

MACCRAY ISD 2180
Clara City, MN 56222
MACCRAY Board Room
Monday, December 12, 2022
6:00 pm following the Truth in Taxation Meeting
TENTATIVE AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Approval of the Agenda/Additions/Deletions
4. Public Comment - Public Comment is 3 minutes and the Board will not respond per MSBA guidelines.
 - 4.1. Leanne Carmany - MACCRAY Education Minnesota
5. Consent Agenda – Action Required
 - 5.1. Adoption of Minutes
 - 5.2. Approve payment of bills and financial reports.
 - 5.3. Approve Teacher Contract - C-S Anderson
 - 5.4. Approve Teacher Retirement - C. Perry
6. Communication Reports
 - 6.1. Administrative Reports
 - 6.1.1. Ashley Meagher - Schlenner, Wenner, and Co.
 - 6.1.2. Jim Trulock - Activities Director
 - 6.1.3. Denise Smith - CER Director
 - 6.1.4. Mitchell Kent - Elem. Principal
 - 6.1.5. Judd Wheatley - HS Principal
 - 6.1.6. Sherri Broderius - Supt.
 - 6.2 Committee Reports - POC Report - Carmel Thein/Julie Alsum
- Board Chair - Superintendent Search
 - 6.3 Board Open Discussion -
7. Business Items - Action needed
 - 7.1. Certify 2022 Payable 2023 Property Tax Levy.
 - 7.2. Approve the 2021-2022 Audited Financial Statements.
 - 7.3. Approve Combined Polling Places.
 - 7.4. Approve Proposal for Executive Search by MSBA for fees not to exceed \$7900.
 - 7.5. Approve Policy 534 - School Meals Policy.
 - 7.6. Approve Sabbatical Request.
 - 7.7. Approve Policy 525 - Violence Prevention
 - 7.8. Approve Policy 501 - School Weapons Policy
 - 7.9. Approve Policy 521 - Student Disability Nondiscrimination
 - 7.10. Approve Policy 526 - Hazing Prohibition
 - 7.11. Resolution Stating the Intention to Sell Property in the City of Raymond.
8. Upcoming Meetings
 - 8.1. Supt. Search Planning Meeting, Jan. 4th or 5th during the day or 9th in the evening - pending approval of MSBA search.
 - 8.2. Regular Board Meeting, Monday, January 9, 6pm, MACCRAY Board Room
 - 8.3. Regular Board Meeting, Monday, February 13, 6pm, MACCRAY Board Room
 - 8.4. Regular Board Meeting, Monday, March 13, 6pm, MACCRAY Board Room
9. Adjournment

**Minutes of the Board of Education
Independent School District #2180
Regular Meeting #5
Monday, November 14, 2022 6:00 PM
MACCRAY Board Room**

Members Present: Tate Mueller, Julie Alsum, Scott Ruitter, Debi Brandt, Lane Schwitters, Carmel Thein.
Others Present: Sherri Broderius, Superintendent; Judd Wheatley, HS Principal; Mitchell Kent, Elem. Principal, Kim Sandry, Business Manager; Jim Trulock, AD; Chris Ziemer, ICS; Kali Camacho, Clara City Herald .

Chair Julie Alsum called the meeting to order at 6:00 pm.

Pledge of Allegiance

Motion by Brandt, second by Mueller, to approve the agenda with Sherri Broderius Retirement to Business Item #7.5 and move Public Comment to later in the meeting.

Motion carried by unanimous vote.

Approval of Consent Agenda:

Motion by Ruitter, second by Schwitters, to approve the consent agenda.

Motion carried by unanimous vote.

Adoption of Minutes

Approve payment of bills and financial reports.

Approve resignation of custodian: T. Hansen

Approve Employment Agreement for Paraprofessional - J. Wandersee

Approve Employment Agreement for Paraprofessional - J. Jensen

Approve Winter Coaches/Advisors

Boys Basketball

Lucas Post

Head Varsity

Riley Aeikens

JV

Trent Carlson

C

Jesse Westbrook

7 & 8 combined

Girls Basketball

Shaun Condon

Head Varsity

Bryce Olson

JV

Dana Johnson

C if needed or as a Volunteer

Matt Anderson

JH

Unknown

JH (if needed)

Dance

Janie Albertson

Head Varsity

Haley Rhode

Volunteer

Wrestling Christian Thoen

Assistant

Prom

Brittany Cook

Knowledge Bowl

Seth Falk

Math League

Bryce Olson

BPA

Rhonda Pieper

Winter Weight Room

Cole Christopher

One Act Play

Nikki Erickson

Spelling Bee

Meghan Sunderland

Student Council

Jasmine Goblisch & Sonja Stark (shared)

Communications Reports:

Dan Hiemenz – ICS

Jesse Westbrook - Tech

Denise Smith: CER update - written

Jim Trulock: Activities update

Mitchell Kent: Elem. update

Judd Wheatley: HS/MS written report.

Sherri Broderius: District update. (Kim Sandry – Health Insurance premium update)

Committee Report: POC – Julie and Carmel – discussion on excess funds and uses.

Board Open Discussion: Veterans Day Program.

Business Items:

Motion by Thein, second by Ruitter, to approve the Resolution and addendum to the MACCRAY #2180 Section 125 Cafeteria Plan (Flex). Roll Call Vote: In Favor: Mueller, Brandt, Schwitters, Ruitter, Thein, Alsum; Against: none
Resolution passed and adopted.

Motion by Brant, second by Thein, to approve the resolution for canvassing election results.
Roll Call Vote: In Favor: Mueller, Brandt, Schwitters, Ruitter, Thein, Alsum; Against: none
Resolution passed and adopted.

Motion by Schwitters, second by Ruitter, to approve the MACCRAY CIRP (Crisis Intervention and Response Plan) Plan.
Motion carried by unanimous vote.

Motion by Brandt, second by Alsum, to approve the Purchase Agreement for the sale of the Maynard property to the Greater Maynard Community fund. Motion carried by unanimous vote.

