Four-Day Week Applicants Only, If Known:

If this information is unknown, submit to MDE by the application deadline for the 2028-29 school year.

Student Grade Level	2028-29 Hours (pre-approval base year)	2029-30 Hours	2030-31 Hours
Kindergarten without a disability			
Grades 1-6			
Grades 7-12			

Exemptions

Does the proposed program request exemption from any specific state rules ([Minn. R. 3500.1000, subp. 3 \[2024\]](#))? Select radio button no or yes.

No Yes

If yes, please identify the Minnesota Rules and the reason for exemption:

Public Hearings and Other Outreach

Statute requires three hearings per district.

School District Name: _____

Meeting dates and times	Attendance minus employees and board	Concerns raised	How concerns were addressed

Negotiations

Have you completed negotiations? Select check boxes that are applicable:

- Yes, negotiations are complete. Attach signed Memoranda of Understanding related to Flexible Learning Year (*label as Attachment B*).
- No, the negotiations are in process. Explain:
- Not applicable. Explain:

Board Approval

Has your school board(s) approved this flexible learning year program? Select radio button yes or no.

- Yes. If yes, attach school board minutes (*please label as Attachment C*). If a consortium, attach school board minutes from each district.
- No. If no, do not submit the application until the school board(s) have approved this program.

Assurances

Select check box to identify each applicable assurance.

- District(s) assures that MDE will receive a final evaluation report by August 15 following the end of the approval period. **For a three-year application, this will fall on Tuesday, August 15, 2028. This evaluation must include analysis of whether goals were met and what adjustments were made along the way to increase likelihood that they would be.**
- District superintendent and school board chair assure that school calendars during the proposed school year will comply with [Minnesota Statutes 2024, section 120A.40](#), and the number of instructional hours will comply with [Minnesota Statutes 2024, section 120A.41](#).
- If the proposed program involves alternative eligibility for special education services, the superintendent and school board chair assure that parents whose children will be involved will be fully informed at the individualized education program (IEP) meeting and shall have the opportunity to approve or disapprove of placement in the experimental program. If this does not apply, leave blank.
- District superintendent and school board chair assure the proposed program complies with the Compulsory Instruction Statute ([Minn. Stat., section 120A.22 \[2024\]](#)).
- District superintendent and school board chair assure the proposed program does not request or permit exception to statutes covering employment of unlicensed teachers and aid reduction ([Minn. Stat. 2024, section 124D.127 \[2024\]](#)).
- District superintendent and school board chair assure the proposed program does not discriminate on the basis of race, color, creed, religion, marital status, status with regard to public assistance, sex or national origin when assigning pupils to attendance groups ([Minn. Stat., section 124D.123 \[2024\]](#)).
- All facilities maintained by the district are covered in the district's application, so [Minnesota Statutes 2024, section 124D.125](#) does not apply.

If this application covers fewer than all of the facilities maintained in the district, there are additional requirements ([Minn. Stat., section 124D.125 \[2024\]](#)). The district superintendent and school board chair assure that:

The board of the district has made every reasonable effort to assign qualified teachers who prefer a traditional schedule to facilities of the same level retaining a traditional schedule.

- A full-time teacher currently employed by a district that converts to a flexible learning year program will not, without the teacher's written consent, be required to teach under this program; (1) more or less than the number of scheduled days or their equivalent the facilities of the district were maintained during the year preceding implementation of the flexible learning year program; (2) in a period of the calendar year substantially different from the period in which the teacher taught during the year preceding implementation of the flexible learning year program.
- In no event will a teacher's continuing contract rights to a position held the year preceding implementation of a flexible learning year program or teaching experience earned during a probationary

period the year preceding implementation be lost or impaired upon adoption of a flexible learning year program. If the year of teaching preceding implementation was the end of a probationary period, the continuing contract right to a full year's contract which normally would be acquired for the next succeeding learning year will be acquired in the year of adoption of the flexible program.

- The district has entered into one contract governing the entire learning year with each teacher employed in a flexible program.
- If individual teachers contract to teach less than a period of 175 days during a learning year, each 175 days of employment accrued during any five-year period after the adoption of a flexible learning year program will be deemed consecutive and constitute a full year's employment for purposes of establishing and retaining continuing contract rights to a full learning year position ([Minn. Stat., section 122A.40, subd. 5 and 7 \[2024\]](#); [Minn. Stat., section 122A.41, subd. 2 and 4 \[2024\]](#)).
- A teacher who has not been discharged or advised of a refusal to renew the teacher's contract by the applicable date, as specified in [Minnesota Statutes, section 122A.40 or 122A.41 \[2024\]](#), in the year in which the teacher will complete the requisite number of days for securing a continuing contract will have a continuing full learning year contract with the district.
- Continuing contract rights established pursuant to this section will not be impaired or lost by the termination of a flexible learning year program.

Attachments

Attachment A: Academic Calendars for 2025-26, 2026-27 and 2027-28 for all applicant districts. Four-Day Week applicants should also submit calendars for 2028-29, 2029-30, and 2030-31. (If not available, submit to MDE by the deadline for the 2028-29 year, (yet to be determined).

Attachment B: Signed Memoranda of Understanding (if applicable).

Attachment C: School Board minutes that approved this specific plan to be submitted to MDE to be considered for approval by the commissioner of education.

Signatures

By signing below, we hereby agree to fully comply with the above assurances.

Superintendent's Signature

Board Chair Signature

Superintendent Name: _____ Date: _____

Board Chair Name: _____ Date: _____

If this application is for a consortium of districts, signatures must be obtained from superintendents and board chairs of each district. Please see the final pages to include signatures from other districts.

Note: Please fill out the below section **only** if a consortium of school districts is applying, to list additional districts not on page 1. (You will not be able to duplicate this form if you have already filled in fields. If you have more than five schools to list, please use a second form to document those additional schools.)

Applicant Information District 2

School District Name: _____ District Number: _____

Site Name: (if applicable): _____

School District Address: _____ School District Phone: _____

Superintendent Name: _____ Email Address: _____

Name of Flexible Learning Year Program	Consortium Contact Name and Title	Mailing Address	Phone Number	Email Address

Public Hearings and Other Outreach District 2

School District Name: _____

Meeting dates and times	Attendance minus employees and board	Concerns raised	How concerns were addressed

How was attendance publicized and encouraged?

What other ways did the district(s) solicit input from stakeholders?

Signatures District 2

By signing below, we hereby agree to fully comply with the above assurances.

Superintendent's Signature

Board Chair Signature

Superintendent Name: _____ Date: _____

Board Chair Name: _____ Date: _____

If this application is for a consortium of districts, signatures must be obtained from superintendents and board chairs of each district.

Applicant Information District 3

School District Name: _____ District Number: _____

Site Name: (if applicable): _____

School District Address: _____ School District Phone: _____

Superintendent Name: _____ Email Address: _____

Name of Flexible Learning Year Program	Consortium Contact Name and Title	Mailing Address	Phone Number	Email Address

Public Hearings and Other Outreach District 3

School District Name: _____

Meeting dates and times	Attendance minus employees and board	Concerns raised	How concerns were addressed

How was attendance publicized and encouraged?

What other ways did the district(s) solicit input from stakeholders?

Signatures District 3

By signing below, we hereby agree to fully comply with the above assurances.

Superintendent's Signature

Board Chair Signature

Superintendent Name: _____ Date: _____

Board Chair Name: _____ Date: _____

If this application is for a consortium of districts, signatures must be obtained from superintendents and board chairs of each district.

Applicant Information District 4

School District Name: _____ District Number: _____

Site Name: (if applicable): _____

School District Address: _____ School District Phone: _____

Superintendent Name: _____ Email Address: _____

Name of Flexible Learning Year Program	Consortium Contact Name and Title	Mailing Address	Phone Number	Email Address

Public Hearings and Other Outreach District 4

School District Name: _____

Meeting dates and times	Attendance minus employees and board	Concerns raised	How concerns were addressed

How was attendance publicized and encouraged?

What other ways did the district(s) solicit input from stakeholders?

Signatures District 4

By signing below, we hereby agree to fully comply with the above assurances.

Superintendent's Signature

Board Chair Signature

Superintendent Name: _____ Date: _____

Board Chair Name: _____ Date: _____

If this application is for a consortium of districts, signatures must be obtained from superintendents and board chairs of each district.

Applicant Information District 5

School District Name: _____ District Number: _____

Site Name: (if applicable): _____

School District Address: _____ School District Phone: _____

Superintendent Name: _____ Email Address: _____

Name of Flexible Learning Year Program	Consortium Contact Name and Title	Mailing Address	Phone Number	Email Address

Public Hearings and Other Outreach District 5

School District Name: _____

Meeting dates and times	Attendance minus employees and board	Concerns raised	How concerns were addressed

How was attendance publicized and encouraged?

What other ways did the district(s) solicit input from stakeholders?

Signatures District 5

By signing below, we hereby agree to fully comply with the above assurances.

Superintendent's Signature

Board Chair Signature

Superintendent Name: _____ Date: _____

Board Chair Name: _____ Date: _____

If this application is for a consortium of districts, signatures must be obtained from superintendents and board chairs of each district.

**Independent School District No. 317
Deer River, Minnesota**

Basic Financial Statements

June 30, 2025

**Independent School District No. 317
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**Independent School District No. 317
Board of Education and Administration
June 30, 2025**

<u>Board of Education</u>	<u>Position</u>	<u>Term Expires</u>
Lloyd Kongsjord	Chairperson	December 31, 2026
Jonathan White	Vice Chairperson	December 31, 2028
George Gogleye	Treasurer	December 31, 2028
Pam Thompson	Clerk	December 31, 2026
LuAnn Robinson	Director	December 31, 2025
Kyle Fairbanks	Director	December 31, 2026
<u>Administration</u>		
Pat Rendle	Superintendent	
Jennifer Drotts	Business Manager	

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Independent Auditor's Report

To the School Board
Independent School District No. 317
Deer River, Minnesota

Report on the Audit of the Financial Statements

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 317, Deer River, Minnesota, as of and for the year ended **June 30, 2025**, and the related notes to basic financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 317, Deer River, as of June 30, 2025, 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 (GAAS) 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

The District has adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The management of Independent School District No. 317 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 twelve 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 GAAS 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 GAAS 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, which 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and Required Supplementary Information 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 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 Required Supplementary Information 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.

Supplementary 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 supplementary information identified in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2025, 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, and 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 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.

BerganKDV, Ltd.

St. Cloud, Minnesota
October 27, 2025

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Independent School District No. 317 Management's Discussion and Analysis

Financial Highlights

District-Wide Assets and District-Wide Activities

Beginning with the 2003-2004 audit, the Independent School District No. 317 (the "District") implemented the requirements of GASB Statement No. 34. These requirements resulted in additional statements and information to accompany the District's audit. The additional information includes a district-wide Statement of Net Position, a district-wide Statement of Activities (revenues and expenses), and a report from management which will focus on the activities and developments that took place over the past year.

- Total district-wide net position, as indicated on the Statement of Net Position was \$250,096.
- The change in district-wide net position from the prior year, as indicated on the Statement of Activities, amounted to \$637,278 as a result of fiscal year 2025 activity.

Governmental Funds

- Overall enrollment for the District decreased. Weighted students served for fiscal year 2024-2025 amounted to 864, which is a decrease of 24 students when compared to the fiscal year 2023-2024.
- General Fund revenues were \$17.5 million and expenditures were \$17.8 million.
- The budget to actual comparison for the General Fund expenditures resulted in a variance under budget of \$107,361, or 0.6%, from the final budget to actual expenditures.
- The budget to actual comparison for the General Fund revenue resulted in a variance under budget of \$384,014 or 2.1%, from the final budget to actual revenues.
- For the nonmajor funds, which includes the Food Service and Community Service, the total nonmajor fund balance decreased \$16,707 based on \$1,079,162 in revenues and \$1,163,714 in expenditures.

Overview of the Financial Statements

This annual report consists of the basic financial statements and the Required Supplementary Information, which includes the Management's Discussion and Analysis and information on the funding progress for other post employment benefits (OPEB) and information related to the pensions. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.

Independent School District No. 317 Management's Discussion and Analysis

Overview of the Financial Statements (Continued)

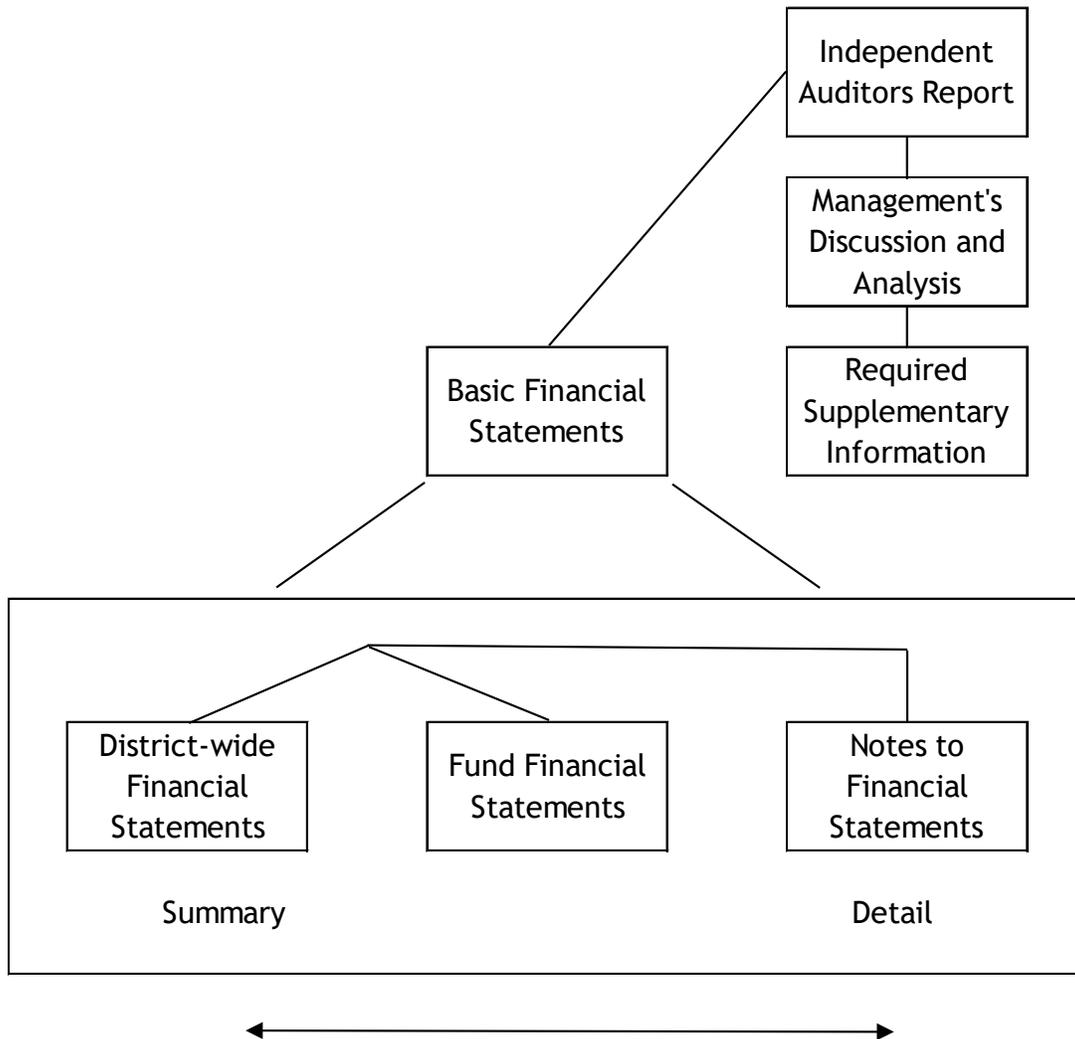
- The governmental funds statements tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the District's OPEB trust activities.
- The Fiduciary fund statements provide information about resources administered on behalf of employees.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Independent School District No. 317
Management's Discussion and Analysis

Overview of the Financial Statements (Continued)

Figure A-1
Organization of Independent School District No. 317's Annual Financial Report



Major Features of the District-Wide and Fund Financial Statements

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and of information they contain. The remainder of this overview section of MD&A highlights the structure and contents of each of the statements.

District-Wide Statements

The district-wide statements 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 and deferred outflows of resources and 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.