Motion by Thein, second by Schwitters, to approve the retirement of Sherri Broderius, Superintendent effective June 30, 2023. Motion carried by unanimous vote.

Public Comment: Chris Schueler, Ron Schueler

Meetings and Workshops:

Truth in Taxation Presentation, Monday, December 12, 6pm, MACCRAY Board Room

Regular Board Meeting, Monday, December 12, following TNT, MACCRAY Board Room

Regular Board Meeting, Monday, January 9, 6pm, MACCRAY Board Room.

Adjournment of Meeting

Motion by Ruitter, second by Thein, for adjournment. Motion carried by unanimous vote. Meeting adjourned at 7:08pm.

Respectfully submitted,

Carmel Thein, Clerk

Kim Sandry, Business Manager

Member Brandt introduced the following Resolution and moved for its adoption:

RESOLUTION CANVASSING RETURNS
OF VOTES OF SCHOOL DISTRICT GENERAL ELECTION

BE IT RESOLVED by the School Board of Independent School District No.2180, as follows:

1. It is hereby found, determined and declared that the general election of the voters of the district held on November 8, 2022, was in all respects duly and legally called and held.

2. As specified in the attached Abstract and Return of Votes Cast, a total of 1496 voters of the district voted at said election on the election of (three) school board members for four year term vacancies on the board caused by expiration of term on the first Monday in January next following the general election as follows:

District 2, John Hagemeyer 17

District 4, Mark Kasella 254

District 5, Deb Brandt 297

3. Candidates Hagemeyer, Kasella, Brandt, having received the highest number of votes, are elected to four year terms and will be sworn in to office at the School Board Meeting which will be held on January 9, 2023.

4. The school district clerk is hereby authorized 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 motion for the adoption of the foregoing Resolution was duly seconded by Thein and upon vote being taken thereon the following voted in favor thereof: *Brandt, Mueller, Schwitters, Ruiter, Thein, Alsum*

And the following voted against the same: *none*

Where upon said Resolution was declared duly passed and adopted.

Ind. School District #2180
Exp Summary - Fd, Pro Series
Period Ending November 30, 2022

Sequence: Fd, Pro

		23ORIG					% YTD	Remaining
Description		Annual Budget	Period 202305	Year To Date	% YTD	Encumbrances	+ Enc	Balance
01	General							
	000 Administration	661,619.00	0.00	205,914.47	31%	53,866.98	39%	401,837.55
	100 District Support Services	324,221.00	0.00	107,010.66	33%	34,298.07	44%	182,912.27
	200 Elem & Secondary Regular Instr	4,385,275.00	0.00	876,115.87	20%	414,020.31	29%	3,095,138.82
	300 Vocational Education Instr	252,783.00	0.00	51,622.34	20%	21,864.31	29%	179,296.35
	400 Special Education Instr	1,818,456.00	0.00	309,448.28	17%	180,629.77	27%	1,328,377.95
	600 Instructional Support Services	566,698.00	0.00	212,281.78	37%	31,348.37	43%	323,067.85
	700 Pupil Support Services	1,199,574.00	0.00	216,592.21	18%	122,634.67	28%	860,347.12
	800 Sites & Buildings	849,825.00	0.00	252,251.54	30%	71,419.47	38%	526,153.99
	900 Fiscal & Other Fixed Costs	100,000.00	0.00	63,473.63	63%	0.00	63%	36,526.37
01	General	10,158,451.00	0.00	2,294,710.78	23%	930,081.95	32%	6,933,658.27
02	Food Service							
	700 Pupil Support Services	466,700.00	0.00	113,571.70	24%	65,273.18	38%	287,855.12
02	Food Service	466,700.00	0.00	113,571.70	24%	65,273.18	38%	287,855.12
04	Community Service							
	500 Community Ed & Services	538,787.00	0.00	123,955.56	23%	45,901.02	32%	368,930.42
04	Community Service	538,787.00	0.00	123,955.56	23%	45,901.02	32%	368,930.42
05	Capital Outlay							
	200 Elem & Secondary Regular Instr	5,000.00	0.00	14,434.02	289%	73,294.34	1755%	(82,728.36)
	600 Instructional Support Services	2,000.00	0.00	0.00	0%	0.00	0%	2,000.00
	800 Sites & Buildings	338,578.00	0.00	88,485.30	26%	12,171.94	30%	237,920.76
05	Capital Outlay	345,578.00	0.00	102,919.32	30%	85,466.28	55%	157,192.40
07	Debt Redemption							
	900 Fiscal & Other Fixed Costs	2,640,763.00	0.00	570,141.67	22%	0.00	22%	2,070,621.33
07	Debt Redemption	2,640,763.00	0.00	570,141.67	22%	0.00	22%	2,070,621.33
21	Student Activity							
	200 Elem & Secondary Regular Instr	0.00	0.00	39,086.63	0%	14,588.48	0%	(53,675.11)
21	Student Activity	0.00	0.00	39,086.63	0%	14,588.48	0%	(53,675.11)
Report Totals:		14,150,279.00	0.00	3,244,385.66	23%	1,141,310.91	31%	9,764,582.43

INVESTMENTS OUTSTANDING

June 30, 2022

MSDMAX Fund – MSDLAF

MSDMAX Fund Balance as of June 30, 2022	\$2,272.54
Interest - July 31, 2022	\$2.79
Interest – August 31, 2022	\$3.97
Interest – September 30, 2022	\$4.49
Interest – October 31, 2022	\$5.79
Interest – November 30, 2022	\$7.06
BALANCE	<u>\$2,296.64</u>

LIQUID ASSET FUND

Money Market Balance as of June 30, 2022	\$1,545.18
Interest – July 31, 2022	\$1.76
Interest – August 31, 2022	\$2.56
Interest – September 30, 2022	\$2.92
Interest – October 31, 2022	\$3.80
Interest – November 30, 2022	\$4.68
BALANCE	<u>\$1,560.90</u>

**Citizens Alliance Bank
Special Money Market Savings**

Balance as of June 30, 2022	\$4,228,652.21
Interest – July 31, 2022 (Transfer out \$300,000)	\$807.06
Interest – August 31, 2022 (Transfer in \$100,000)	\$850.49
Interest – September 30, 2022 (Transfer in \$500,000)	\$1019.40
Interest – October 31, 2022 (Transfer out \$200,000)	\$1497.77
Interest – November 30, 2022	\$1513.26
BALANCE	<u>\$4,334,340.19</u>

MACCRAY Schools Enrollment 22-23

	EOY	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	EOY
Pre-K	72	69	70	71	71						
K	60	55	54	57	57						
1	52	62	62	63	60						
2	53	54	53	53	51						
3	64	60	58	59	59						
4	62	63	64	65	64						
5	57	69	68	68	67						
K-5 Subtotal	348	363	359	365	358	0	0	0	0	0	0
Pre-K-5 Subtotal	420	432	429	436	429	0	0	0	0	0	0
6	42	59	59	60	60						
7	48	52	52	52	53						
8	56	50	49	49	49						
9	50	60	60	59	60						
10	57	51	51	51	50						
11	44	56	56	54	53						
12	49	43	43	43	43						
Subtotal	304	371	370	368	368	0	0	0	0	0	0
K-12 Total	652	734	729	733	726	0	0	0	0	0	0
P-12 Total	724	803	799	804	797	0	0	0	0	0	0

Ind. School District #2180 Payment Reg by Bank and Check

Bank	Batch	Pmt No	Check No	Pay Type	Grp Code	Rcd	Vendor	Tax Class	Print	Recon	Void	Pay/Void	Date	Amount
												Date		
BND2		57140	5417	Check	1	1469	Xcel Energy	C Corporation	Yes	No	No	11/08/2022	231.79	
BND2		57147	5418	Check	1	4798	Braun Intertec Corporation	S Corporation	Yes	No	No	11/08/2022	2,309.25	
BND2		57150	5419	Check	1	5187	CE Contract		Yes	No	No	11/08/2022	532.00	
BND2		57142	5420	Check	1	01432	Chappell Central, Inc.	S Corporation	Yes	No	No	11/08/2022	3,556.34	
BND2		57144	5421	Check	1	2854	CORY'S HOMETOWN ELECTRIC	Ind/Sole Proprietor	Yes	No	No	11/08/2022	1,655.58	
BND2		57146	5422	Check	1	4559	ICS Consulting, LLC	S Corporation	Yes	No	No	11/08/2022	108,746.46	
BND2		57143	5423	Check	1	2164	Innovative Office Solutions		Yes	No	No	11/08/2022	55,023.21	
BND2		57145	5424	Check	1	3044	MACCRAY General Fund		Yes	No	No	11/08/2022	4,408.69	
BND2		57141	5425	Check	1	00457	Torkelson's Lock Service	LLC - Partnership	Yes	No	No	11/08/2022	3,412.50	
BND2		57149	5426	Check	1	5160	Virco, Inc.	C Corporation	Yes	No	No	11/08/2022	810.72	
BND2		57148	5427	Check	1	5145	Worthington Direct		Yes	No	No	11/08/2022	2,345.80	
BND2		57182	5428	Check	1	4897	BCI Construction Inc.		Yes	No	No	11/15/2022	5,152.10	
BND2		57187	5429	Check	1	4922	Builders Supply Company		Yes	No	No	11/15/2022	68,053.25	
BND2		57181	5430	Check	1	3785	Floor to Ceiling Store		Yes	No	No	11/15/2022	66,332.80	
BND2		57186	5431	Check	1	4908	Gopher Stage Lighting Inc.		Yes	No	No	11/15/2022	10,361.51	
BND2		57185	5432	Check	1	4902	Gunion Painting LLC		Yes	No	No	11/15/2022	3,705.02	
BND2		57189	5433	Check	1	4934	Heartland Glass Co		Yes	No	No	11/15/2022	2,251.50	
BND2		57191	5434	Check	1	5059	Hockenbergs Equip & Supply Inc		Yes	No	No	11/15/2022	73,264.61	
BND2		57188	5435	Check	1	4933	LVC Companies		Yes	No	No	11/15/2022	15,712.22	
BND2		57184	5436	Check	1	4901	Masters Plumbing Heating & Cooling LLC		Yes	No	No	11/15/2022	142,442.95	
BND2		57183	5437	Check	1	4898	Southern Minnesota Woodcraft, Inc.		Yes	No	No	11/15/2022	30,096.00	
BND2		57190	5438	Check	1	4935	St. Cloud Acoustics		Yes	No	No	11/15/2022	15,482.15	
BND2		57180	5439	Check	1	2751	Willmar Electric Service	C Corporation	Yes	No	No	11/15/2022	107,966.79	
Bank Total:													\$723,853.24	
Pay		57062		Wire	1	00867	PERA		No	No	No	11/01/2022	27,475.10	
Pay		57063		Wire	1	00868	MN Teachers Retirement Assoc.		No	No	No	11/01/2022	61,582.28	
Pay		57064		Wire	1	2181	Aviben	C Corporation	No	No	No	11/01/2022	24,431.71	
Pay		57065		Wire	1	2385	MN Department of Revenue		No	No	No	11/01/2022	19,176.03	
Pay		57066		Wire	1	2875	Internal Revenue Service		No	No	No	11/01/2022	126,568.95	
Pay		57067		Wire	1	2985	Aviben FLEX		No	No	No	11/01/2022	4,922.66	
Pay		57053	56999	Check	1	00878	American Family -AFLAC		Yes	No	No	11/01/2022	271.44	
Pay		57056	57000	Check	1	1039	Citizens Alliance Bank		Yes	No	No	11/01/2022	535.00	
Pay		57061	57001	Check	1	4802	Colonial Life		Yes	No	No	11/01/2022	1,335.47	
Pay		57060	57002	Check	1	4594	Kensington Bank		Yes	No	No	11/01/2022	247.00	
Pay		57057	57003	Check	1	3014	LegalShield		Yes	No	No	11/01/2022	12.95	
Pay		57054	57004	Check	1	00880	MACCRAY Education Association		Yes	No	No	11/01/2022	3,339.21	
Pay		57058	57005	Check	1	4043	MN Child Support Center		Yes	No	No	11/01/2022	51.00	
Pay		57055	57006	Check	1	00881	NCPERS Group Life Ins.		Yes	No	No	11/01/2022	36.00	