**Independent School District No. 317
Management's Discussion and Analysis**

Overview of the Financial Statements (Continued)

District-Wide Statements (Continued)

Figure A-2 Major Features of the District-Wide and Fund Financial Statements				
	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not fiduciary, such as special education and building maintenance	Activities of the District operates similar to private business - • Internal Service Fund	Instances in which the District administers resources on behalf of someone else, such as employees
Required Financial Statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balances	• Statement of Net Position • Statement of Revenues, Expenses and Changes in Fund Net Position • Statement of Cash Flows	• Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities both financial and capital, and short-term and long-term	All assets and liabilities both financial and capital, and short-term and long-term
Type of Inflow/Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when good or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets and deferred outflows of resources and 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 is an indicator of whether its financial position is improving or deteriorating, respectively.

To assess the District's overall health, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

Independent School District No. 317 Management's Discussion and Analysis

Overview of the Financial Statements (Continued)

District-Wide Statements (Continued)

In the district-wide financial statements, the District's activities are presented as follows:

- **Governmental activities:** Most of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds, not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenues (such as food service).

The District has three kinds of funds:

- **Governmental Funds:** Most of 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 funds statements provide a detailed short-term view that helps you determine whether there are more or fewer 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 district-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or differences) between them.
- **Proprietary Fund:** The District's Revocable Trust Fund is an internal service fund used to account for the OPEB bond issuance. The District will use these funds to fund future OPEB liabilities.
- **Fiduciary Fund:** The District's Employee Health Benefits Custodial Fund is used to account for health benefits, which the District administers resources on behalf of employees.

Financial Analysis of the District as a Whole

Net Position

The District's total net position as of June 30, 2025, was \$250,096 which is summarized in Figure A-3. This is an increase in net position of \$288,574 in total from the previous year, including a change in accounting principle.

**Independent School District No. 317
Management's Discussion and Analysis**

Financial Analysis of the District as a Whole (Continued)

Net Position (Continued)

**Figure A-3
Condensed Statement of Net Position**

	Governmental Activities	
	2024-2025	2023-2024
Assets		
Current and other assets	\$ 6,893,028	\$ 11,899,446
Capital assets	25,275,526	23,294,007
	\$ 32,168,554	\$ 35,193,453
Deferred Outflows of Resources	\$ 2,037,744	\$ 2,606,741
Liabilities		
Long-term debt outstanding	\$ 23,768,569	\$ 28,348,923
Other liabilities	4,487,836	5,873,156
	\$ 28,256,405	\$ 34,222,079
Deferred Inflows of Resources	\$ 5,699,797	\$ 3,616,593
Net Position		
Net investment in capital assets	\$ 7,992,643	\$ 7,489,917
Restricted	647,258	790,978
Unrestricted	(8,389,805)	(8,319,373)
	\$ 250,096	\$ (38,478)

The change in net position for 2024-2025 as a result of fiscal year 2025 activity was \$637,278 based on total revenues of \$20,826,096 and total expenses of \$20,188,818. Figure A-4 on the following page shows the breakdown into the various revenue and expense categories.

**Independent School District No. 317
Management's Discussion and Analysis**

Financial Analysis of the District as a Whole (Continued)

Net Position (Continued)

**Figure A-4
Changes in Net Position from Operating Results**

	Governmental Activities	
	2024-2025	2023-2024
Revenues		
Program revenues		
Charges for services	\$ 475,968	\$ 525,927
Operating grants and contributions	9,160,756	9,193,518
Capital grants and contributions	95,427	113,860
General revenues		
Property taxes	3,347,551	3,119,815
State aid formula grants	6,625,624	6,403,510
Other	1,120,770	1,782,607
Total revenues	<u>20,826,096</u>	<u>21,139,237</u>
Expenses		
Administration	725,789	766,998
District support services	703,651	859,983
Elementary and secondary regular instruction	6,642,308	6,775,138
Vocational educational instruction	219,210	232,319
Special education instruction	3,700,048	3,577,890
Instructional support services	1,003,996	899,724
Pupil support services	2,612,739	2,574,070
Sites and buildings	1,549,917	1,571,425
Fiscal and other fixed cost programs	154,826	105,331
Food service	922,203	989,996
Community education services	248,561	223,390
Unallocated depreciation	1,238,586	1,002,644
Interest and fiscal charges on long-term debt	466,984	516,648
Total expenses	<u>20,188,818</u>	<u>20,095,556</u>
Increase in net position	<u>\$ 637,278</u>	<u>\$ 1,043,681</u>

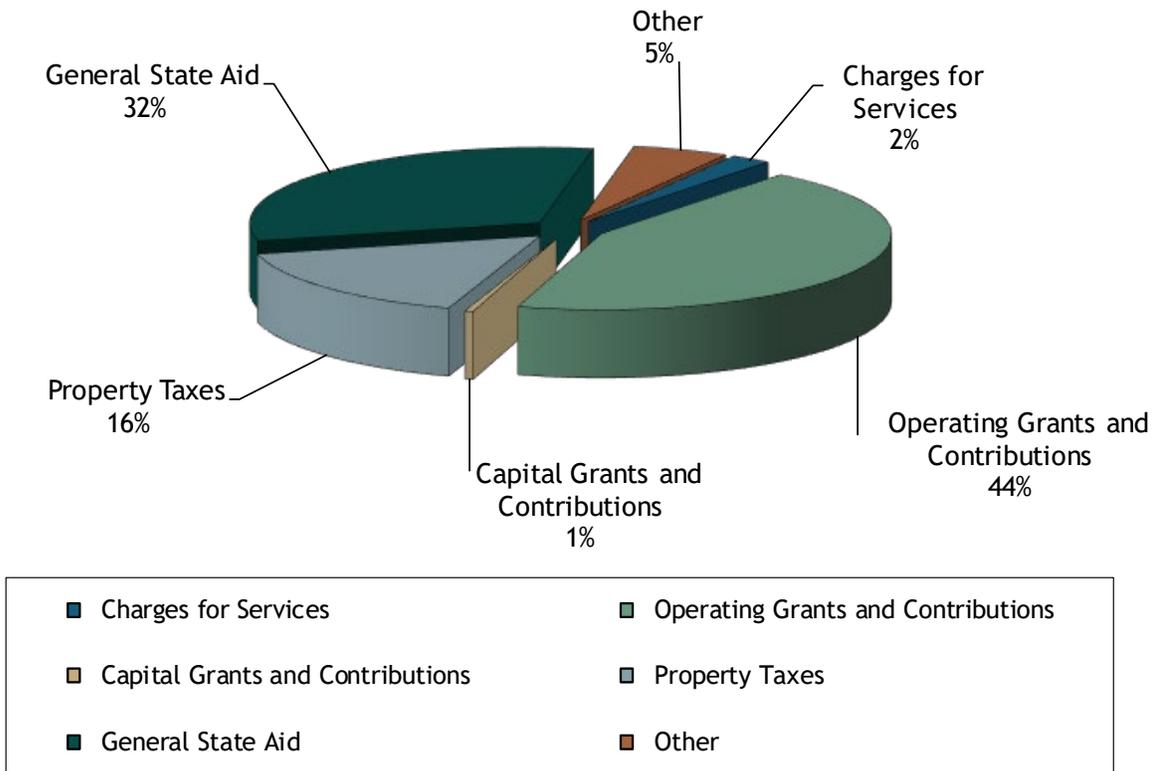
As seen in Figure A-5 on the next page, state aid and property taxes accounted for most of the District's revenue, with general state aid representing 32% and property taxes representing 16% of the total. Another 45% came from state and federal aid for specific programs and the remainder from fees charged for services and other sources.

Independent School District No. 317
Management's Discussion and Analysis

Financial Analysis of the District as a Whole (Continued)

Net Position (Continued)

Figure A-5
Sources of Revenues for 2024-2025



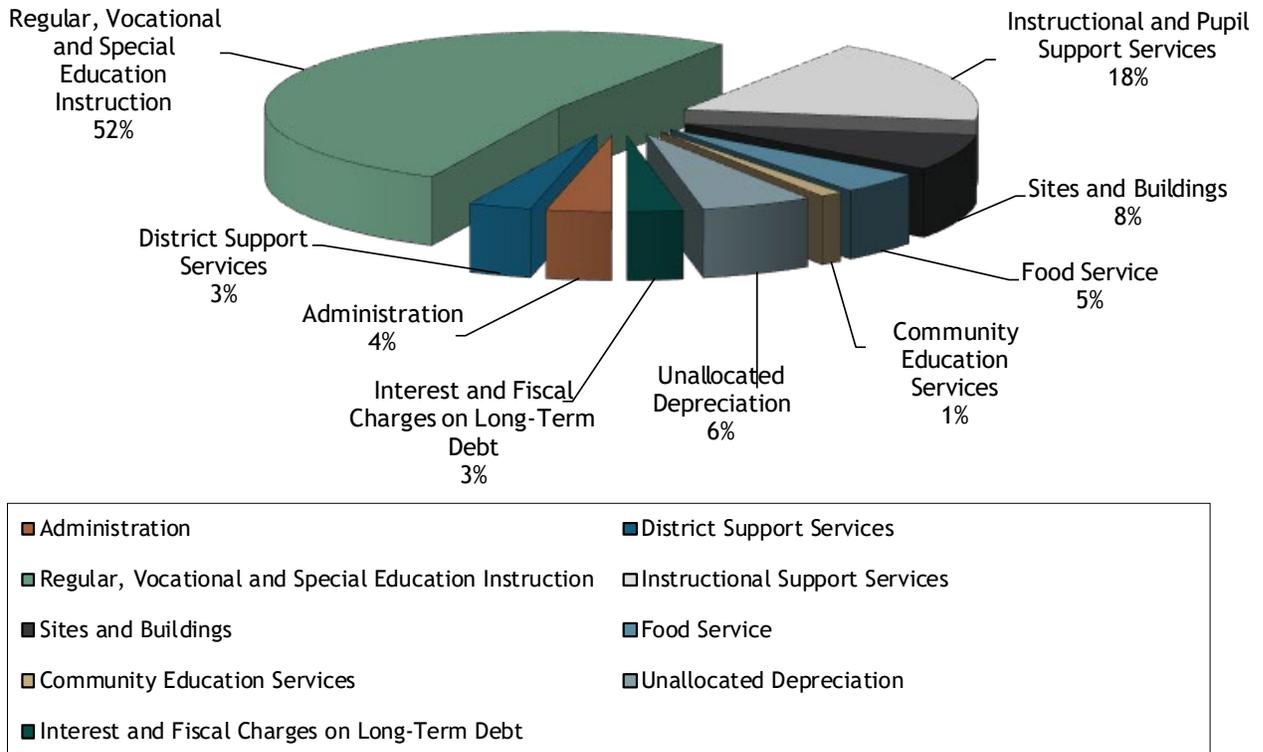
The majority of the District's expenses (shown on the next page) are related to instructing or supporting the instruction of students. Figure A-6 indicates the breakdown of the total expenses on a percentage basis. The direct instruction categories of expense, which include elementary and secondary, vocational, and special education, represent approximately 52% of the total expenses. The indirect categories of instructional and pupil support, which includes student transportation, amount to about 18% and administration and district support services combined represented 7% of the total expenses for the year. Other major categories of expense included food service, community service and interest payments on the District's outstanding debt.

Independent School District No. 317
 Management's Discussion and Analysis

Financial Analysis of the District as a Whole (Continued)

Net Position (Continued)

Figure A-6
 Expenses for Fiscal Year 2024-2025



**Independent School District No. 317
Management's Discussion and Analysis**

Financial Analysis of the District as a Whole (Continued)

Governmental Activities

Maintenance of a healthy District financial position will be dependent on several factors:

- **Conservative Budgeting and Spending:** The School Board has made decisions over the last fourteen years that have enabled it to continue to provide quality services while keeping spending in line with revenues. Reductions have been put in place when necessary, that have included the reduction of staff, elimination of some programs and services, and the closure of an elementary school. Continual examination of enrollment trends, actual and budgeted spending, revenue projections, and program effectiveness will be necessary to maintain budgets that are sustainable. Budget control measures will continue so adopted budgets can continue to be responsible and fiscally sound and work in concert with the conservative budgeting philosophy of the District's Business Manager and Superintendent.
- **Accurate Enrollment Projections and Adjustment to Variations:** With a revenue system based significantly on enrollment, having accurate enrollment projections is crucial to accurate budgeting. The District utilizes a combination of professional demographic studies and multi-year District observed trends to create multiple data points to project enrollment. As important as these projections is the willingness and ability to adjust spending based on actual student numbers.
- **Development of Strategic Partnerships:** The District currently collaborates with other Itasca area school districts on services that help create greater efficiencies while maintaining the independence of each school district and their communities. Some of the collaborative efforts have included staff development, technology, curriculum and instruction, business services, community education, and online learning. In the future, these services could include, but are not limited to: administration, transportation, food service, gifted and talented programming, human resource management, and certain back office services. The collaboration between neighboring school districts will be crucial for the District's long-term sustainability.
- **Status of State Funding:** State funding has failed to keep pace with inflation over time, and current budget shifts have created cash flow challenges for many districts, including Deer River. As the state of Minnesota's budget improves, it will be crucial that funding shifts continue to be paid back and investments in education continue.
- **Local Operating Revenue:** Due to legislation enacted in the last four years, school boards have the option to levy for operating revenue. The school board will need to carefully weigh the revenue needs of the district with the tax tolerance of the community.
- **Stability of Federal Funding:** Due to the unique demographics of the district, a significant amount of revenue comes through Federal programs like Impact Aid, Title, Special Education, and food programs. Changes in these programs at the Federal level would have a significant and disproportionate effect on the District due to its dependence on these programs.

**Independent School District No. 317
Management's Discussion and Analysis**

Financial Analysis of the District as a Whole (Continued)

Governmental Activities (Continued)

Figure A-7 represents the total cost of the District's functions and programs. The table also shows each function and program's net cost, which represents the total cost less fees and intergovernmental aid provided for specific programs. The net cost shows the financial burden placed on the state and local taxpayers by each of these functions and programs.

**Figure A-7
Net Cost of Governmental Activities**

	2024-2025		2023-2024	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Administration	\$ 725,789	\$ 725,789	\$ 766,998	\$ 766,998
District support services	703,651	688,651	859,983	739,983
Elementary and secondary regular instruction	6,642,308	3,296,452	6,775,138	3,090,619
Vocational educational instruction	219,210	198,868	232,319	230,819
Special education instruction	3,700,048	(44,761)	3,577,890	374,613
Instructional support services	1,003,996	770,753	899,724	733,222
Pupil support services	2,612,739	1,353,229	2,574,070	1,096,548
Sites and buildings	1,549,917	1,454,490	1,571,425	1,457,565
Fiscal and other fixed cost programs	154,826	143,826	105,331	93,831
Food service	922,203	105,581	989,996	138,041
Community education services	248,561	58,219	223,390	20,720
Unallocated depreciation	1,238,586	1,238,586	1,002,644	1,002,644
Interest and fiscal charges on long-term debt	466,984	466,984	516,648	516,648
	<u>\$ 20,188,818</u>	<u>\$ 10,456,667</u>	<u>\$ 20,095,556</u>	<u>\$ 10,262,251</u>

The cost of all governmental activities this year was \$20,188,818.

- The users of the District's programs through fees and other charges financed \$475,968 of the cost.
- The federal and state governments subsidized specific programs with grants and contributions totaling \$9,256,183 of the cost.
- State and local taxpayers, however, financed the majority of the costs. State aid and local property taxes as determined by the State Legislature through the state-wide funding formulas, amounted to \$6,625,624 and \$3,347,551 respectively, for a total of \$9,973,175 of the District's total costs.

**Independent School District No. 317
Management's Discussion and Analysis**

Financial Analysis of the District as a Whole (Continued)

Governmental Funds

As the District completed the year, the governmental funds reported combined fund balances of \$1,747,075 which is lower than last year's ending fund balances of \$4,052,546 by \$2,305,471. The General Fund experienced an increase in fund balance of \$648,831. The Debt Service Fund experienced an increase in fund balance of \$2,157. The Building Construction Capital Projects Fund experienced a decrease in fund balance of \$2,939,752 due to the spending of bond proceeds received in fiscal year 2023. The Food Service Fund experienced a decrease in fund balance of \$29,089. The Community Service Fund experienced an increase in fund balance of \$12,382.

General Fund Budgetary Highlights

Over the course of the year, the District monitored and reviewed the annual operating budget and revised revenues and expenditures in June. These budget amendments fall into two general categories:

- Revisions were made to reflect up-to-date projection of revenues. Revenue formulas were updated to reflect current student enrollments, which are the basis for most state and federal programs. Other revenue adjustments included adjusting interest income, fees/tuition charged for certain programs and grant dollars for known changes after the original budget was approved.
- Increases (decreases) were made to reflect more up-to-date projection of expenditures as a result of utility costs that can change based on weather conditions or use, supply cost variations, contracted services variations, and changes in other miscellaneous budget categories.

The District's final budget for the General Fund anticipated revenues and other financing sources would be more than expenditures and other financing uses by \$113,593, the actual results for the year show a \$648,831 increase in fund balance.

**Independent School District No. 317
Management's Discussion and Analysis**

Capital Asset and Debt Administration

Capital Assets

By the end of 2025, the District had invested approximately \$25.3 million in a broad range of capital assets, including school buildings, instructional furniture, and equipment (see Figure A-8). Depreciation/amortization expense for the year was \$1,545,323 with total accumulated depreciation and amortization amounting to \$18,558,567 (more detailed information on capital assets can be found in the notes to financial statements.)

**Figure A-8
Capital Assets (Net of Depreciation)**

	Governmental Activities		Percent Change
	2024-2025	2023-2024	
Land	\$ 252,422	\$ 252,422	0.00%
Construction in progress	146,780	4,108,646	-96.43%
Buildings	22,393,855	16,183,400	38.38%
Improvements other than buildings	715,900	779,684	-8.18%
Furniture and equipment	1,457,300	1,598,908	-8.86%
Leased assets	309,269	370,947	-16.63%
Total	\$ 25,275,526	\$ 23,294,007	8.51%

Long-Term Debt

At year-end, the District had \$17,867,452 in general obligation (G.O.) bonds and other long-term liabilities outstanding, a decrease of 6% from last year as shown in Figure A-9 (more detailed information about the District's long-term liabilities is presented in the notes to financial statements).

**Figure A-9
Outstanding Long-Term Debt**

	Total School District		Percent Change
	2024-2025	2023-2024	
G.O. Bonds (net of unamortized premium)	\$ 17,111,733	\$ 18,516,573	-7.59%
Lease liability	323,697	379,816	-14.78%
Compensated absences payable	432,022	49,731	768.72%
Total	\$ 17,867,452	\$ 18,946,120	-5.69%

**Independent School District No. 317
Management's Discussion and Analysis**

Capital Asset and Debt Administration (Continued)

Long-Term Debt (Continued)

The District retired \$1,460,959 in long-term liabilities in fiscal year 2024-2025.

Factors Bearing on the District's Future

At the time these financial statements were prepared and audited, the District was aware of a number of existing circumstances that could significantly affect its financial health in the future:

1. Federal and state accountability. Due to the accountability standards imposed by NCLB, additional support staff are needed to serve the needs of special populations of students, as all students are required to reach 100% proficiency in reading and math. The type of performance demanded of school districts will require additional resources at a time when resources are becoming more and more scarce. There are also significant data collection, analysis, and accountability expectations that have fiscal implications on the District as it continues to organize and prepare for unpredictable enrollment challenges. Recent reform conversations at the Federal level indicate a growing movement towards potential changes in the law, but the specific reform measures are unknown at this point.
2. Federal funding of Title VIII of the Elementary and Secondary Education Act, or Impact Aid, continues to be uncertain. A large portion of the District is located on the Leech Lake Indian Reservation and as a result, the District receives Impact Aid payments to offset the impact of this federal presence. Because the Impact Aid Program is a discretionary program and reauthorization has not been a high priority at the federal level, funding is vulnerable. The loss of Impact Aid would result in a severe budget imbalance and would require large and potentially extreme budget reductions.
3. Sequestration of federal dollars puts funding at risk, and in districts that receive a significant amount of federal dollars, like Deer River, the impact of sequestration is magnified. Special Education, Title I, and Impact Aid are all significant sources of revenue and programming for the District, and the sequestering of funds in these programs, which serve the neediest students in the District, would be extremely detrimental to the ability of the District to meet students' needs.
4. The District has had periods of declining enrollment over time due to a variety of demographic and economic factors. Since the decline in students is spread over all grades, reducing teaching staff is very difficult and operational costs are not proportionally reducible. Like many districts in the State of Minnesota faced with financial challenges, the District has approached its local taxpayers for addition funds but has been unsuccessful.
5. Student needs continue to grow. Increasingly, the District is serving students with significant mental health and special education needs. These students require additional staffing support to be successful, but mental health services are not funded, and special education continues to be inadequately funded at the state and federal level, despite the federal government's initial promise to fund 40% of special education.

**Independent School District No. 317
Management's Discussion and Analysis**

Factors Bearing on the District's Future (Continued)

6. State funding continues to be inadequate, a fact supported by a study produced for the Minnesota Center for Public Finance Research and originally commissioned by the Governor of Minnesota. Since 1992, the funding formula has not kept pace with inflation, indicating that in "real" dollars, the District has less money to spend per pupil now than in 1992, before the heightened requirements of the now repealed Profile of Learning, Minnesota State Standards, and the Federal NCLB Act. Until the state addresses the inadequacy of the current funding formula, school districts like Deer River will continue to struggle meeting budgetary needs. In addition, recent conversations about the future of compensatory funding in Minnesota could have huge implications on the District's budget.

7. The District's ability to attract and retain highly qualified staff. With the increased accountability standards coupled with the increased needs of the students served, having highly qualified and trained staff is essential. Current and pending teacher shortages mean competition for these staff will become more fierce, and the District's ability to pay well enough to attract and retain staff will lead to higher staffing costs.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, and 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 this report or need additional financial information, contact the District Office at P.O. Box 307, Deer River, Minnesota 56636.

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BASIC FINANCIAL STATEMENTS

Independent School District No. 317
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets	
Cash and investments	\$ 2,445,505
Current property taxes receivable	1,344,991
Delinquent property taxes receivable	50,959
Accounts receivable	65,224
Due from Department of Education	1,951,777
Due from Federal Government through Department of Education	216,562
Due from Federal Government - direct	66,038
Due from other Minnesota school districts	144,306
Due from other governmental units	586,050
Inventory	21,616
Capital assets not being depreciated	
Land	252,422
Construction in progress	146,780
Capital assets, net	
Improvements other than buildings	715,900
Buildings	22,393,855
Furniture and equipment	1,457,300
Leased building	222,564
Leased equipment	86,705
Total assets	32,168,554
Deferred Outflows of Resources	
Deferred outflows of resources related to OPEB	20,314
Deferred outflows of resources related to pensions	2,017,430
Total deferred outflows of resources	2,037,744
Total assets and deferred outflows of resources	\$ 34,206,298

Independent School District No. 317
Statement of Net Position
June 30, 2025

	<u>Governmental Activities</u>
Liabilities	
Accounts payable	\$ 355,303
Salaries and benefits payable	1,451,501
Interest payable	216,789
Due to other Minnesota school districts	503,307
Due to other governmental units	52,101
Unearned revenue	56,894
Compensated absences payable	
Payable within one year	432,022
G.O. bonds payable, net	
Payable within one year	1,350,000
Payable after one year	15,761,733
Lease liability	
Payable within one year	57,919
Payable after one year	265,778
Total OPEB liability	
Payable within one year	12,000
Payable after one year	125,003
Net pension liability	<u>7,616,055</u>
Total liabilities	<u>28,256,405</u>
 Deferred Inflows of Resources	
Property taxes levied for subsequent year's expenditures	2,498,212
Deferred inflows of resources related to OPEB	103,942
Deferred inflows of resources related to pensions	<u>3,097,643</u>
Total deferred inflows of resources	<u>5,699,797</u>
 Net Position	
Net investment in capital assets	7,992,643
Restricted for	
Debt service	190,699
Other purposes	456,559
Unrestricted	<u>(8,389,805)</u>
Total net position	<u>250,096</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 34,206,298</u>

Independent School District No. 317
Statement of Activities
Year Ended June 30, 2025

Functions/Programs	Program Revenues			Governmental Activities	Net (Expense) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions		
Governmental activities					
Administration	\$ 725,789	\$ -	\$ -	\$ -	\$ (725,789)
District support services	703,651	15,000	-	-	(688,651)
Elementary and secondary regular instruction	6,642,308	88,817	3,257,039	-	(3,296,452)
Vocational education instruction	219,210	9,642	10,700	-	(198,868)
Special education instruction	3,700,048	187,198	3,557,611	-	44,761
Instructional support services	1,003,996	-	233,243	-	(770,753)
Pupil support services	2,612,739	309	1,259,201	-	(1,353,229)
Sites and buildings	1,549,917	-	-	95,427	(1,454,490)
Fiscal and other fixed cost programs	154,826	-	11,000	-	(143,826)
Food service	922,203	80,343	736,279	-	(105,581)
Community education and services	248,561	94,659	95,683	-	(58,219)
Unallocated depreciation and amortization	1,238,586	-	-	-	(1,238,586)
Interest and fiscal charges on long-term debt	466,984	-	-	-	(466,984)
Total governmental activities	\$ 20,188,818	\$ 475,968	\$ 9,160,756	\$ 95,427	(10,456,667)
General revenues					
Taxes					
Property taxes, levied for general purposes					1,597,208
Property taxes, levied for community service					72,198
Property taxes, levied for debt service					1,678,145
State aid-formula grants					6,625,624
Other general revenues					961,593
Investment income					142,319
Gain of sale of assets					16,858
Total general revenues					<u>11,093,945</u>
Change in net position					637,278
Net position - beginning					(38,478)
Change in accounting principle (Note 10)					<u>(348,704)</u>
Net position - restated					<u>(387,182)</u>
Net position - ending					<u>\$ 250,096</u>

See notes to basic financial statements.

Independent School District No. 317
Balance Sheet - Governmental Funds
June 30, 2025

	General	Debt Service	Building Construction Capital Project	Other Nonmajor Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 649,850	\$ 1,313,563	\$ 152,547	\$ 151,869	\$ 2,267,829
Current property taxes receivable	479,403	865,588	-	-	1,344,991
Delinquent property taxes receivable	14,405	36,554	-	-	50,959
Accounts receivable	15,095	-	-	50,129	65,224
Due from Department of Education	1,923,083	19,416	-	9,278	1,951,777
Due from Federal Government through Department of Education	206,071	-	-	10,491	216,562
Due from Federal Government - direct	66,038	-	-	-	66,038
Due from other Minnesota school districts	123,478	-	-	20,828	144,306
Due from other governmental units	513,858	-	-	72,192	586,050
Inventory	-	-	-	21,616	21,616
Total assets	\$ 3,991,281	\$ 2,235,121	\$ 152,547	\$ 336,403	\$ 6,715,352
Liabilities					
Accounts payable	\$ 345,690	\$ -	\$ -	\$ 9,613	\$ 355,303
Salaries and benefits payable	1,398,718	-	-	52,783	1,451,501
Due to other Minnesota school districts	329,634	-	-	173,673	503,307
Due to other governmental units	52,101	-	-	-	52,101
Unearned revenue	40,602	-	-	16,292	56,894
Total liabilities	2,166,745	-	-	252,361	2,419,106
Deferred Inflows of Resources					
Unavailable revenue - property taxes levied for subsequent year's expenditures	670,579	1,827,633	-	-	2,498,212
Unavailable revenue - delinquent property taxes	14,405	36,554	-	-	50,959
Total deferred inflows of resources	684,984	1,864,187	-	-	2,549,171
Fund Balances					
Nonspendable	-	-	-	21,616	21,616
Restricted	372,517	370,934	152,547	64,687	960,685
Committed	70,486	-	-	-	70,486
Unassigned	696,549	-	-	(2,261)	694,288
Total fund balances	1,139,552	370,934	152,547	84,042	1,747,075
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,991,281	\$ 2,235,121	\$ 152,547	\$ 336,403	\$ 6,715,352

**Independent School District No. 317
Reconciliation of the Balance Sheet to
the Statement of Net Position - Governmental Funds
June 30, 2025**

Total fund balances - governmental funds	\$ 1,747,075
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.	
Cost of capital assets	43,834,093
Less accumulated depreciation/amortization	(18,558,567)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:	
G.O. bonds payable	(16,700,000)
Premium on bonds payable	(411,733)
Lease liability	(323,697)
Compensated absences payable	(432,022)
Total OPEB liability	(137,003)
Net pension liability	(7,616,055)
Deferred outflows of resources and deferred inflows of resources are created as a result of various differences relocated to pensions and OPEB that are not recognized in the governmental funds.	
Deferred outflows of resources related to pensions	2,017,430
Deferred inflows of resources related to pensions	(3,097,643)
Deferred outflows of resources related to OPEB	20,314
Deferred inflows of resources related to OPEB	(103,942)
Delinquent property taxes receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	
	50,959
Governmental funds do not report a liability for accrued interest on long-term liabilities until due and payable.	
	(216,789)
The internal service fund is used to fund OPEB. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.	
	177,676
Total net position - governmental activities	\$ 250,096

Independent School District No. 317
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2025

	General	Debt Service	Building Construction Capital Project	Other Nonmajor Funds	Total Governmental Funds
Revenues					
Local property taxes	\$ 1,600,235	\$ 1,685,872	\$ -	\$ 72,198	\$ 3,358,305
Other local and county revenues	483,672	-	64,102	107,693	655,467
Revenue from state sources	13,166,889	189,395	-	305,881	13,662,165
Revenue from federal sources	2,307,042	-	-	513,047	2,820,089
Sales and other conversion of assets	6,527	-	-	80,343	86,870
Total revenues	<u>17,564,365</u>	<u>1,875,267</u>	<u>64,102</u>	<u>1,079,162</u>	<u>20,582,896</u>
Expenditures					
Current					
Administration	733,587	-	-	-	733,587
District support services	712,967	-	-	-	712,967
Elementary and secondary regular instruction	6,456,477	-	-	-	6,456,477
Vocational education instruction	217,231	-	-	-	217,231
Special education instruction	3,698,083	-	-	-	3,698,083
Instructional support services	950,535	-	-	-	950,535
Pupil support services	2,616,354	-	-	-	2,616,354
Sites and buildings	1,665,449	-	-	-	1,665,449
Fiscal and other fixed cost programs	154,826	-	-	-	154,826
Food service	-	-	-	912,670	912,670
Community education and services	-	-	-	250,158	250,158
Capital outlay					
Elementary and secondary regular instruction	13,691	-	-	-	13,691
Vocational education instruction	842	-	-	-	842
Special education instruction	9,816	-	-	-	9,816
Instructional support services	68,570	-	-	-	68,570
Pupil support services	8,080	-	-	-	8,080
Sites and buildings	463,176	-	3,003,854	-	3,467,030
Food service	-	-	-	886	886
Debt service					
Principal	56,119	1,305,000	-	-	1,361,119
Interest and fiscal charges	17,747	568,110	-	-	585,857
Total expenditures	<u>17,843,550</u>	<u>1,873,110</u>	<u>3,003,854</u>	<u>1,163,714</u>	<u>23,884,228</u>
Excess of revenues over (under) expenditures	(279,185)	2,157	(2,939,752)	(84,552)	(3,301,332)
Other Financing Sources					
Proceeds from sale of capital assets	16,858	-	-	-	16,858
Insurance recovery	99,267	-	-	-	99,267
Transfers in	879,736	-	-	67,845	947,581
Transfers out	(67,845)	-	-	-	(67,845)
Total other financing sources	<u>928,016</u>	<u>-</u>	<u>-</u>	<u>67,845</u>	<u>995,861</u>
Net change in fund balances	648,831	2,157	(2,939,752)	(16,707)	(2,305,471)
Fund Balances					
Beginning of year	490,721	368,777	3,092,299	100,749	4,052,546
End of year	<u>\$ 1,139,552</u>	<u>\$ 370,934</u>	<u>\$ 152,547</u>	<u>\$ 84,042</u>	<u>\$ 1,747,075</u>

See notes to basic financial statements.

**Independent School District No. 317
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances to the
Statement of Activities - Governmental Funds
Year Ended June 30, 2025**

Net change in fund balances - total governmental funds \$ (2,305,471)

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation or amortization expense.