Ind. School District #2180 Payment Reg by Bank and Check

Bank	Batch	Pmt No	Check No	Pay Type	Grp Code	Rcd	Vendor	Tax Class	Print	Recon	Void	Pay/Void		Amount
												Date		
Pay		57059	57007	Check	1 4575		Old National Bank		Yes	No	No	11/01/2022		100.00
Pay		57052	57008	Check	1 00023		UNUM Life Insurance Company		Yes	No	No	11/01/2022		214.20
Pay		57068	57009	Check	1 5182		Schorn, Melanie		Yes	No	No	11/02/2022		12.20
Pay		57069	57010	Check	1 1469		Xcel Energy	C Corporation	Yes	No	No	11/02/2022		5,747.95
Pay		57079	57011	Check	1 4329		Broderius, Sherri		Yes	No	No	11/02/2022		57.50
Pay		57071	57012	Check	1 01432		Chappell Central, Inc.	S Corporation	Yes	No	No	11/02/2022		2,144.27
Pay		57077	57013	Check	1 4234		Clean Site LLC		Yes	No	No	11/02/2022		500.00
Pay		57081	57014	Check	1 4668		Crosscut Sawmill & Woodworking	LLC - Partnership	Yes	No	No	11/02/2022		748.14
Pay		57085	57015	Check	1 5050		Dakota Business Solutions		Yes	No	No	11/02/2022		258.00
Pay		57082	57016	Check	1 4799		Dannen, Laura		Yes	No	No	11/02/2022		81.48
Pay		57076	57017	Check	1 4194		Drex-mart	S Corporation	Yes	No	No	11/02/2022		207.25
Pay		57086	57018	Check	1 5083		Erickson, Nikki		Yes	No	No	11/02/2022		17.50
Pay		57074	57019	Check	1 3605		Klosterboer, Kristin		Yes	No	No	11/02/2022		159.54
Pay		57073	57020	Check	1 2126		Menards - Willmar	S Corporation	Yes	No	No	11/02/2022		26.58
Pay		57075	57021	Check	1 4010		MobyMax, LLC	LLC - Partnership	Yes	No	No	11/02/2022		79.00
Pay		57087	57022	Check	1 5183		PENNINGS, STEPH	Ind/Sole Proprietor	Yes	No	No	11/02/2022		300.00
Pay		57088	57023	Check	1 5184		Peterson, Holly		Yes	No	No	11/02/2022		20.00
Pay		57083	57024	Check	1 4950		Renneberg Hardwoods, Inc	S Corporation	Yes	No	No	11/02/2022		1,278.88
Pay		57072	57025	Check	1 1003		Tensen, Edith		Yes	No	No	11/02/2022		110.64
Pay		57070	57026	Check	1 00905		Trulock, James		Yes	No	No	11/02/2022		21.00
Pay		57084	57027	Check	1 4963		Wendorff, Ann		Yes	No	No	11/02/2022		962.50
Pay		57080	57028	Check	1 4649		Westbrock, Renae		Yes	No	No	11/02/2022		66.55
Pay		57078	57029	Check	1 4245		Wheatley, Judd		Yes	No	No	11/02/2022		42.50
Pay		57093	57030	Check	1 4053		Music Theatre International	C Corporation	Yes	No	No	11/04/2022		2,670.00
Pay		57103	57031	Check	1 1766		AEM Mechanical Services Inc.	C Corporation	Yes	No	No	11/04/2022		250.00
Pay		57118	57032	Check	1 4016		Almich's Market	S Corporation	Yes	No	No	11/04/2022		329.79
Pay		57110	57033	Check	1 2928		Borch's Sporting Goods, Inc		Yes	No	No	11/04/2022		624.00
Pay		57127	57034	Check	1 5084		Brouwer, Eileen	Ind/Sole Proprietor	Yes	No	No	11/04/2022		700.00
Pay		57129	57035	Check	1 5150		Camden Recap		Yes	No	No	11/04/2022		160.00
Pay		57094	57036	Check	1 00044		City of Clara City		Yes	No	No	11/04/2022		4,222.48
Pay		57097	57037	Check	1 00246		City of Raymond		Yes	No	No	11/04/2022		57.50
Pay		57095	57038	Check	1 00048		Clara City Telephone Company	C Corporation	Yes	No	No	11/04/2022		638.39
Pay		57116	57039	Check	1 3618		CMSCA		Yes	No	No	11/04/2022		50.00
Pay		57130	57040	Check	1 5180		Dansie Curriculum Design	Ind/Sole Proprietor	Yes	No	No	11/04/2022		299.00
Pay		57126	57041	Check	1 5039		Donner's Garage Inc	S Corporation	Yes	No	No	11/04/2022		1,214.55
Pay		57108	57042	Check	1 2541		Haug-Kubota LLC		Yes	No	No	11/04/2022		620.41
Pay		57096	57043	Check	1 00105		Hillyard / Hutchinson	C Corporation	Yes	No	No	11/04/2022		1,612.41
Pay		57117	57044	Check	1 3962		Indianhead Foodservice Distributor	S Corporation	Yes	No	No	11/04/2022		22,277.20
Pay		57121	57045	Check	1 4326		Kennedy & Graven, Chartered	C Corporation	Yes	No	No	11/04/2022		1,903.50