Capital outlays	3,526,842
Depreciation/amortization expense	(1,545,323)

Compensated absences are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities. (33,587)

Principal payments on long-term debt are recognized as expenditures in the governmental funds but as an increase in the net position in the Statement of Activities. 1,361,119

Governmental funds recognized pension contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to pensions on a full accrual perspective. 388,407

Governmental funds recognize OPEB contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to OPEB on a full accrual perspective. 12,800

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 19,033

Governmental funds report the effect of bond premiums when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. 99,840

Amortization of premiums

Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds. (10,754)

The internal service fund is used by management to charge the costs of the OPEB to other funds. The operating income is reported within the governmental activities in the Statement of Activities. (875,628)

Change in net position - governmental activities \$ 637,278

Independent School District No. 317
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual - General Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Local property taxes	\$ 1,409,361	\$ 1,350,922	\$ 1,600,235	\$ 249,313
Other local and county revenues	257,800	423,856	483,672	59,816
Revenue from state sources	12,990,125	13,679,780	13,166,889	(512,891)
Revenue from federal sources	2,041,354	2,487,921	2,307,042	(180,879)
Sales and other conversion of assets	-	5,900	6,527	627
Total revenues	<u>16,698,640</u>	<u>17,948,379</u>	<u>17,564,365</u>	<u>(384,014)</u>
Expenditures				
Current				
Administration	773,110	753,053	733,587	(19,466)
District support services	689,731	610,746	712,967	102,221
Elementary and secondary regular instruction	6,342,867	6,665,590	6,456,477	(209,113)
Vocational education instruction	206,776	219,465	217,231	(2,234)
Special education instruction	3,810,967	3,772,232	3,698,083	(74,149)
Instructional support services	943,532	1,023,211	950,535	(72,676)
Pupil support services	2,075,745	2,679,132	2,616,354	(62,778)
Sites and buildings	1,526,378	1,572,472	1,665,449	92,977
Fiscal and other fixed cost programs	102,500	149,776	154,826	5,050
Capital outlay				
Administration	1,000	-	-	-
Elementary and secondary regular instruction	44,500	18,148	13,691	(4,457)
Vocational education instruction	500	195	842	647
Special education instruction	200	163,590	9,816	(153,774)
Instructional support services	46,833	71,395	68,570	(2,825)
Pupil support services	8,980	17,060	8,080	(8,980)
Sites and buildings	50,500	198,085	463,176	265,091
Debt service				
Principal	31,372	22,958	56,119	33,161
Interest and fiscal charges	4,649	13,803	17,747	3,944
Total expenditures	<u>16,660,140</u>	<u>17,950,911</u>	<u>17,843,550</u>	<u>(107,361)</u>
Excess of revenues over (under) expenditures	38,500	(2,532)	(279,185)	(276,653)
Other Financing Sources				
Proceeds from sale of capital assets	-	16,858	16,858	-
Insurance recovery	-	99,267	99,267	-
Transfers in	-	-	879,736	879,736
Transfers out	-	-	(67,845)	(67,845)
Total other financing sources (uses)	<u>-</u>	<u>116,125</u>	<u>928,016</u>	<u>811,891</u>
Net change in fund balances	<u>\$ 38,500</u>	<u>\$ 113,593</u>	648,831	<u>\$ 535,238</u>
Fund Balances				
Beginning of year			<u>490,721</u>	
End of year			<u>\$ 1,139,552</u>	

See notes to basic financial statements.

Independent School District No. 317
Statement of Net Position - Proprietary Funds
June 30, 2025

	<u>Post Employment Benefits Revocable Trust Internal Service Fund</u>
Assets	
Current assets	
Cash and cash equivalents	<u>\$ 177,676</u>
Net Position	
Unrestricted	<u>\$ 177,676</u>

Independent School District No. 317
Statement of Revenues, Expenses, and Changes
in Fund Net Position - Proprietary Funds
Year Ended June 30, 2025

	Post Employment Benefits Revocable Trust Internal Service Fund
Operating Revenues	
Contributions	\$ 45,154
Operating Expenses	
Fees	2,730
Health insurance	62,171
Total operating expenses	64,901
Operating loss	(19,747)
Nonoperating Revenue	
Interest	23,855
Income before transfers	4,108
Transfer out	(879,736)
Change in net position	(875,628)
Net Position	
Beginning of year	1,053,304
End of year	\$ 177,676

Independent School District No. 317
Statement of Cash Flows - Proprietary Funds
Year Ended June 30, 2025

	Post Employment Benefits Revocable Trust Internal Service Fund
Cash Flows - Operating Activities	
Cash received from other funds	\$ 45,154
Cash paid to vendors	<u>(64,901)</u>
Net cash flows - operating activities	<u>(19,747)</u>
 Cash Flows - Noncapital Financing Activities	
Transfer to other fund	<u>(879,736)</u>
 Cash Flows - Investing Activities	
Interest received	<u>23,855</u>
Net change in cash and cash equivalents	(875,628)
 Cash and Cash Equivalents	
Beginning of year	<u>1,053,304</u>
End of year	<u>\$ 177,676</u>
 Reconciliation of Operating Loss to Net Cash Flows - Operating Activities	
Operating loss	<u>\$ (19,747)</u>

Independent School District No. 317
Statement of Fiduciary Net Position
As of June 30, 2025

	Custodial Fund Employee Health Benefits
Assets	
Accounts Receivable	\$ 1,279
Liabilities	
Payable to General Fund	\$ 1,279

Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2025

	Custodial Fund Employee Health Benefits
Additions	
Contributions	\$ -
Deductions	
Health expenses	-
Change in net position	-
Net Position	
Beginning of year	-
End of year	\$ -

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Independent School District No. 317
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District operates under a school board form of government for the purpose of providing educational services to individuals within the District areas. The governing body consists of a six-member board elected by the voters of the District to serve four-year terms.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant policies.

A. Reporting Entity

The basic financial statements present the District and its component units. The District includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the District are financially accountable and are included within the basic financial statements of the District because of the significance of their operational or financial relationships with the District.

The District is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District.

As a result of applying the component unit definition criteria above, it has been determined the District has no component units.

The student activity accounts of the District are under board control and are reported in the General Fund.

B. Basic Financial Statement Information

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary fund. The fiduciary fund is only reported in the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position at the fund financial statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Depreciation and amortization expense that can be specifically identified by function is included in the direct expenses of that function. Depreciation expense and amortization relating to assets that serve multiple functions is presented as unallocated depreciation and amortization in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. The effect of interfund activity has been removed from these statements.

Independent School District No. 317
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basic Financial Statement Information (Continued)

Separate fund financial statements are provided for governmental funds, the proprietary fund, and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Custodial Fund is presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (employees) and cannot be used to address activities or obligations of the District, this fund is not incorporated into the government-wide statements.

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year to which it applies according to *Minnesota Statutes* and accounting principles generally accepted in the United States of America. *Minnesota Statutes* include state aid funding formulas for specific years. Federal revenue is recorded in the year in which the related expenditure is made. Other revenue is considered available if collected within 60 days.

2. Recording of Expenditures

Expenditures are generally recorded when a liability is incurred. The exceptions to this general rule are that interest and principal expenditures in the Debt Service Fund, compensated absences and claims and judgments are recognized when payment is due.

The District applies unrestricted resources first when an expenditure is incurred for a purpose for which both restricted and unrestricted fund balances are available. Further, the District applies unrestricted funds in this order if various levels of restricted fund balances exist: unassigned, assigned, and committed.

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 revenues of the District's internal service funds are charges to customers for administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Description of Funds:

Major Funds:

General Fund - This fund is the basic operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund - This fund is used to account for the accumulation of resources for, and payment of, general obligation (G.O.), bond principal, interest, and related costs.

Building Construction Capital Projects Fund - This fund is used to account for financial resources used for the acquisition or construction of major capital facilities authorized by bond issue.

Nonmajor Funds:

Food Service Special Revenue Fund - This fund is used to account for food service revenues and expenditures.

Community Service Special Revenue Fund - This fund is used to account for services provided to residents in the areas of community education, school readiness, early childhood and family education, or other similar services.

Internal Service Fund:

Post Employment Benefits Revocable Trust Fund - This fund is used to account for the accumulation of resources to fund post-employment benefits.

Fiduciary Fund:

Employee Health Benefits Fund - This fund is used to account for the accumulation of employee health benefits deducted from employee pay and health expenses.

D. Deposits and Investments

Cash and 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 individual funds based on the average of month-end cash and investment balances.

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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; Level 3 inputs are significant unobservable inputs. Investments held by investment pools are measured at amortized cost.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments (Continued)

Cash and investments as of June 30, 2025, were comprised of deposits, shares in the Minnesota School District Liquid Asset Fund (MSDLAF) including MSDLAF MAX, shares in the Minnesota Trust (MNTrust) Investment Shares Portfolio, and Money Market Funds.

Minnesota Statutes requires all deposits be protected by federal deposit insurance, corporate surety bonds, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by Federal Deposit Insurance Corporation (FDIC) insurance or corporate surety bonds.

Minnesota Statutes authorizes the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase, and reverse repurchase agreements, and commercial paper of the highest quality with a maturity of no longer than 270 days.

In accordance with GASB Statement No. 79, the various MSDLAF and MNTrust securities are valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the MSDLAF or MNTrust Investment Shares Portfolio. Investments in the MSDLAF MAX 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.

E. Property Tax Receivable

Current property taxes receivable is recorded for taxes certified the previous December and collectible in the current calendar year, which have not been received by the District. Delinquent property taxes receivable represents uncollected taxes for the past six years and are deferred and included in the deferred inflows of resources section of the fund financial statements as unavailable revenue because they are not available to finance the operations of the District in the current year.

F. Property Taxes Levied for Subsequent Year's Expenditures

Property taxes levied for subsequent year's expenditures consist principally of property taxes levied in the current year which will be collected and recognized as revenue in the District's following year to properly match those revenues with the budgeted expenditures for which they were levied. This amount is equal to the amount levied by the School Board in December 2024, less various components and their related adjustments as mandated by the state. These portions of that levy were recognized as revenue in fiscal year 2025. The remaining portion of the levy will be recognized when measurable and available.

G. Inventories

Inventories of commodities donated directly by the U.S. Department of Agriculture are recorded at market value. Other inventories are stated at cost as determined on a first-in, first-out (FIFO) basis. Inventories are recorded as expenditures when consumed rather than when purchased.

H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items are recorded as an expenditure at the time of consumption. As of June 30, 2025, the district had no prepaid items.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Property Taxes

The District levies its property tax during the month of December. December 28 is the last day the District can certify a tax levy to the County Auditor. Such taxes become a lien on January 1. The property tax is recorded as revenue when it becomes measurable and available. Itasca and Cass Counties are the collecting agencies for the levy and remit the collections to the District three times a year. The Tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15. Delinquent collections for November and December are received the following January.

A portion of property taxes levied is paid by the State of Minnesota through various tax credits, which are included in revenue from state sources in the basic financial statements. Also, a portion of property taxes levied is replaced by taconite levy replacement revenue in accordance with *Minnesota Statutes § 298.28*.

J. Capital Assets

Capital assets are recorded in the government-wide financial statements but are not reported in the fund financial statements.

Capital assets are defined by the District as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year. Capital assets which are less than \$10,000 individually but more than \$50,000 in the aggregate are also capitalized. Such assets are capitalized at historical cost or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at its acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets lives are not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purpose. Useful lives vary from 20 to 50 years for improvements other than buildings and buildings and 5 to 15 years for furniture and equipment.

Capital assets not being depreciated include land and construction in progress. The District does not possess any material amounts of infrastructure capital assets, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

K. Right-to-Use Lease Assets/Lease Liabilities

The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the lease liability plus any payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right-to-use assets are amortized on a straight-line basis over the life of the related lease.

Key estimates and judgments related to leases include (1) the discount rate, (2) lease term, (3) lease payments, and (4) amortization.

Independent School District No. 317
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Right-to-Use Lease Assets/Lease Liabilities (Continued)

The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District determines its estimated direct borrowing rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a re-measurement of the leases and will remeasure the right-to-use lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The District has two items that qualify for reporting in this category. Deferred outflows of resources related to pensions and deferred outflows of resources related to OPEB are reported in the government-wide Statement of Net Position. Deferred outflows of resources related to pensions is recorded for various estimate differences that will be amortized and recognized over future years. Deferred outflows of resources related to OPEB is recorded for various estimate differences that will be amortized and recognized over future years.

In addition to liabilities, the Statement of Net Position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has four types of items which qualify for reporting in this category. The first item, unavailable revenues from delinquent property taxes arise under a modified accrual basis of accounting and is reported only in the Governmental Funds Balance Sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available. The second item is property taxes levied for subsequent years, which represent property taxes received or reported as a receivable before the period for which the taxes are levied and is reported as a deferred inflow of resources in both the government-wide Statement of Net Position and the Governmental Funds Balance Sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available. Deferred inflows of resources related to pensions is recorded on the government-wide statements for various estimate differences that will be amortized and recognized over future years. Deferred inflows of resources related to OPEB is recorded on the government-wide statements for various estimate differences that will be amortized and recognized over future years.

M. 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 Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Long-Term Obligations (Continued)

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

N. Compensated Absences

The liability for compensated absences reported in the Statement of Net Position consists of leave that has not been used that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave.

Employees, other than teachers, earn vacation according to their contract varying from 5 to 25 days.

Sick leave pay is shown as an expenditure in the year paid. Sick leave is not paid out at termination, except as paid in conjunction with the severance benefits.

Teachers hired prior to July 1, 1995, who have ten or more years of continuous service with the District, will receive severance equal to their accumulated sick leave days up to a maximum of 100 days times their current daily rate of pay, less the amount contributed to the teacher's 403(b) plan.

Noncertified employees hired prior to September 1, 2002, shall receive as severance pay, 50% of their accrued unused sick leave calculated at the current daily rate, not to exceed 70 days, provided they have served ten years with the District.

Various other contracts exist that provide severance benefits that are specific for that position.

O. Pensions

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 Teachers Retirement Association (TRA), and additions to/deductions from PERA's and TRA's fiduciary net position have been determined on the same basis as they are reported by PERA and 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.

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 Teacher's Retirement Fund Association (DTRFA) in 2015.

Independent School District No. 317
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Risk Management

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 injuries to employees for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in the District's insurance coverage during the year ending June 30, 2025.

Q. Fund Equity

In the fund financial statements, governmental funds report various levels of spending constraints.

- **Nonspendable Fund Balances** - These are amounts that cannot be spent because they are not in spendable form as they are legally or contractually required to be maintained intact and include prepaid and inventories.
- **Restricted Fund Balances** - These are subject to externally enforceable legal restrictions.
- **Committed Fund Balances** - These amounts are for a specific purpose. The government's highest level of decision-making authority is the School Board. The formal action to establish or modify a commitment requires a majority vote by the School Board.
- **Assigned Fund Balances** - The District intends to use these funds for a specific purpose. The School Board may assign balances by majority vote or the School Board has also delegated authority to the Superintendent and Business Manager to assign balances with reports back to the School Board.
- **Unassigned Fund Balances** - Residual amounts in the General Fund not reported in another classification.
- **Minimum Fund Balance Policy** - The District will strive to maintain a minimum unassigned General Fund balance of 9% of the annual budget.

R. Net Position

Net position represents the difference between assets and deferred outflows of resources; and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statement when there are limitations on their use through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

S. Use of Estimates

The preparation of basic 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 of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements. Estimates also affect the reported amounts of revenue and expenditures/expense during the reporting period. Actual results could differ from those estimates.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Budgetary Information

The District follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. Prior to July 1, the School Superintendent submits to the School Board a proposed operating budget for the year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. The Superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the School Board.
3. Formal budgetary integration is employed as a management control device during the year for all funds. Formal budgetary integration is not required for Debt Service Funds because effective budgetary control is alternatively achieved through G.O. bond indenture provisions. However, the District did formally approve budgets for the Debt Service Fund.
4. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
5. Budgets are as originally adopted or as amended by the School Board. Budgeted expenditure appropriations lapse at year-end.

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.

Custodial Credit Risk - Deposits: This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy states deposit type securities shall be collateralized as required by *Minnesota Statutes* § 118A.06 for any amount exceeding Federal Deposit Insurance Corporation (FDIC), SIAF, BIF, or FCUA, or other federal deposit coverage. The District's deposits were fully insured and collateralized at June 30, 2025, and the District was not exposed to custodial credit risk.

Pooled deposits	
Checking	\$ 91,580
Savings	48
Nonpooled deposits	
Certificates of deposit	175,000
Total deposits	\$ 266,628

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments

Investments at June 30, 2025, consisted of the following:

Investment	Amount	1 Year or Less	1-3 Years
Pooled investments			
MSDLAF Liquid Class	\$ 208,047	\$ 208,047	\$ -
MSDLAF MAX Class	1,707,373	1,707,373	-
MNTrust Investment Shares Portfolio	260,521	260,521	-
Total pooled investments	2,175,941	2,175,941	-
Non-pooled investments			
OPEB Trust Fund			
Money Market Fund	2,676	2,676	-
Total investments	\$ 2,178,617	\$ 2,178,617	\$ -

Interest Rate Risk: This is the risk that changes in interest rates will adversely affect the fair value of an investment or deposit. The District's policy indicates 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.

Credit Risk: This is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The District's investment policy refers to *Minnesota Statutes* §§ 118A.04 and 118A.05. As of June 30, 2025, the District's investment in MSDLAF, MSDLAF MAX, and MNTrust Investment Shares Portfolio were rated AAAM by Standard & Poor's (S&P).