Ind. School District #2180 Payment Reg by Bank and Check

Bank	Batch	Pmt No	Check No	Pay Type	Grp Code	Rcd	Vendor	Tax Class	Print	Recon	Pay/Void		Amount
											Void	Date	
Pay		57124	57046	Check	1	4626	Kubota Leasing		Yes	No	No	11/04/2022	583.78
Pay		57113	57047	Check	1	3006	MACCRAY Lunch		Yes	No	No	11/04/2022	25.00
Pay		57105	57048	Check	1	2126	Menards - Willmar	S Corporation	Yes	No	No	11/04/2022	118.27
Pay		57099	57049	Check	1	00761	Merle's Repair	Ind/Sole Proprietor	Yes	No	No	11/04/2022	98.00
Pay		57122	57050	Check	1	4505	Minnesota West		Yes	No	No	11/04/2022	1,331.22
Pay		57123	57051	Check	1	4553	Nordic Solar HoldCo Phase 2, LLC	LLC - Partnership	Yes	No	No	11/04/2022	10,952.33
Pay		57125	57052	Check	1	4642	Outlaw Graphix	Ind/Sole Proprietor	Yes	No	No	11/04/2022	455.00
Pay		57100	57053	Check	1	00763	Pan-O-Gold Baking Company	C Corporation	Yes	No	No	11/04/2022	231.38
Pay		57128	57054	Check	1	5112	Quadient Leasing USA, Inc		Yes	No	No	11/04/2022	319.70
Pay		57109	57055	Check	1	2741	Quick Signs of Willmar		Yes	No	No	11/04/2022	132.00
Pay		57101	57056	Check	1	00998	R & R Bakery	Partnership	Yes	No	No	11/04/2022	15.00
Pay		57114	57057	Check	1	3139	Rambow, Inc.		Yes	No	No	11/04/2022	100.00
Pay		57106	57058	Check	1	2347	Rochester Telecom Systems	S Corporation	Yes	No	No	11/04/2022	125.41
Pay		57132	57059	Check	1	5186	Rodeberg & Berryman, Inc		Yes	No	No	11/04/2022	240.00
Pay		57131	57060	Check	1	5185	Schwitters, Karla		Yes	No	No	11/04/2022	97.36
Pay		57098	57061	Check	1	00701	Southside Lumber	C Corporation	Yes	No	No	11/04/2022	483.37
Pay		57112	57062	Check	1	2972	Stacy's Nursery	C Corporation	Yes	No	No	11/04/2022	110.00
Pay		57111	57063	Check	1	2943	Sweep Hardware	Ind/Sole Proprietor	Yes	No	No	11/04/2022	251.75
Pay		57102	57064	Check	1	1673	TA Lauritsen Septic and Drain	C Corporation	Yes	No	No	11/04/2022	1,400.00
Pay		57119	57065	Check	1	4094	TOOV, SARA	Ind/Sole Proprietor	Yes	No	No	11/04/2022	300.00
Pay		57115	57066	Check	1	3554	TRIO Supply Co	S Corporation	Yes	No	No	11/04/2022	631.12
Pay		57120	57067	Check	1	4242	Turbo Turf, LLC		Yes	No	No	11/04/2022	250.00
Pay		57107	57068	Check	1	2439	Uline		Yes	No	No	11/04/2022	339.72
Pay		57104	57069	Check	1	1769	Wenger Corporation	S Corporation	Yes	No	No	11/04/2022	919.63
Pay		57139	57070	Check	1	4291	Region 3A		Yes	No	No	11/04/2022	2,826.00
Pay		57159	57071	Check	1	4104	B&H Foodservice of Appleton		Yes	No	No	11/10/2022	973.30
Pay		57163	57072	Check	1	4979	Coordinated Business Systems	S Corporation	Yes	No	No	11/10/2022	4,025.79
Pay		57155	57073	Check	1	1762	Donners Crossroads Truckstop	S Corporation	Yes	No	No	11/10/2022	74.76
Pay		57166	57074	Check	1	5188	Elizondo, Jasmine		Yes	No	No	11/10/2022	40.00
Pay		57151	57075	Check	1	00094	Gopher Sport	C Corporation	Yes	No	No	11/10/2022	339.15
Pay		57167	57076	Check	1	5189	Hegstrom, Camille		Yes	No	No	11/10/2022	40.00
Pay		57156	57077	Check	1	3311	J.W. Pepper & Son, Inc.	C Corporation	Yes	No	No	11/10/2022	77.99
Pay		57160	57078	Check	1	4160	Macht, Sarah		Yes	No	No	11/10/2022	60.00
Pay		57162	57079	Check	1	4540	Meyer, Melissa		Yes	No	Yes	11/10/2022	157.50
Pay		57164	57080	Check	1	5118	Quadient Finance USA, Inc.		Yes	No	No	11/10/2022	119.09
Pay		57158	57081	Check	1	3891	SNDM		Yes	No	No	11/10/2022	100.00
Pay		57154	57082	Check	1	1350	Southwest MN State University		Yes	No	No	11/10/2022	3,300.00
Pay		57165	57083	Check	1	5153	Stony Creek Dairy		Yes	No	No	11/10/2022	4,269.39
Pay		57153	57084	Check	1	00308	SW & WC Service Cooperative		Yes	No	No	11/10/2022	51,429.37

Ind. School District #2180 Payment Reg by Bank and Check

Bank	Batch	Pmt No	Check No	Pay Type	Grp Code	Rcd	Vendor	Tax Class	Print	Recon	Void	Pay/Void	Date	Amount
												Date		
Pay		57157	57085	Check	1 3424		Sweetwater		Yes	No	No	11/10/2022	5,852.76	
Pay		57161	57086	Check	1 4242		Turbo Turf, LLC		Yes	No	No	11/10/2022	380.00	
Pay		57152	57087	Check	1 00277		Whitney Music	Ind/Sole Proprietor	Yes	No	No	11/10/2022	84.67	
Pay		57172	57088	Check	1 5190		ncco Foodservice Solutions		Yes	No	No	11/10/2022	1,939.48	
Pay		57173	57089	Check	1 00308		SW & WC Service Cooperative		Yes	No	No	11/10/2022	212.06	
Pay		57174	57090	Check	1 3297		Wohlman, Julie		Yes	No	No	11/10/2022	848.59	
Pay		57175	57091	Check	1 2401		SCHOLASTIC INC	C Corporation	Yes	No	No	11/10/2022	3,263.20	
Pay		57176	57092	Check	1 2195		Central MN Christian School		Yes	No	No	11/11/2022	150.00	
Pay		57177	57093	Check	1 4303		KMS Basketball Association		Yes	No	No	11/11/2022	150.00	
Pay		57178	57094	Check	1 4994		RCWBA		Yes	No	No	11/11/2022	75.00	
Pay		57179	57095	Check	1 3099		Trish's Katering	Ind/Sole Proprietor	Yes	No	No	11/15/2022	920.15	
Pay		57192	57096	Check	1 5191		MACCRAY Parent's Club		Yes	No	No	11/15/2022	45.00	
Pay		57193	57097	Check	1 4303		KMS Basketball Association		Yes	No	No	11/16/2022	150.00	
Pay		57196	57098	Check	1 4995		Lakeview Basketball Association		Yes	No	No	11/16/2022	125.00	
Pay		57195	57099	Check	1 4497		Montevideo Community Education		Yes	No	No	11/16/2022	150.00	
Pay		57194	57100	Check	1 4494		YME Hoops Club		Yes	No	No	11/16/2022	125.00	
Pay		57198	57101	Check	1 00878		American Family -AFLAC		Yes	No	No	11/16/2022	271.44	
Pay		57201	57102	Check	1 1039		Citizens Alliance Bank		Yes	No	No	11/16/2022	635.00	
Pay		57205	57103	Check	1 4802		Colonial Life		Yes	No	No	11/16/2022	1,384.80	
Pay		57204	57104	Check	1 4594		Kensington Bank		Yes	No	No	11/16/2022	247.00	
Pay		57202	57105	Check	1 3014		LegalShield		Yes	No	No	11/16/2022	12.95	
Pay		57199	57106	Check	1 00880		MACCRAY Education Association		Yes	No	No	11/16/2022	3,339.21	
Pay		57203	57107	Check	1 4043		MN Child Support Center		Yes	No	No	11/16/2022	51.00	
Pay		57200	57108	Check	1 00881		NCPERS Group Life Ins.		Yes	No	No	11/16/2022	36.00	
Pay		57197	57109	Check	1 00023		UNUM Life Insurance Company		Yes	No	No	11/16/2022	214.20	
Pay		57207	57110	Check	1 4271		MACCRAY Class of 2023		Yes	No	No	11/16/2022	45.00	
Pay		57208	57111	Check	1 4495		MACCRAY Class of 2024		Yes	No	No	11/16/2022	410.00	
Pay		57209	57112	Check	1 4708		MACCRAY Class of 2025		Yes	No	No	11/16/2022	410.00	
Pay		57210	57113	Check	1 4791		MACCRAY Class of 2026		Yes	No	No	11/16/2022	460.00	
Pay		57211	57114	Check	1 4965		MACCRAY Class of 2027		Yes	No	No	11/16/2022	300.00	
Pay		57212	57115	Check	1 5192		MACCRAY Class of 2028		Yes	No	No	11/16/2022	270.00	
Pay		57213	57116	Check	1 5193		MACCRAY Class of 2029		Yes	No	No	11/16/2022	400.00	
Pay		57206	57117	Check	1 2839		MACCRAY Student Council		Yes	No	No	11/16/2022	2,395.15	
Pay		57214	57118	Check	1 4249		MnIAAA		Yes	No	No	11/17/2022	390.00	
Pay		57215	57119	Check	1 2677		Regents of the Univ of MN		Yes	No	No	11/17/2022	3,125.00	
Pay		57216	57120	Check	1 3886		GRANITE FALLS OFFICIAL ASSOC.	Ind/Sole Proprietor	Yes	No	No	11/17/2022	240.00	
Pay		57221	57121	Check	1 1054		ACT, INC		Yes	No	No	11/21/2022	799.00	
Pay		57224	57122	Check	1 2359		Amazon Capital Services		Yes	No	No	11/21/2022	8,738.02	
Pay		57225	57123	Check	1 2791		Arnolds of Willmar		Yes	No	No	11/21/2022	979.00	