Concentration of Credit Risk Pooled Investments: This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's policy indicates the District shall diversify its investments to avoid incurring unreasonable risks inherent to over investing in specific instruments, individual institutions, or maturities. The District's investment policy states a table for diversification of investments shall be prepared and then approved by the School Board. At this time, that table has not yet been developed or approved.

Custodial Credit Risk - Investments: This is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's policy indicates all investment securities shall be held in third party safekeeping by an institution designated as custodial agent.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

The following is a summary of total deposits and investments:

Deposits (Note 2.A.)	\$ 266,628
Petty cash	260
Investments (Note 2.B.)	<u>2,178,617</u>
Total deposits and investments	<u>\$ 2,445,505</u>

Deposits and investments are presented in the June 30, 2025, basic financial statements as follows:

Statement of Net Position	
Cash and investments	<u>\$ 2,445,505</u>

Independent School District No. 317
Notes to Basic Financial Statements

NOTE 3 - CAPITAL ASSETS

Capital asset activity for the year ended **June 30, 2025**, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Capital assets not being depreciated				
Land	\$ 252,422	\$ -	\$ -	\$ 252,422
Construction in progress	4,108,646	3,407,571	7,369,437	146,780
Total capital assets not being depreciated	<u>4,361,068</u>	<u>3,407,571</u>	<u>7,369,437</u>	<u>399,202</u>
Other capital assets				
Improvements other than buildings	1,360,876	-	-	1,360,876
Buildings	30,653,284	7,369,437	-	38,022,721
Furniture and equipment	3,440,686	119,271	-	3,559,957
Leased building	336,845	-	-	336,845
Leased equipment	154,492	-	-	154,492
Total other capital assets at historical cost	<u>35,946,183</u>	<u>7,488,708</u>	<u>-</u>	<u>43,434,891</u>
Less accumulated depreciation for				
Improvements other than buildings	581,192	63,784	-	644,976
Buildings	14,469,884	1,158,982	-	15,628,866
Furniture and equipment	1,841,778	260,879	-	2,102,657
Less accumulated amortization for				
Leased building	88,097	26,184	-	114,281
Leased equipment	32,293	35,494	-	67,787
Total accumulated depreciation and amortization	<u>17,013,244</u>	<u>1,545,323</u>	<u>-</u>	<u>18,558,567</u>
Total other capital assets, net	<u>18,932,939</u>	<u>5,943,385</u>	<u>-</u>	<u>24,876,324</u>
Governmental activities, capital assets, net	<u>\$ 23,294,007</u>	<u>\$ 9,350,956</u>	<u>\$ 7,369,437</u>	<u>\$ 25,275,526</u>

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 3 - CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense for the year ended June 30, 2025, was charged to the following governmental functions:

District Support Services	\$ 4,183
Elementary and Secondary Regular Instruction	196,559
Vocational Education Instruction	1,683
Special Education Instruction	26,184
Instructional Support Services	21,996
Pupil Support Services	5,467
Sites and Buildings	35,285
Food Service	17,382
Unallocated	<u>1,236,584</u>
Total depreciation and amortization expense	<u><u>\$ 1,545,323</u></u>

NOTE 4 - LONG-TERM DEBT

A. Components of Long-Term Liabilities

	Issue Date	Interest Rate	Original Issue	Final Maturity	Principal Outstanding	Due Within One Year
Long-term liabilities						
G.O. Bonds, including refunding bonds						
2015A G.O. School Building Bonds	11/18/15	2.00%-3.00%	\$ 9,380,000	02/01/33	\$ 8,320,000	\$ 1,065,000
2016A G.O. School Building Bonds	04/06/16	3.00%	975,000	02/01/33	975,000	-
2017A G.O. Facilities Maintenance and Tax Abatement Bonds	10/03/17	3.00%	1,010,000	02/01/27	250,000	120,000
2022A G.O. Facilities Maintenance and Tax Abatement Bonds	08/08/22	3.00%-5.00%	7,440,000	02/01/37	<u>7,155,000</u>	<u>165,000</u>
Total G.O. bonds					<u>16,700,000</u>	<u>1,350,000</u>
Lease liability					323,697	57,919
Bond premium					411,733	-
Compensated absences					<u>432,022</u>	<u>432,022</u>
Total all long-term liabilities					<u><u>\$ 17,867,452</u></u>	<u><u>\$ 1,839,941</u></u>

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 4 - LONG-TERM DEBT (CONTINUED)

A. Components of Long-Term Liabilities (Continued)

Long-term bond liabilities were issued to finance acquisition and construction of capital facilities, or to refinance (refund) previous bond issues. Lease liabilities are liquidated through the General Fund.

The District's lease liability relates to an office space lease agreement and copier lease agreements. The District leases space through December 31, 2033. The District's copier agreements are generally for 60 month terms, the last of which expires in fiscal year 2029.

B. Minimum Debt Payments for Bonds and Loans

Minimum annual principal and interest payments required to retire long-term liabilities:

Year Ended June 30,	G.O. Bonds		
	Principal	Interest	Total
2026	\$ 1,350,000	\$ 520,293	\$ 1,870,293
2027	1,405,000	484,480	1,889,480
2028	1,445,000	443,955	1,888,955
2029	1,495,000	399,580	1,894,580
2030	1,540,000	347,630	1,887,630
2031-2035	7,120,000	970,800	8,090,800
2036-2037	2,345,000	110,810	2,455,810
Total	<u>\$ 16,700,000</u>	<u>\$ 3,277,548</u>	<u>\$ 19,977,548</u>
Year Ended June 30,	Lease Liability		
	Principal	Interest	Total
2026	\$ 57,919	\$ 14,843	\$ 72,762
2027	61,504	11,803	73,307
2028	37,795	9,305	47,100
2029	30,686	7,555	38,241
2030	27,598	6,163	33,761
2031-2034	108,195	9,969	118,164
Total	<u>\$ 323,697</u>	<u>\$ 59,638</u>	<u>\$ 383,335</u>

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 4 - LONG-TERM DEBT (CONTINUED)

C. Changes in Long-Term Liabilities

	Beginning Balance	Change in Accounting Principle	Beginning Balance, Restated	Additions	Reductions	Ending Balance
Long-Term Liabilities						
G.O. Bonds	\$ 18,005,000	\$ -	\$ 18,005,000	\$ -	\$ 1,305,000	\$ 16,700,000
Bond premium	511,573	-	511,573	-	99,840	411,733
Lease liability	379,816	-	379,816	-	56,119	323,697
Compensated absences payable	49,731	348,704	398,435	33,587	-	432,022
Total long-term liabilities	<u>\$ 20,212,873</u>	<u>\$ 348,704</u>	<u>\$ 19,294,824</u>	<u>\$ 33,587</u>	<u>\$ 1,460,959</u>	<u>\$ 17,867,452</u>

The change in the compensated absences liability is presented as a net change.

NOTE 5 - FUND BALANCES

Certain portions of fund balances are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities or as required by other outside parties.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 5 - FUND BALANCES (CONTINUED)

Fund Equity

Fund equity balances are classified as follows to reflect the limitations and restrictions of the respective funds:

	General Fund	Debt Service	Building Construction Fund	Other Nonmajor Funds	Total
Nonspendable					
Inventory	\$ -	\$ -	\$ -	\$ 21,616	\$ 21,616
Restricted/reserved for					
Student Activities	65,486	-	-	-	65,486
Scholarships	53,407	-	-	-	53,407
Gifted and Talented	30,734	-	-	-	30,734
School Library Aid	19,413	-	-	-	19,413
Literacy Aid	24,697	-	-	-	24,697
Teacher Compensation for READ Act	14,048	-	-	-	14,048
Long-Term Facilities Maintenance	-	-	4,927	-	4,927
Medical Assistance	164,732	-	-	-	164,732
Debt Service	-	370,934	-	-	370,934
Capital Projects	-	-	147,620	-	147,620
Community Education	-	-	-	35,657	35,657
School Readiness	-	-	-	2,408	2,408
Community Service	-	-	-	26,622	26,622
Total restricted/reserved	<u>372,517</u>	<u>370,934</u>	<u>152,547</u>	<u>64,687</u>	<u>960,685</u>
Committed for					
Facilities and equipment	<u>70,486</u>	-	-	-	<u>70,486</u>
Unassigned					
Long-term Facilities Maintenance	(304,306)	-	-	-	(304,306)
Food Service	-	-	-	(2,261)	(2,261)
General purposes	<u>1,000,855</u>	-	-	-	<u>1,000,855</u>
Total unassigned	<u>696,549</u>	-	-	<u>(2,261)</u>	<u>694,288</u>
Total fund balance	<u>\$ 1,139,552</u>	<u>\$ 370,934</u>	<u>\$ 152,547</u>	<u>\$ 84,042</u>	<u>\$ 1,747,075</u>

Negative balances have been classified as unassigned in accordance with GASB Statement No. 54.

Nonspendable for Inventory - This balance represents a portion of the fund balance that cannot be spent since the amounts have already been spent on inventories.

Restricted/Reserved for Student Activities - This balance represents available resources to be used for the extracurricular activity funds raised by the students.

Restricted/Reserved for Scholarships - This balance represents available resources for the scholarship funds.

Restricted/Reserved for Gifted and Talented - The part of General Education Aid revenue for the gifted and talented program that is unspent at year end must be restricted in this Balance Sheet account.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 5 - FUND BALANCES (CONTINUED)

Fund Equity (Continued)

Restricted/Reserved for School Library Aid - This balance represents resources available for the school library aid uses listed in *Minnesota Statute* § 134.356, subd. 1.

Restricted/Reserved for Literacy Aid - This balance represents resources available for literacy aid for evidence-based literacy supports for children in prekindergarten through grade 12 based on structured literacy.

Restricted/Reserved for Teacher Compensation for READ Act Training - This balance represents resources available for teacher compensation for Read Act training.

Restricted/Reserved for Long-Term Facilities Maintenance (LTFM) - This balance represents available resources to be used for LTFM projects in accordance with the 10-year plan (*Minnesota Statutes* § 123B.595, subd. 12). The balance in the General Fund is negative as of June 30, 2025. Therefore, \$304,306 has been reclassified as unassigned.

Restricted/Reserved for Medical Assistance - This balance represents available resources to be used for medical assistance expenditures (*Minnesota Statutes* § 125A.21, subd. 3).

Restricted for Debt Service - This balance represents the positive fund balance of the Debt Service Fund.

Restricted for Capital Projects - This balance represents the remaining positive fund balance of the Building Construction Capital Project Fund.

Restricted/Reserved for Community Education - This balance represents the resources available to provide programming such as: nonvocational, recreational and leisure time activities, programs for adults with disabilities, noncredit summer programs, youth development and youth service programming, early childhood and family education, and extended day programs.

Restricted/Reserved for School Readiness - This balance represents the resources available to provide for services for school readiness programs (*Minnesota Statutes* § 124D.16).

Restricted for Community Service - This balance represents the positive fund balance of the Community Service Fund not set aside in other restrictions.

Committed for Facilities and Equipment - The District has set aside funds for future use for equipment and facility expenditures.

Unassigned for Food Service - This balance represents the negative remaining fund balance of the Food Service Fund.

Net position restricted for other purposes is comprised of the total positive General Fund, Community Service, and Food Service Funds' restricted fund balance adjusted to full accrual.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 6 - DEFINED BENEFIT PENSION PLANS - STATE-WIDE

The District participates in various pension plans. Total pension expense for the year ended June 30, 2025, was \$639,712. The components of pension expense are noted in the following plan summaries.

The General Fund typically liquidates the liability related to the pensions.

Teachers' Retirement Association

A. Plan Description

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. 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. TRA is a separate statutory entity and administered by a Board of Trustees. The Board 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 teachers employed by St. Paul Schools or Minnesota State Colleges and Universities). Educators first hired by Minnesota State may elect either TRA coverage or coverage through the Defined Contribution Retirement Plan (DCR) administered by Minnesota State. A teacher employed by Minnesota State and electing the DCR plan is not a member of TRA except for purposes of social security coverage.

B. Benefits Provided

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 Statute* and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any consecutive 60 months of formula service, age and years of formula service credit at termination of service. TRA members belong to either the Basic or Coordinated Plan.

Two methods are used to compute benefits for 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.

Tier I Benefits

Tier I	Step Rate Formula	Percentage
Basic	First ten years of service	2.2% per year
	All years after	2.7% per year
Coordinated	First ten years if service years are up to July 1, 2006	1.2% per year
	First ten years if service years are July 1, 2006 or after	1.4% per year
	All other years of service if service years are up to July 1, 2006	1.7% per year
	All other years of service if service years are July 1, 2006 or after	1.9% per year

- Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Teachers' Retirement Association (Continued)

B. Benefits Provided (Continued)

Tier I Benefits (Continued)

- 3% per year early retirement reduction factor for all years under normal retirement age.
- Unreduced benefits for early retirement under a Rule of 90 (age plus allowable service equals 90 or more).

Or

For years of service prior to July 1, 2006, a level formula of 1.7% per year for coordinated members and 2.7% per year for basic members is applied. For years of service July 1, 2006, and after, a level formula of 1.9% per year for Coordinated members and 2.7% for Basic members applies. An early retirement reduction is applied to members retiring prior to age 65. Members who reach age 62 with 30 years of service have a lower (more favorable to the member) reduction rate applied.

Tier II Benefits

Members first employed after June 30, 1989, receive only the Tier II calculation with a normal retirement age that is their retirement age for full Social Security retirement benefits, but not to exceed age 66. After July 1, 2024, the age will change to not to exceed 65. An early retirement reduction is applied to members retiring before age 66 but will be age 65 after July 1, 2024. Members who reach age 62 with 30 years of service have a lower (more favorable to the member) early retirement reduction rate applied.

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.

C. Contributions

Per *Minnesota Statutes* Chapter 354 sets the contribution rates for employees and employers. Rates for the fiscal year 2025 for coordinated were 7.75% for the employee and 8.75% for the employer. Basic rates were 11.25% for the employee and 12.75% for the employer. The District's contributions to TRA for the plan's fiscal year ended June 30, 2025 were \$579,732. The District's contributions were equal to the required contributions for each year as set by state statute.

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Teachers' Retirement Association (Continued)

D. Actuarial Assumptions

The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Key Methods and Assumptions Used in Valuation of Total Pension Liability

Actuarial Information

Experience study	August 2, 2023 (demographic and economic assumptions)*
Actuarial cost method	Entry Age Normal
Actuarial assumptions	
Investment rate of return	7.00%
Price inflation	2.50%
Wage growth rate	2.85% before July 1, 2028, and 3.25% after June 30, 2028.
Projected salary increase	2.85% to 8.85% before July 1, 2028, and 3.25% to 9.25% after June 30, 2028.
Cost of living adjustment	1.0% for January 2019 through January 2023, then increasing by 0.1% each year up to 1.5% annually.

Mortality Assumptions

Pre-retirement	PubT-2010(A) Employee Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Post-retirement	PubT-2010(A) Retiree Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Beneficiaries	Pub-2010(A) Contingent Survivor Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.
Disabled retirees	PubNS-2010 Disabled Retiree Mortality Table, male rates set forward 1 year and female rates unadjusted. Generational projection uses the MP-2021 scale.

* The assumptions prescribed are based on the experience study dated August 2, 2023. For GASB 67 purposes, the long-term rate of return assumptions is selected by TRA management in consultation with the actuary.

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Teachers' Retirement Association (Continued)

D. Actuarial Assumptions (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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
Domestic equity	33.5 %	5.10 %
International stocks	16.5	5.30
Private markets	25.0	5.90
Fixed income	25.0	0.75
Total	100.0 %	

Changes in actuarial assumptions since the previous valuation:

- Mortality tables were updated for active employees, retirees, disabled retirees, and contingent beneficiaries to recently published tables derived from public plan data known as the Pub-2010 family.
- Retirement rates were increased for some of the Tier II early retirement ages and some of the unreduced retirement rates were modified for both tiers to better align with actual experience.
- Probability that new female retirees elect either the Straight Life Annuity or 100% Joint and Survivor Annuity were refined to reflect the actual experience.
- Termination rates were reduced in the first 10 years of employment and slightly increased in years 16 to 25 to better match the observed experience.
- Disability rates were decreased beyond age 45 by 15% to reflect the continued lower than expected observations.

E. Discount Rate

The discount rate used to measure the total pension liability was 7.0%. There was no change in the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2024 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. 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.

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Teachers' Retirement Association (Continued)

F. Net Pension Liability

On June 30, 2025, the District reported a liability of \$6,424,219 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The District's proportion of the net pension liability was based on the District's contributions to 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 0.1011% at the end of the measurement period and 0.1039% for the beginning of the year.

The pension liability amount reflected a reduction due to direct aid provided to 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 net pension liability	\$ 6,424,219
State's proportionate share of the net pension liability associated with the District	<u>420,078</u>
Total	<u><u>\$ 6,844,297</u></u>

For the year ended June 30, 2025, the District recognized pension expense of \$557,561. Included in this amount, the District recognized \$23,092 as pension expense for the support provided by direct aid.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$176 million to the Fund. The State of Minnesota is not included as a non-employer contributing entity in the plan pension allocation schedules for the \$176 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The District recognized \$178,105 for the year ended June 30, 2025, as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Fund.

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Teachers' Retirement Association (Continued)

F. Net Pension Liability (Continued)

As of June 30, 2025, the District reported 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 experience	\$ 306,420	\$ 85,034
Net difference between projected and actual earnings on plan investments	-	856,572
Changes in actuarial assumptions	650,419	766,105
Changes in proportion	146,631	299,303
District's contributions to TRA subsequent to measurement date	579,732	-
Total	\$ 1,683,202	\$ 2,007,014

The \$579,732 reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Teachers' Retirement Association (Continued)

F. Net Pension Liability (Continued)

Other amounts reported as deferred outflows of resources and (deferred inflows of resources) will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense Amount
2026	\$ (405,284)
2027	604,042
2028	(511,265)
2029	(451,122)
2030	(139,915)
Total	\$ (903,544)

G. Pension Liability Sensitivity

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0% as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percent lower (6.0%) and 1 percent higher (8.0%) than the current rate.

Sensitivity of NPL to Changes in the Discount Rate		
1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
\$ 11,313,425	\$ 6,424,219	\$ 2,400,286

H. Pension Plan Fiduciary Net Position

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

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Public Employees' Retirement Association

A. Plan Description

The District participates in the following cost-sharing multiple-employer defined benefit pension plan administered by PERA. PERA's defined benefit pension plan is established and administered in accordance with *Minnesota Statutes* Chapters 353, 353D, 353E, 353G, and 356. *Minnesota Statutes* Chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan

Membership in the General Plan includes employees of counties, cities, townships, schools in noncertified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. 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. When a member is "vested", they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any 5 successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2% of the highest average salary for each of the first 10 years of service and 1.7% for each additional year. Under the Level formula, General Plan members receive 1.7% of the highest average salary for all years of service. For members hired prior to July 1, 1989, a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25% for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of .25% for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1.0% and a maximum of 1.5%. The 2024 annual increase was 1.5%. 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. 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.

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Public Employees' Retirement Association (Continued)

C. Contributions

Minnesota Statutes Chapter 353, 353E, 353G, and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.5% of their annual covered salary in fiscal year 2024 and the District was required to contribute 7.5% for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2025, were \$191,526. The District's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

General Employees Fund Pension Costs

At June 30, 2025, the District reported a liability of \$1,191,836 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 non-employer 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 \$30,818.

District's proportionate share of net pension liability	\$ 1,191,836
State's proportionate share of the net pension liability associated with the District	<u>30,818</u>
Total	<u><u>\$ 1,222,654</u></u>

The net pension liability was measured as of June 30, 2024, 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 PERA during the measurement period for employer payroll paid dates from July 1, 2023, through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.0322% at the end of the measurement period and 0.0379% for the beginning of the measurement period.

For the year ended June 30, 2025, the District recognized pension expense of \$82,151 for its proportionate share of the General Employees Plan's pension expense. Included in this amount, the District recognized \$826 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedule for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The District recognized \$54,838 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the General Employees Fund.

As of June 30, 2025, the District reported its proportionate share of deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 118,689	\$ -
Changes in actuarial assumptions	6,931	508,938
Net difference between projected and actual earnings on plan investments	-	324,453
Changes in proportion	17,082	257,238
District's contributions to PERA subsequent to measurement date	191,526	-
Total	\$ 334,228	\$ 1,090,629

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

The \$191,526 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 ended June 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year End June 30,	Pension Expense Amount
2026	\$ (481,639)
2027	(142,902)
2028	(232,039)
2029	(91,347)
Total	\$ (947,927)

E. Long-Term Expected Return on Investment

The State Board of Investment, which manages the investments of PERA, 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	Final Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.5 %	5.10 %
International stocks	16.5	5.30
Fixed income	25.0	0.75
Private markets	25.0	5.90
Total	100.0 %	

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Public Employees' Retirement Association (Continued)

F. Actuarial Methods and Assumptions

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 7.0%. The 7.0% 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 considered reasonable by the actuary. An investment return of 7.0% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service.

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023, actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2024:

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: Increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

G. Discount Rate

The discount rate used to measure the total pension liability in 2024 was 7.0%. 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 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.

**Independent School District No. 317
Notes to Basic Financial Statements**

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

Public Employees' Retirement Association (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:

	1% Decrease in Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase in Discount Rate (8.0%)
District's proportionate share of the PERA net pension liability	\$ 2,603,162	\$ 1,191,836	\$ 30,892

I. Pension Plan Fiduciary Net Position

Detailed information about the General Employees Fund's fiduciary net position is available in a separately issued PERA financial report that includes the basic financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

NOTE 7 - POST EMPLOYMENT HEALTH CARE PLAN

A. Plan Description

The District's defined benefit OPEB plan provides a single employer defined benefit health care plan to eligible retirees and their spouses. The plan offers medical coverage. It is the District's policy to periodically review its medical coverage and to obtain requests for proposals in order to provide the most favorable benefits and premiums for District employees and retirees. No assets are acclimated in a trust to offset this liability as the District utilizes a revocable trust.

B. Benefits Paid

Employees of the District receiving a retirement or disability benefit, or eligible to receive a benefit, from a Minnesota Public Pension Plan may continue to participate in the District group insurance plan. Full vesting of such amounts occurs upon attaining 55 years of age. The General Fund, Food Service Fund and Community Service Fund typically liquidate the liability related to OPEB.

C. Members

As of the June 30, 2023, valuation date, the following were covered by the benefit terms:

Retirees electing coverage	16
Active employees waiving coverage	69
Active employees electing coverage	91
Total	176

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 7 - POST EMPLOYMENT HEALTH CARE PLAN

D. Contributions

Retirees contribute to the health care plan at the same rate as District employees. This results in the retirees receiving an implicit rate subsidy. Contribution requirements are established by the District. The required contributions are based on projected pay-as-you-go financing requirements. For the year 2025, the District contributed \$12,133 to the plan.

E. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2023, with a measurement date of June 30, 2024, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Discount Rate	3.97%
Inflation	2.50%
Healthcare cost trend increases	7.6% for 2024, decreasing over several decades to an ultimate rate of 3.9% in 2076 and later years
Mortality Assumptions	Teachers - Pub-2010 teacher mortality tables with projected mortality improvements based on scale MP-2021 and other adjustments Non-Teachers - Pub-2010 general mortality tables with projected mortality improvements based on scale MP-2021 and other adjustments

The discount rate used to measure the OPEB liability was based on the index rate for 20-year tax-exempt municipal bonds (Fidelity 20-year Municipal GO AA index).

Changes in actuarial assumptions include the following:

- The discount rate increased from 3.86% to 3.97% based on the index rate for 20-year, tax exempt municipal bonds.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 7 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

F. Total OPEB Liability

Changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balances at June 30, 2024	\$ 128,565
Changes for the year	
Service cost	16,654
Interest	5,355
Changes in assumptions	(601)
Employer contributions	(12,970)
Net changes	8,438
Balances at June 30, 2025	\$ 137,003

G. OPEB Liability Sensitivity

The following presents the District's total OPEB liability calculated using the discount rate of 3.97% as well as the liability measured using 1% lower and 1% higher than the current discount rate.

	1% Decrease in Discount Rate (2.97%)	Current Discount Rate (3.97%)	1% Increase in Discount Rate (4.97%)
Total OPEB Liability	\$ 142,219	\$ 137,003	\$ 131,348

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% lower and 1% higher than the current healthcare cost trend rates.

	1% Decrease in Trend Rate (6.6% Decreasing to 2.9%)	Current Trend Rate (7.6% Decreasing to 3.9%)	1% Increase in Trend Rate (8.6% Decreasing to 4.9%)
Total OPEB Liability	\$ 123,176	\$ 137,003	\$ 153,561

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 7 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

**H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
Related to OPEB**

For the year ended June 30, 2025, the District recognized OPEB expense of (\$667). As of June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual liability	\$ 2,907	\$ 54,282
Changes of assumptions	5,274	49,660
Subsequent contributions	12,133	-
Total	\$ 20,314	\$ 103,942

The \$12,133 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 ended June 30, 2026.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31,	Future Recognition
2026	\$ (21,849)
2027	(21,299)
2028	(15,935)
2029	(16,593)
2030	(10,841)
Thereafter	(9,244)
Total	\$ (95,761)

NOTE 8 - INTERFUND ACTIVITY

During the year ended June 30, 2025, the District transferred \$67,845 from the General Fund to the Food Service Special Revenue Fund for expenditures initially charged to the Food Service Fund that were determined unallowable based on an audit by the Minnesota Department of Education. In addition, the District transferred \$879,736 from the OPEB Revocable Trust Fund to the General Fund as the OPEB trust was revoked during fiscal year 2025. The amount remaining in the OPEB Revocable Trust Fund as of June 30, 2025 is related to one certificate of deposit and related earnings that will not mature until fiscal year 2026.

**Independent School District No. 317
Notes to Basic Financial Statements**

NOTE 9 - CONSTRUCTION COMMITMENTS

As of June 30, 2025, the District had construction commitments of \$146,780 related to the high school window replacement project.

NOTE 10 - CHANGE IN ACCOUNTING PRINCIPLE

As of July 1, 2024, the District implemented changes related to GASB Statement No. 101, *Compensated Absences*. The liability was previously calculated based on vacation balances accrued as of year-end as well as sick leave balances that were accrued as of year-end for vested employees. The liability is now consists of leave that has not been used that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. The liability also includes amounts for leave that has been used for time off but has not yet been paid in cash or settled through noncash means and certain other types of leave. The resulted in a change in accounting principle on the Statement of Activities in the amount of \$348,704.

Net Position June 30, 2024, as previously stated	\$ (38,478)
Change in accounting principle	<u>(348,704)</u>
Net Position June 30, 2024, as restated	<u><u>\$ (387,182)</u></u>

NOTE 11 - GASB STANDARDS ISSUED BUT NOT YET IMPLEMENTED

GASB Statement No. 103, *Financial Reporting Model Improvements*. The changes required by this Statement provide clarity, enhance the relevance of information, provide more useful information for decision-making, and provide for greater comparability amongst government entities. This Statement will be effective for the year ending June 30, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The disclosures required by this Statement provide users of the financial statements with essential information about certain types of capital assets. This Statement will be effective for the year ending June 30, 2026.

REQUIRED SUPPLEMENTARY INFORMATION

Independent School District No. 317
Schedule of Changes in Total OPEB Liability
and Related Ratios

	<u>June 30, 2018</u>	<u>June 30, 2019</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>
Total OPEB Liability (TPL)				
Service cost	\$ 23,621	\$ 23,180	\$ 24,538	\$ 22,517
Interest	7,824	9,218	9,360	6,772
Differenced between expected and actual experience	-	-	(53,614)	-
Changes of assumptions	(8,211)	(827)	6,614	9,950
Employer contributions	<u>(34,395)</u>	<u>(29,198)</u>	<u>(37,426)</u>	<u>(16,708)</u>
Net change in total OPEB liability	<u>(11,161)</u>	<u>2,373</u>	<u>(50,528)</u>	<u>22,531</u>
Beginning of year	<u>261,514</u>	<u>250,353</u>	<u>252,726</u>	<u>202,198</u>
End of year	<u>\$ 250,353</u>	<u>\$ 252,726</u>	<u>\$ 202,198</u>	<u>\$ 224,729</u>
Covered payroll	\$ 6,922,475	\$ 7,776,266	\$ 7,440,381	\$ 7,513,744
Total OPEB liability as a percentage of covered-employee payroll	3.6%	3.2%	2.7%	3.0%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

<u>June 30, 2022</u>	<u>June 30, 2023</u>	<u>June 30, 2024</u>	<u>June 30, 2025</u>
\$ 25,452	\$ 23,097	\$ 18,682	\$ 16,654
5,960	3,979	7,070	5,355
5,875	-	(54,796)	-
(55,391)	(23,489)	(9,071)	(601)
<u>(13,865)</u>	<u>(17,212)</u>	<u>(12,455)</u>	<u>(12,970)</u>
<u>(31,969)</u>	<u>(13,625)</u>	<u>(50,570)</u>	<u>8,438</u>
<u>224,729</u>	<u>192,760</u>	<u>179,135</u>	<u>128,565</u>
<u>\$ 192,760</u>	<u>\$ 179,135</u>	<u>\$ 128,565</u>	<u>\$ 137,003</u>
\$ 7,186,371	\$ 9,571,699	\$ 8,816,524	\$ 8,926,957
2.7%	1.9%	1.5%	1.5%

Independent School District No. 317
Schedule of District's and Non-Employer Proportionate Share
(if Applicable) of Net Pension Liability
Last Ten Years General Employees Retirement Fund

Year Ended June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Proportionate Share of State of Minnesota's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the State of Minnesota's Share of the Net Pension of Liability	District's Covered- Employee Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0312%	\$ 1,616,946	\$ -	\$ 1,616,946	\$ 1,803,280	89.67%	78.19%
2016	0.0334%	2,711,914	35,381	2,747,295	2,071,733	130.90%	68.91%
2017	0.0356%	2,272,681	28,557	2,301,238	2,291,787	99.17%	75.90%
2018	0.0372%	2,063,703	67,658	2,131,361	2,500,987	82.52%	79.53%
2019	0.0363%	2,006,946	62,331	2,069,277	2,565,973	78.21%	80.23%
2020	0.0353%	2,116,396	65,283	2,181,679	2,516,920	84.09%	79.06%
2021	0.0368%	1,571,525	47,961	1,619,486	2,646,547	59.38%	87.00%
2022	0.0384%	3,041,293	89,103	3,130,396	2,874,067	105.82%	76.67%
2023	0.0379%	2,119,326	58,505	2,177,831	3,015,520	70.28%	83.10%
2024	0.0322%	1,191,836	30,818	1,222,654	2,728,520	43.68%	89.08%

Schedule of District's and Non-Employer Proportionate Share
(if Applicable) of Net Pension Liability
Last Ten Years TRA Retirement Fund

Year Ended June 30,	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Proportionate Share of State of Minnesota's Proportionate Share of the Net Pension Liability	District's Proportionate Share of the State of Minnesota's Share of the Net Pension of Liability	District's Covered- Employee Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0934%	\$ 5,777,714	\$ 708,986	\$ 6,486,700	\$ 4,741,760	121.85%	76.77%
2016	0.0961%	22,922,143	2,299,786	25,221,929	5,001,267	458.33%	44.88%
2017	0.1000%	19,961,814	1,930,231	21,892,045	5,381,467	370.94%	51.57%
2018	0.1032%	6,482,259	609,017	7,091,276	5,701,987	113.68%	78.07%
2019	0.1011%	6,444,135	570,043	7,014,178	5,740,143	112.26%	78.21%
2020	0.0991%	7,321,641	613,547	7,935,188	5,757,942	127.16%	75.48%
2021	0.1015%	4,441,943	374,763	4,816,706	6,071,833	73.16%	86.63%
2022	0.1055%	8,447,882	626,571	9,074,453	6,522,158	129.53%	76.17%
2023	0.1039%	8,578,217	601,011	9,179,228	6,608,117	129.81%	76.42%
2024	0.1011%	6,424,219	420,078	6,844,297	6,696,537	95.93%	82.07%

**Independent School District No. 317
Schedule of District Contributions
General Employees Retirement Fund
Last Ten Years**

Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	District's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
2016	\$ 155,380	\$ 155,380	\$ -	\$ 2,071,733	7.50%
2017	171,884	171,884	-	2,291,787	7.50%
2018	187,574	187,574	-	2,500,987	7.50%
2019	192,448	192,448	-	2,565,973	7.50%
2020	188,769	188,769	-	2,516,920	7.50%
2021	198,491	198,491	-	2,646,547	7.50%
2022	215,555	215,555	-	2,874,067	7.50%
2023	226,164	226,164	-	3,015,520	7.50%
2024	204,639	204,639	-	2,728,520	7.50%
2025	191,526	191,526	-	2,553,680	7.50%

**Schedule of District Contributions
TRA Retirement Fund
Last Ten Years**

Year Ended June 30,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	District's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
2016	\$ 375,095	\$ 375,095	\$ -	\$ 5,001,267	7.50%
2017	403,610	403,610	-	5,381,467	7.50%
2018	427,649	427,649	-	5,701,987	7.50%
2019	442,565	442,565	-	5,740,143	7.71%
2020	456,029	456,029	-	5,757,942	7.92%
2021	493,640	493,640	-	6,071,833	8.13%
2022	543,948	543,948	-	6,522,158	8.34%
2023	564,994	564,994	-	6,608,117	8.55%
2024	585,947	585,947	-	6,696,537	8.75%
2025	579,732	579,732	-	6,625,509	8.75%

Independent School District No. 317
Notes to the Required Supplementary Information

TRA Retirement Fund

2024 Changes

Changes in Actuarial Assumptions

- Mortality tables were updated for active employees, retirees, disabled retirees, and contingent beneficiaries to recently published tables derived from public plan data known as the Pub-2010 family.
- Retirement rates were increased for some of the Tier II early retirement ages and some of the unreduced retirement rates were modified for both tiers to better align with actual experience.
- Probability that new female retirees elect either the Straight Life Annuity or 100% Joint and Survivor Annuity were refined to reflect the actual experience.
- Termination rates were reduced in the first 10 years of employment and slightly increased in years 16 to 25 to better match the observed experience.
- Disability rates were decreased beyond age 45 by 15% to reflect the continued lower than expected observations.