Ind. School District #2180 Payment Reg by Bank and Check

Bank	Batch	Pmt No	Check No	Pay Type	Grp Code	Rcd	Vendor	Tax Class	Print	Recon	Pay/Void		Amount
											Void	Date	
Pay		57227	57124	Check	1 2985		Aviben FLEX		Yes	No	No	11/21/2022	125.00
Pay		57235	57125	Check	1 4104		B&H Foodservice of Appleton		Yes	No	No	11/21/2022	134.32
Pay		57240	57126	Check	1 5194		Bulthuis, Stephanie		Yes	No	No	11/21/2022	120.00
Pay		57228	57127	Check	1 3592		Dooley's Natural Gas	C Corporation	Yes	No	No	11/21/2022	5,255.92
Pay		57217	57128	Check	1 00077		Farmers Coop Oil Co.	C Corporation	Yes	No	No	11/21/2022	1,236.61
Pay		57234	57129	Check	1 3988		Forum Communications Company	C Corporation	Yes	No	No	11/21/2022	1,110.00
Pay		57231	57130	Check	1 3886		GRANITE FALLS OFFICIAL ASSOC.	Ind/Sole Proprietor	Yes	No	No	11/21/2022	120.00
Pay		57218	57131	Check	1 00105		Hillyard / Hutchinson	C Corporation	Yes	No	No	11/21/2022	1,992.29
Pay		57230	57132	Check	1 3704		IEA, Inc	S Corporation	Yes	No	No	11/21/2022	615.50
Pay		57232	57133	Check	1 3962		Indianhead Foodservice Distributor	S Corporation	Yes	No	No	11/21/2022	9,851.58
Pay		57237	57134	Check	1 4326		Kennedy & Graven, Chartered	C Corporation	Yes	No	No	11/21/2022	117.50
Pay		57226	57135	Check	1 2877		Matheson Tri Gas		Yes	No	No	11/21/2022	54.00
Pay		57238	57136	Check	1 4410		MN PEIP		Yes	No	No	11/21/2022	79,128.34
Pay		57222	57137	Check	1 1936		Palmer Bus Service, Inc	C Corporation	Yes	No	No	11/21/2022	101,779.86
Pay		57219	57138	Check	1 00763		Pan-O-Gold Baking Company	C Corporation	Yes	No	No	11/21/2022	231.00
Pay		57223	57139	Check	1 2253		Ridgewater College		Yes	No	No	11/21/2022	6,000.00
Pay		57233	57140	Check	1 3987		Sarlettes Music	Ind/Sole Proprietor	Yes	No	No	11/21/2022	5,008.50
Pay		57241	57141	Check	1 5195		Smith, Jayde		Yes	No	No	11/21/2022	55.25
Pay		57229	57142	Check	1 3697		Southern Minnesota Inspection Co., LLC	S Corporation	Yes	No	No	11/21/2022	7,814.13
Pay		57242	57143	Check	1 5196		Thissen, Nancy		Yes	No	No	11/21/2022	15.00
Pay		57243	57144	Check	1 5197		Warne, Robyn		Yes	No	No	11/21/2022	5.00
Pay		57220	57145	Check	1 00844		West Central Sanitation, Inc.	C Corporation	Yes	No	No	11/21/2022	2,513.60
Pay		57239	57146	Check	1 4649		Westbrock, Renae		Yes	No	No	11/21/2022	13.78
Pay		57236	57147	Check	1 4245		Wheatley, Judd		Yes	No	No	11/21/2022	74.38
Pay		57247	57148	Check	1 00105		Hillyard / Hutchinson	C Corporation	Yes	No	No	11/22/2022	179.35
Pay		57248	57149	Check	1 4149		Riley Bus Service, Inc.		Yes	No	No	11/22/2022	1,157.76
Pay		57257	57150	Check	1 2852		Alexandria Technical & Comm College		Yes	No	No	11/29/2022	7,059.04
Pay		57258	57151	Check	1 3418		AMMERMANN, STEVE	Ind/Sole Proprietor	Yes	No	No	11/29/2022	125.00
Pay		57255	57152	Check	1 2195		Central MN Christian School		Yes	No	No	11/29/2022	150.00
Pay		57253	57153	Check	1 01432		Chappell Central, Inc.	S Corporation	Yes	No	No	11/29/2022	542.29
Pay		57254	57154	Check	1 1960		Chippewa County Auditor/Treasurer		Yes	No	No	11/29/2022	1,016.24
Pay		57250	57155	Check	1 00138		City of Maynard		Yes	No	No	11/29/2022	50.88
Pay		57259	57156	Check	1 3419		Hanson, Rod	Ind/Sole Proprietor	Yes	No	No	11/29/2022	125.00
Pay		57256	57157	Check	1 2288		Hubert		Yes	No	No	11/29/2022	540.43
Pay		57262	57158	Check	1 4303		KMS Basketball Association		Yes	No	No	11/29/2022	150.00
Pay		57266	57159	Check	1 4995		Lakeview Basketball Association		Yes	No	No	11/29/2022	125.00
Pay		57260	57160	Check	1 4157		MASA Jobsite		Yes	No	No	11/29/2022	407.00
Pay		57251	57161	Check	1 00160		MN State High School League		Yes	No	No	11/29/2022	160.00
Pay		57252	57162	Check	1 00374		PRO-ED, Inc.		Yes	No	No	11/29/2022	178.20

Ind. School District #2180 Payment Reg by Bank and Check

Bank	Batch	Pmt No	Check No	Pay Type	Grp Code	Rcd	Vendor	Tax Class	Print	Recon	Void	Pay/Void	Date	Amount
Pay		57267	57163	Check	1	5199	Ricard, Steve	Ind/Sole Proprietor	Yes	No	No		11/29/2022	250.00
Pay		57265	57164	Check	1	4836	Schwinghammer, Ethan	Ind/Sole Proprietor	Yes	No	No		11/29/2022	125.00
Pay		57261	57165	Check	1	4210	Tebben Enterprises, Inc.		Yes	No	No		11/29/2022	252.00
Pay		57264	57166	Check	1	4614	Wabasso Public School		Yes	No	No		11/29/2022	125.00
Pay		57263	57167	Check	1	4494	YME Hoops Club		Yes	No	No		11/29/2022	125.00
Pay		57271	57168	Check	1	3886	GRANITE FALLS OFFICIAL ASSOC.	Ind/Sole Proprietor	Yes	No	No		11/29/2022	240.00
Bank Total:													\$684,190.52	
SA		57092	22207	Check	1	4259	Bosch, Lindsey		Yes	No	No		11/02/2022	274.40
SA		57091	22208	Check	1	3589	Dirty Dog Productions		Yes	No	No		11/02/2022	250.33
SA		57090	22209	Check	1	1003	Tensen, Edith		Yes	No	No		11/02/2022	90.97
SA		57089	22210	Check	1	00507	West Central Trophies	S Corporation	Yes	No	No		11/02/2022	68.75
SA		57136	22211	Check	1	4016	Almich's Market	S Corporation	Yes	No	No		11/04/2022	48.53
SA		57134	22212	Check	1	1268	Jim's Clothing & Sporting Good	Ind/Sole Proprietor	Yes	No	No		11/04/2022	480.00
SA		57137	22213	Check	1	4042	MACCRAY Class of 2022		Yes	No	No		11/04/2022	664.29
SA		57133	22214	Check	1	00998	R & R Bakery	Partnership	Yes	No	No		11/04/2022	111.95
SA		57138	22215	Check	1	4824	Sunderland, Meghan		Yes	No	No		11/04/2022	187.50
SA		57135	22216	Check	1	2943	Sweep Hardware	Ind/Sole Proprietor	Yes	No	No		11/04/2022	4.99
SA		57168	22217	Check	1	2928	Borch's Sporting Goods, Inc		Yes	No	No		11/10/2022	1,008.00
SA		57169	22218	Check	1	4343	Flowers from the Heart	Ind/Sole Proprietor	Yes	No	No		11/10/2022	100.00
SA		57170	22219	Check	1	5069	Jimmys Pizza Granite Falls		Yes	No	No		11/10/2022	870.67
SA		57171	22220	Check	1	3099	Trish's Katering	Ind/Sole Proprietor	Yes	No	No		11/10/2022	247.50
SA		57244	22221	Check	1	2359	Amazon Capital Services		Yes	No	No		11/21/2022	151.92
SA		57245	22222	Check	1	3962	Indianhead Foodservice Distributor	S Corporation	Yes	No	No		11/21/2022	65.94
SA		57246	22223	Check	1	4990	Sleepy Eye Basketball Boosters		Yes	No	No		11/22/2022	100.00
SA		57249	22224	Check	1	4149	Riley Bus Service, Inc.		Yes	No	No		11/22/2022	1,029.24
SA		57270	22225	Check	1	5002	CORE Fundraising		Yes	No	No		11/29/2022	8,402.00
SA		57269	22226	Check	1	3612	National FFA Organization		Yes	No	No		11/29/2022	722.00
SA		57268	22227	Check	1	2980	Region V FFA		Yes	No	No		11/29/2022	112.00
Bank Total:													\$14,990.98	
Report Total:													\$1,423,034.74	