Changes of Benefit Terms

- The Normal Retirement Age (NRA) for active and eligible deferred Tier II members will be 65 effective July 1, 2024.

2023 Changes

Changes in Actuarial Assumptions

- None

2022 Changes

Changes in Actuarial Assumptions

- None

2021 Changes

Changes in Actuarial Assumptions

- The investment return assumption was changed from 7.5% to 7.0%.

2020 Changes

Changes in Actuarial Assumptions

- Assumed termination rates were changed to more closely reflect actual experience.
- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP 2015 scale.
- Assumed form of annuity election proportions were changed to more closely reflect actual experience for female retirees.

2019 Changes

Changes in Actuarial Assumptions

- None

2018 Changes

Changes in Actuarial Assumptions

- The discount rate was increased to 7.5% from 5.12%.
- The cost-of-living adjustment (COLA) was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% on January 1, 2028.

Independent School District No. 317
Notes to the Required Supplementary Information

TRA Retirement Fund (Continued)

2018 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- 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 2.5% if the funded ratio was at least 90% 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 July 1, 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 0.0% beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers was reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next six years (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2017 Changes

Changes in Actuarial Assumptions

- The discount rate was increased to 5.12% from 4.66%.
- The cost-of-living adjustment (COLA) was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045.
- The COLA was not assumed to increase to 2.5% but remain at 2.0% for all future years.
- Adjustments were made to the combined service annuity loads. The active load was reduced from 1.4% to 0.0%, the vested inactive load increased from 4.0% to 7.0% and the non-vested inactive load increased from 4.0% to 9.0%.
- The investment return assumption was changed from 8.0% to 7.5%.
- The price inflation assumption was lowered from 2.75% to 2.5%.
- The payroll growth assumption was lowered from 2.5% to 3.0%.
- The general wage growth assumption was lowered from 3.5% to 2.85% for ten years followed by 3.25% thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.

2016 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased to 4.66% from 8.0%.
- The COLA was not assumed to increase for funding or the GASB calculation. It remained at 2% for all future years.
- The price inflation assumption was lowered from 3% to 2.75%.
- The general wage growth and payroll growth assumptions were lowered from 3.75% to 3.5%.
- Minor changes as some durations for the merit scale of the salary increase assumption.

Independent School District No. 317
Notes to the Required Supplementary Information

TRA Retirement Fund (Continued)

2016 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP 2015 scale.
- The post-retirement mortality assumption was changed to the RP 2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP 2015 scale.
- The post-disability mortality assumption was changed to the RP 2014 disabled retiree mortality table, without adjustment.
- Separate retirement assumptions for members hired before or after July 1, 1989, were created to better reflect each group's behavior in light of different requirements for retirement eligibility.
- Assumed termination rates were changed to be based solely on years of service in order to better fit the observed experience.
- A minor adjustment and simplification of the assumption regarding the election of optional form of annuity payment at retirement were made.

2015 Changes

Changes of Benefit Terms

- The DTRFA was merged into TRA on June 30, 2015.

Changes in Actuarial Assumptions

- The annual COLA for the June 30, 2015, valuation assumed 2%. The prior year valuation used 2% with an increase to 2.5% commencing in 2034. The discount rate used to measure the total pension liability was 8.0%. This is a decrease from the discount rate at the prior measurement date of 8.25%.

Independent School District No. 317
Notes to the Required Supplementary Information

General Employees Fund

2024 Changes

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: Increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 6.5% to 7.0%.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 Changes

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- The mortality improvement scale was changed from scale MP-2019 to scale MP-2020.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.5% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.0%.

Independent School District No. 317
Notes to the Required Supplementary Information

General Employees Fund (Continued)

2020 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- 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% 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 2-5 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 Scale MP-2018 to Scale 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% Joint and Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint and Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023, and 0.0% thereafter. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31 million to \$21 million per year. The State's special funding contribution was changed prospectively, requiring \$16 million due per year through 2031.

2018 Changes

Changes in Actuarial Assumptions

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0% per year through 2044 and 2.5% per year thereafter to 1.25% per year.
- 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 4.0% to 3.0%, beginning July 1, 2018.

Independent School District No. 317
Notes to the Required Supplementary Information

General Employees Fund (Continued)

2018 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- Deferred augmentation was changed to 0.0%, 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 1.0% per year with a provision to increase to 2.5% upon attainment of 90% funding ratio to 50% of the Social Security Cost of Living Adjustment, not less than 1.0% and not more than 1.5%, 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. This 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.

2017 Changes

Changes in Actuarial Assumptions

- The CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The State's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.
- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.
- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, the inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2030 and 2.5% per year thereafter to 1.0% per year through 2035 and 2.5% per year thereafter.

Independent School District No. 317
Notes to the Required Supplementary Information

General Employees Fund (Continued)

2015 Changes (Continued)

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 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.

Independent School District No. 317
Notes to the Required Supplementary Information

Post Employment Benefits

2024 Changes

Changes in Actuarial Assumptions

- The discount rate increased from 3.86% to 3.97% based on the index rate for 20-year, tax exempt municipal bonds.

2023 Changes

Changes in Actuarial Assumptions

- The discount rate increased from 3.69% to 3.86% based on the index rate for 20-year, tax exempt municipal bonds.
- The inflation rate increased from 2.25% to 2.50%.
- The healthcare trend, withdrawal, retirement, and mortality rates was updated based on most recent experience studies.

2022 Changes

Changes in Actuarial Assumptions

- The discount rate was increased from 1.92% to 3.69% based on the index rate for 20-year, tax exempt municipal bonds.

2021 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased from 2.45% to 1.92% based on the index rate for 20-year, tax exempt municipal bonds.
- Healthcare trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.
- Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the 7/1/2019 PERA General Employees Plan and 7/1/2019 Teachers Retirement Association valuations to the rates used in the 7/1/2021 valuations.
- The percent of future retiree Teachers assumed to elect coverage at retirement changed from 40% to 30% to reflect recent plan experience.
- The inflation rate was decreased from 2.5% to 2.25% based on an updated historical analysis of inflation rates and forward-looking market expectations.

2020 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased from 3.13% to 2.45% based on the index rate for 20-year, tax exempt municipal bonds.

2019 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased from 3.62% to 3.13% based on the index rate for 20-year, tax exempt municipal bonds.
- The inflation rate was decreased from 2.75% to 2.50%.
- Healthcare trend rates were reset to reflect updated cost increase expectations, including the repeal of the Affordable Care Act's excise tax on high-cost health insurance plans.
- Medical per capita claims costs were updated to reflect recent experience and new plan offerings, including an adjustment to reflect age and gender-based risk scores published by the Society of Actuaries.

Independent School District No. 317
Notes to the Required Supplementary Information

Post Employment Benefits (Continued)

2019 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the July 1, 2017, TRA valuations to rates used in the July 1, 2019, valuations.
- The percent of future non-Medicare eligible retirees electing each medical plan changed to reflect recent plan experience and new plan offerings.

2018 Changes

Changes in Actuarial Assumptions

- The discount rate was increased from 3.56% in 2018 to 3.62% in 2019.

SUPPLEMENTARY INFORMATION

Independent School District No. 317
Combining Balance Sheet -
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds		Total Nonmajor Funds
	Food Service	Community Service	
Assets			
Cash and investments	\$ 28,341	\$ 123,528	\$ 151,869
Accounts receivable	629	49,500	50,129
Due from Department of Education	140	9,138	9,278
Due from Federal Government through Department of Education	10,491	-	10,491
Due from other Minnesota school districts	20,828	-	20,828
Due from other governmental units	-	72,192	72,192
Inventory	21,616	-	21,616
	<u>21,616</u>	<u>-</u>	<u>21,616</u>
Total assets	<u>\$ 82,045</u>	<u>\$ 254,358</u>	<u>\$ 336,403</u>
Liabilities			
Accounts payable	\$ 9,418	\$ 195	\$ 9,613
Salaries and benefits payable	52,220	563	52,783
Due to other Minnesota districts	-	173,673	173,673
Unearned revenue	1,052	15,240	16,292
Total liabilities	<u>62,690</u>	<u>189,671</u>	<u>252,361</u>
Fund Balances			
Nonspendable	21,616	-	21,616
Restricted	-	64,687	64,687
Unassigned	(2,261)	-	(2,261)
Total fund balances	<u>19,355</u>	<u>64,687</u>	<u>84,042</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 82,045</u>	<u>\$ 254,358</u>	<u>\$ 336,403</u>

Independent School District No. 317
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balances - Nonmajor Governmental Funds
Year Ended June 30, 2025

	Special Revenue Funds		Total Nonmajor Funds
	Food Service	Community Service	
Revenues			
Local property taxes	\$ -	\$ 72,198	\$ 72,198
Other local and county revenues	10,000	97,693	107,693
Revenue from state sources	213,232	92,649	305,881
Revenue from federal sources	513,047	-	513,047
Sales and other conversion of assets	80,343	-	80,343
Total revenues	816,622	262,540	1,079,162
Expenditures			
Current			
Food service	912,670	-	912,670
Community education and services	-	250,158	250,158
Capital outlay			
Food service	886	-	886
Total expenditures	913,556	250,158	1,163,714
Excess of revenues over (under) expenditures	(96,934)	12,382	(84,552)
Other Financing Sources			
Transfers in	67,845	-	67,845
Net change in fund balances	(29,089)	12,382	(16,707)
Fund Balances			
Beginning of year	48,444	52,305	100,749
End of year	\$ 19,355	\$ 64,687	\$ 84,042

Independent School District No. 317
Uniform Financial Accounting and Reporting Standards
Compliance Table
Year Ended June 30, 2025

	Audit	UFARS	Audit-UFARS		Audit	UFARS	Audit-UFARS
01 GENERAL FUND				06 BUILDING CONSTRUCTION FUND			
Total revenue	\$ 17,564,365	\$ 17,564,365	\$ -	Total revenue	\$ 64,102	\$ 64,102	\$ -
Total expenditures	17,843,550	17,843,548	2	Total expenditures	3,003,854	3,003,854	-
<i>Nonspendable:</i>				<i>Nonspendable:</i>			
4.60 Nonspendable fund balance	-	-	-	4.60 Nonspendable fund balance	-	-	-
<i>Restricted/reserved:</i>				<i>Restricted/reserved:</i>			
4.01 Student Activities	65,486	65,486	-	4.07 Capital Projects Levy	-	-	-
4.02 Scholarships	53,407	53,407	-	4.13 Building Projects Funded by COP/LP	-	-	-
4.03 Staff Development	-	-	-	4.67 Long-term Facilities Maintenance	4,927	4,927	-
4.07 Capital Projects Levy	-	-	-	<i>Restricted:</i>			
4.08 Cooperative Programs	-	-	-	4.64 Restricted fund balance	147,620	147,618	2
4.12 Literacy Incentive Aid	-	-	-	<i>Unassigned:</i>			
4.13 Building Projects Funded by COP/LP	-	-	-	4.63 Unassigned fund balance	-	-	-
4.14 Operating Debt	-	-	-	07 DEBT SERVICE FUND			
4.16 Levy Reduction	-	-	-	Total revenue	\$ 1,875,267	\$ 1,875,267	\$ -
4.17 Taconite Building Maintenance	-	-	-	Total expenditures	1,873,110	1,873,111	(1)
4.20 American Indian Education Aid	-	-	-	<i>Nonspendable:</i>			
4.24 Operating Capital	-	-	-	4.60 Nonspendable fund balance	-	-	-
4.26 \$25 Taconite	-	-	-	<i>Restricted/reserved:</i>			
4.27 Disabled Accessibility	-	-	-	4.25 Bond refundings	-	-	-
4.28 Learning and Development	-	-	-	4.33 Maximum effort loan aid	-	-	-
4.34 Area Learning Center	-	-	-	4.51 QZAB payments	-	-	-
4.35 Contracted Alternative Programs	-	-	-	4.67 Long-term Facilities Maintenance	-	-	-
4.36 State Approved Alternative Learning Program	-	-	-	<i>Restricted:</i>			
4.37 Quality Compensation - Alternative Teacher Professional Pay System	-	-	-	4.64 Restricted fund balance	370,934	370,933	1
4.38 Gifted and Talented	30,734	30,734	-	<i>Unassigned:</i>			
4.39 English Learner	-	-	-	4.63 Unassigned fund balance	-	-	-
4.40 Teacher Development and Evaluation	-	-	-	08 TRUST FUND			
4.41 Basic Skills Programs	-	-	-	Total revenue	\$ -	\$ -	\$ -
4.43 School Library Aid	19,413	19,413	-	Total expenditures	-	-	-
4.48 Achievement and Integration Revenue	-	-	-	4.01 Student activities	-	-	-
4.49 Safe Schools Revenue	-	-	-	4.02 Scholarships	-	-	-
4.51 QZAB Payments	-	-	-	4.22 Net position	-	-	-
4.52 OPEB Liabilities not Held in Trust	-	-	-	18 CUSTODIAL FUND			
4.53 Unfunded Severance and Retirement Levy	-	-	-	Total revenue	\$ -	\$ -	\$ -
4.56 Literacy Aid	24,697	24,697	-	Total expenditures	-	-	-
4.57 Teacher Compensation for Read Act Training	14,048	14,048	-	4.01 Student activities	-	-	-
4.59 Basic Skills Extended Time	-	-	-	4.02 Scholarships	-	-	-
4.67 Long-term Facilities Maintenance	(304,306)	(304,306)	-	4.48 Achievement and Integration	-	-	-
4.71 Student Support Personnel Aid	-	-	-	4.64 Restricted	-	-	-
4.72 Medical Assistance	164,732	164,732	-	20 INTERNAL SERVICE FUND			
<i>Restricted:</i>				Total revenue	\$ -	\$ -	\$ -
4.64 Restricted fund balance	-	-	-	Total expenditures	-	-	-
4.75 Title VII - Impact Aid	-	-	-	<i>Unassigned:</i>			
4.76 Payments in Lieu of Taxes	-	-	-	4.22 Net position	-	-	-
<i>Committed:</i>				25 OPEB REVOCABLE TRUST			
4.18 Committed for separation	-	-	-	Total revenue	\$ 69,009	\$ 69,010	\$ (1)
4.61 Committed	70,486	70,486	-	Total expenditures	64,901	64,901	-
<i>Assigned:</i>				<i>Unassigned:</i>			
4.62 Assigned fund balance	-	-	-	4.22 Net position	177,676	177,676	-
<i>Unassigned:</i>				45 OPEB IRREVOCABLE TRUST			
4.22 Unassigned fund balance	1,000,855	1,000,855	-	Total revenue	\$ -	\$ -	\$ -
02 FOOD SERVICES FUND				Total expenditures	-	-	-
Total revenue	\$ 816,622	\$ 816,621	\$ 1	<i>Unassigned:</i>			
Total expenditures	913,556	913,557	(1)	4.22 Net position	-	-	-
<i>Nonspendable:</i>				47 OPEB DEBT SERVICE			
4.60 Nonspendable fund balance	21,616	21,616	-	Total revenue	\$ -	\$ -	\$ -
<i>Restricted/reserved:</i>				Total expenditures	-	-	-
4.52 OPEB liabilities not held in trust	-	-	-	<i>Nonspendable:</i>			
<i>Restricted:</i>				4.60 Nonspendable fund balance	-	-	-
4.64 Restricted fund balance	-	-	-	<i>Restricted:</i>			
<i>Unassigned:</i>				4.25 Bond refundings	-	-	-
4.63 Unassigned fund balance	(2,261)	(2,263)	2	4.64 Restricted fund balance	-	-	-
04 COMMUNITY SERVICE FUND				<i>Unassigned:</i>			
Total revenue	\$ 262,540	\$ 262,540	\$ -	4.63 Unassigned fund balance	-	-	-
Total expenditures	250,158	250,158	-	09 TRUST FUND			
<i>Nonspendable:</i>				Total revenue	\$ -	\$ -	\$ -
4.60 Nonspendable fund balance	-	-	-	Total expenditures	-	-	-
<i>Restricted/reserved:</i>				<i>Unassigned:</i>			
4.26 \$25 Taconite	-	-	-	4.22 Net position	-	-	-
4.31 Community Education	35,657	35,657	-	03 GENERAL FUND			
4.32 ECFE	-	-	-	Total revenue	\$ -	\$ -	\$ -
4.40 Teacher Development and Evaluation	-	-	-	Total expenditures	-	-	-
4.44 School Readiness	2,408	2,408	-	<i>Nonspendable:</i>			
4.47 Adult Basic Education	-	-	-	4.60 Nonspendable fund balance	-	-	-
4.52 OPEB Liabilities not Held in Trust	-	-	-	<i>Restricted/reserved:</i>			
<i>Restricted:</i>				4.26 \$25 Taconite	-	-	-
4.64 Restricted fund balance	26,622	26,621	1	4.31 Community Education	35,657	35,657	-
<i>Unassigned:</i>				4.32 ECFE	-	-	-
4.63 Unassigned fund balance	-	-	-	4.40 Teacher Development and Evaluation	-	-	-



**Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit
of Basic Financial Statements Performed in Accordance
with *Government Auditing Standards***

Independent Auditor's Report

To the School Board
Independent School District No. 317
Deer River, Minnesota

We have audited, in accordance with the 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 (*Government Auditing Standards*), the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 317, Deer River, Minnesota, as of and for the year ending June 30, 2025, and the related notes to basic financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 27, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the basic 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 basic 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 basic 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. And therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs in Accordance with Uniform Guidance that we consider to be material weaknesses, Audit Findings 2025-001 and 2025-002.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's basic 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 basic 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*.

District's Responses to the Findings

The District's responses to the findings identified in our audit that we consider to be material weaknesses, are described in the accompanying Schedule of Findings and Questioned Costs in Accordance with Uniform Guidance. The District's responses were not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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 communication is not suitable for any other purpose.

BerganKDV, Ltd.

St. Cloud, Minnesota
October 27, 2025

**Independent School District No. 317
Schedule of Findings on Internal Control**

Audit Finding 2025-001 - Lack of Segregation of Accounting Duties

Criteria:

Internal control that supports the District's ability to initiate, record, process, and report financial data consistent with the assertions of management in the basic financial statements requires adequate segregation of accounting duties.

Condition:

The District does not have adequate segregation of accounting duties.

Context:

This finding impacts the internal control for all significant accounting functions.

Cause:

There are a limited number of office employees.

Effect or Potential Effect:

The lack of adequate segregation of accounting duties could adversely affect the District's ability to initiate, record, process, and report financial data consistent with the assertions of management in the basic financial statements.

Recommendations:

Continue to review the accounting system, including changes that may occur. Implement segregation whenever practical.

Views of the Responsible Officials and Planned Corrective Actions:

CORRECTIVE ACTION PLAN (CAP):

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
Administration will review current segregation of accounting duties to determine if further segregation is possible.
3. Official Responsible for Ensuring CAP
Pat Rendle, Superintendent, is the official responsible for ensuring corrective action of the deficiency.
4. Planned Completion Date for CAP
The planned completion date for the CAP is June 30, 2026.
5. Plan to Monitor Completion of CAP
The School Board will be monitoring this CAP.

**Independent School District No. 317
Schedule of Findings on Internal Control**

Audit Finding 2025-002 - Material Audit Adjustments

Criteria:

Internal control that assures all material adjustments are identified and prepared by District personnel.

Condition:

During the course of our engagement, we proposed material audit adjustments that would not have been identified as a result of the District's existing internal controls and, therefore, could have resulted in a material misstatement of the District's basic financial statements.

Audit adjustments were proposed relating to Building Construction Capital Project Fund expenditures and OPEB Revocable Trust Fund activity.

Context:

This finding impacts the internal control for all significant accounting functions.

Cause:

The District did not make all the required adjustments.

Effect or Potential Effect:

The basic financial statements could have material misstatements.

Recommendation:

Have all material entries completed before the audit.

Views of the Responsible Officials and Planned Corrective Actions:

CORRECTIVE ACTION PLAN (CAP):

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
The District Office will work to ensure that all entries are completed prior to the audit and seek assistance for complex entries.
3. Official Responsible for Ensuring CAP
Pat Rendle, Superintendent, is the official responsible for ensuring corrective action of the deficiency.
4. Planned Completion Date for CAP
The planned completion date for the CAP is June 30, 2026.
5. Plan to Monitor Completion of CAP
The School Board will be monitoring this CAP.



Minnesota Legal Compliance

Independent Auditor's Report

To the School Board
Independent School District No. 317
Deer River, 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 basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 317, Deer River, Minnesota, as of and for the year ended June 30, 2025, and the related notes to basic financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 27, 2025.

In connection with our audit, we noted that the District failed to comply with the provisions of the claims and disbursements section of the *Minnesota Legal Compliance Audit Guide* for School Districts promulgated by the State Auditor pursuant to *Minnesota Statute* § 6.65, insofar as they relate to accounting matters as described in the Schedule of Legal Compliance Finding as item 2025-004. Also, 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 and bidding, deposits and investments, conflicts of interest, public indebtedness, miscellaneous provisions, and uniform financial accounting and reporting standards for Minnesota school districts (UFARS) sections of the *Minnesota Legal Compliance Audit Guide* for School Districts, 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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the legal compliance findings identified in our audit and described on the following page. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

The purpose of this report is 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 communication is not suitable for any other purpose.

BerganKDV, Ltd.

St. Cloud, Minnesota
October 27, 2025

**Independent School District No. 317
Schedule of Legal Compliance Finding**

CURRENT AND PRIOR YEAR LEGAL COMPLIANCE FINDING:

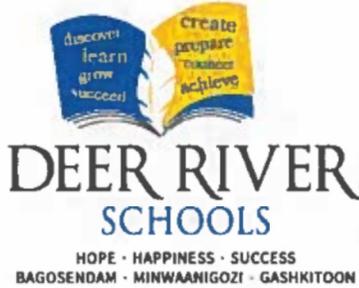
Audit Finding 2025-004 - Prompt Payment of Bills

Minnesota Statutes § 471.425, subd. 2 requires that bills are to be paid within the time period set by the terms of the contract or within the standard payment period. For school districts whose governing boards regularly meet at least once a month, the standard payment period is defined as 35 days after receipt of the goods or services or the invoice for the goods or services, whichever is later.

During our fiscal year 2025 audit, we noted two invoices selected for testing that were paid past the 35-day deadline for standard payments.

CORRECTIVE ACTION PLAN:

1. Explanation of Disagreement with the Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to the Finding
The District Office will ensure invoices are paid timely.
3. Official Responsible for Ensuring CAP
Pat Rendle, Superintendent, is the official responsible for ensuring corrective action of the deficiency.
4. Planned Completion Date for CAP
The planned completion date for the CAP is June 30, 2026.
5. Plan to Monitor Completion of CAP
The School Board will be monitoring this CAP.



DEER RIVER HIGH SCHOOL
 101 First Avenue NE
 PO Box 307
 Deer River, MN 56636
Home of the Warriors

KING ELEMENTARY SCHOOL
 504 5th St. SE
 PO Box 307
 Deer River, MN 56636
King Pride

Policy 706 Appendix A

DONATION RECEIPT FORM

Please complete the following, sign & return to the building principal or superintendent. Superintendent will present to the Deer River Board of Education for approval. Keep a copy for the site (Elementary or Secondary) records.

DEER RIVER STAFF NAME: Carrie Johnson DATE: 10/29/25
 (Person receiving donation) (please print)

JOB/POSITION: Para BUILDING: DRHS

DONATION RECEIVED FROM: Cinderellas Closet
 (Organization or Individual)

Does donor prefer to remain anonymous: YES ___ NO X

FINANCIAL DONATION

Amount of Donation: \$ 100.00 Cash ___ Check# 8924

Intended purpose: Junior Prom

FINANCIAL DONATION

Amount of Donation: \$ _____ Cash ___ Check# _____

Intended purpose: _____

Carrie Johnson 10/29/25 [Signature] 11-4-25
 Employee Signature Date Principal Signature Date

[Signature] _____
 Superintendent Signature Date Board Rep. Signature Date

Disclaimer: Once accepted, a gift shall be the property of the School District unless otherwise provided in agreed upon terms.



DEER RIVER HIGH SCHOOL
 101 First Avenue NE
 PO Box 307
 Deer River, MN 56636
Home of the Warriors

KING ELEMENTARY SCHOOL
 504 5th St. SE
 PO Box 307
 Deer River, MN 56636
King Pride

Policy 706 Appendix A

DONATION RECEIPT FORM

Please complete the following, sign & return to the building principal or superintendent. Superintendent will present to the Deer River Board of Education for approval. Keep a copy for the site (Elementary or Secondary) records.

DEER RIVER STAFF NAME: Nicole Hemphill / Bree Erickson DATE: 10/23/25
 (Person receiving donation) (please print)

JOB/POSITION: Nurse BUILDING: HS / King

DONATION RECEIVED FROM: Grand Itasca
 (Organization or Individual)

Does donor prefer to remain anonymous: YES ___ NO ___

FINANCIAL DONATION Estimated \$16,000.00
 Amount of Donation: \$ _____ Cash _____ Check# _____
 Intended purpose: Donation of 2 vision spot Screeners

FINANCIAL DONATION
 Amount of Donation: \$ _____ Cash _____ Check# _____
 Intended purpose: _____

[Signature] 10/23/25 [Signature] 10-23-25
 Employee Signature Date Principal Signature Date
[Signature] 10/23/25 _____ _____
 Superintendent Signature Date Board Rep. Signature Date

Disclaimer: Once accepted, a gift shall be the property of the School District unless otherwise provided in agreed upon terms.

North Homes Inc
303 SE 1st St
Grand Rapids, MN 55744

First National Bank of Coleraine

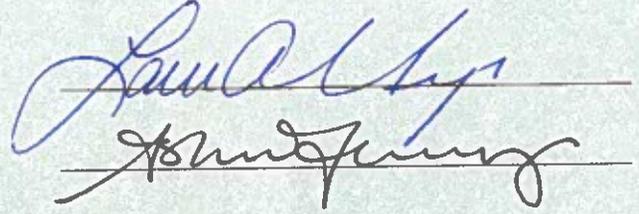
1876
Date: 09/23/2025

Pay To
The Order Of Deer River High School

One Hundred Sixty Dollars

\$\$\$160.00**

Deer River High School
United States



⑈001876⑈ ⑈091206965⑈

8314945515⑈

Details on Back
Security Features Included

North Homes Inc
V000716--Deer River High School
Print As: Deer River High School

1876
First National Bank of Coleraine
FNB - Ckg - 515 5515
Date 09/23/2025

Date	Bill no.	Reference Number	Amount Due	Amount Paid/Applied
09/18/2025	1 Month Popcorn Sponsorship		\$160.00	\$160.00
Net Amount:				\$160.00

NORTH ITASCA ELECTRIC COOPERATIVE
COMMUNITY TRUST
PO BOX 227
BIGFORK, MN 56628

2625

75-1074/912

10 - 20 - 20 25

PAY TO THE ORDER OF

Deer River High School

\$ 248.99

Two hundred forty eight dollars 99/100

DOLLARS  Security features listed inside on back.

FIRST STATE

218-743-3145

BANK

www.fsbigfork.com

OF BIGFORK

FOR

Middle School High Interest Books

Doreen Rounts
H. Rounts

⑈002625⑈ ⑆091210744⑆ 1001075061⑈

From: **Matt Hanson** <mchanson@blandinfoundation.org>
Date: Mon, Jun 2, 2025 at 1:16 PM
Subject: 2025 Blandin Foundation Home Giving Area Grant
To: jjergenson@isd317.org <jjergenson@isd317.org>, dhron@isd317.org <dhron@isd317.org>

Dear Jaeger and Deanna,

Thank you for participating in Blandin Foundation's 2025 Home Giving Area grant round. I'm happy to let you know that ISD 317 has been awarded a grant of \$185,000 payable over one year to support your project. Congratulations!

Here are a few important things that will need attention next:

We will begin working on the grant agreement, which will include the project goals and required reporting dates.

- o **Project Goals** - As I stated in my email to Jaeger on 5/12/25, I apologize for missing this in the meeting follow-up, but before we enter our selection meetings this week, I wanted to call your attention to the goal section of your application.

Since the goal area typically includes 2-5 simply stated goals that speak to the impact you are looking to have, I wanted to give you an opportunity to review and provide me with a couple simple ones to add.

Currently, I have shortened your previously submitted goals section to read as follows:

"The goal for the prospective project is to continue growing upon the FSCS model, which includes increased relationships and access to resources through the Northland to improve student and family. The goals for this program continue to grow, but will focus on : increasing graduation rate, reducing individual truancy, and increased access to resources such as insurance, health, behavioral health, dental, and vision professionals."

It's possible that you had other goals later in your submission, but it appears that you may have met the character count for the goals section, since that section is quite concise. I had it in my notes to ask about that section and missed it, I apologize. So that you know what I can see on my end, this is what was submitted by you for the goals section:

a. Five years ago, the Deer River School District #317 was awarded federal support for a Full-Service Community school. About a year ago, ISD 317–Deer River took a significant step toward addressing student health and wellness by applying for and receiving a grant from the Minnesota Department of Health (MDH) to begin the process of establishing a School-Based Health Center (SBHC) within Deer River High School. This initiative represents an investment in the holistic well-being of students and reflects a broader commitment to ensuring that all young people—regardless of income, background, or geography—have access to essential health services. This spring, the school district was awarded a grant from the Minnesota Department of education to produce a Multi-Purpose Community Facility (MPCH) to provide a space for community technology access. This facility will be produced in collaboration with the SBHC to address the basic healthcare and technology needs of a rural community. Our Full-Service Community Schools (FSCS) model has already laid the groundwork through strong community partnerships and integrated support services. By aligning our SBHC with this model, we aim to continue fostering a safe, healthy learning environment that reduces absenteeism, disciplinary actions, and ultimately

supports improved academic performance and graduation rates. The goal for the prospective project is to continue growing upon the FSCS model, which includes increased relationships and access to resources through the Northland to improve student and family. The goals for this program continue to grow, but will focus on : increasing graduation rate, reducing individual truancy, and increased access to resources such as insurance, health, behavioral health, dental, and vision professionals.

I don't want you to have to rethink the wheel or spent an exhaustive amount time on this, so if you have goals that you'd like to share that I can add to that section in the place of the paragraph from your submission, please let me know.

Some examples of goals could be:

- **Expand community service referral network to improve student access to increased access to resources such as insurance, health, behavioral health, dental, and vision professionals.**
- **Foster a safe, healthy learning environment that reduces student absenteeism, disciplinary actions, improves academic performance and student graduation rates.**

Please connect with me soon and we can get this part figured out pretty quickly.

- **Report date** - 6/30/26; We will talk more about what will be included in this report, but I wanted to get it on your calendars now.
- **Payment amount by year** - \$185,000 in 2025; Budget line items included in this payment include the King & Pre-School School Coordinator (\$87,500), DRH School Coordinator (\$82,750), Travel (\$10,000), and Other Program Expenses - Technology and services to assist

Because of the very strong response we had to this grant opportunity and the number of grants we will be processing; we would appreciate your attention to these items as soon as possible. As you have any questions, please reach out via email.

We will be conducting some grantee and community engagement this summer as part of our own learning and improvement process. Please make note of what you found that worked well about this grant round and what could use some improvement in order to help Blandin Foundation continue to refine the ways we serve and support rural communities.

Thank you for the good work you're leading in your community!

In appreciation,

Matt

Matt Hanson
He/Him/His

Grants Proeram Officer

Blandin Foundation

100 N. Pokegama Ave., Grand Rapids MN 55744

T: 877.882.2257 | O: 218.326.0523 | M: 218.508.8670

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