Taxes Payable 2023
2180-01-000-000 MACCRAY School District
kimsandry

[Validate/Certify Levy](#)

Validate/Certify Levy

You have successfully validated your Levy data! You are ready to submit it.

Submit Levy

If you are sure your levy data is correct and ready to certify it, you can do so by clicking Certify Levy button below. Before certifying it, you are strongly recommended to validate it by clicking Validate Levy button.

- By clicking Certify Levy button, you are certifying your levy data and data is being submitted to MDE.
- If you certified your levy previously and are now making any changes, you have to recertify it again.

For further information about Levy Certification. contact the following:

Program Finance at mde.levy@state.mn.us

Emails will be redirected to the appropriate staff person within Program Finance.

Validate Levy

Certify Levy

District Levy Summary

Subtotals By Levy Category

Title	Limit	Proposed	Certified
GENERAL - RMV VOTER - JOBZ EXEMPT	820,607.03	820,607.03	820,607.03
GENERAL - RMV OTHER - JOBZ EXEMPT	460,275.01	460,275.01	460,275.01
GENERAL - NTC VOTER - JOBZ EXEMPT	0.00	0.00	0.00
GENERAL - NTC OTHER - JOBZ EXEMPT	453,122.53	453,122.53	453,122.53
COMMUNITY SERVICE - NTC OTHER - JOBZ EXEMPT	58,620.00	58,620.00	58,620.00
GENERAL DEBT - NTC VOTER - JOBZ NONEXEMPT	2,335,731.94	2,335,731.94	2,335,731.94
GENERAL DEBT - NTC OTHER - JOBZ NONEXEMPT	561,928.07	561,928.07	561,928.07
OPEB DEBT - NTC VOTER - JOBZ NONEXEMPT	0.00	0.00	0.00
OPEB DEBT - NTC OTHER - JOBZ NONEXEMPT	0.00	0.00	0.00

Subtotals By Fund

Title	Limit	Proposed	Certified
GENERAL FUND	1,734,004.57	1,734,004.57	1,734,004.57
COMMUNITY SERVICES FUND	58,620.00	58,620.00	58,620.00

GENERAL DEBT SERVICE FUND	2,897,660.01	2,897,660.01	2,897,660.01
OPEB/PENSION DEBT SERVICE FUND	0.00	0.00	0.00

Subtotals By Tax Base

Title	Limit	Proposed	Certified
REFERENDUM MARKET VALUE	1,280,882.04	1,280,882.04	1,280,882.04
NET TAX CAPACITY	3,409,402.54	3,409,402.54	3,409,402.54

Subtotals By Truth In Taxation Category

Title	Limit	Proposed	Certified
VOTER APPROVED	3,156,338.97	3,156,338.97	3,156,338.97
OTHER	1,533,945.61	1,533,945.61	1,533,945.61

Total Levy

Title	Limit	Proposed	Certified
TOTAL LEVY	4,690,284.58	4,690,284.58	4,690,284.58

December 12, 2022

Superintendent Report to the School Board

1. Superintendent Search - It is very important that you come to the board meeting on December 12 ready to make a decision on hiring (or not) MSBA to do the superintendent search. I do not have any other recommendations for search groups at this time because I know of none. Please be sure to have read through the information I sent you. It is important that we get started with this process.
2. We will have a couple guests at the December meeting.
 - A. Ashley Meagher will be with us to present our audit report from the last school year.
 - B. ICS will be here in some capacity either remotely or in person.
3. Thank you to Lane Schwitters and Tate Mueller for their service to the school board. It is a much more time consuming position than most people know if you do it correctly. I thank them both for their service to MACCRAY.
4. Mark Kasella and John Hagemeyer will take over on the board. Julie and I will be attending a January 10 Phase 1 training in Minneapolis with them.
5. I will have a report on our huge December 10 ribbon cutting, tours, 2180 Fundraiser and Nancy Harms concert for the December 12 meeting.
6. Kim Sandry and I will be presenting at the MSBA Conference in Minneapolis with Ehlers about financing and the timing of the referendum. We are not sure of the date and time of the presentation(s) at this writing. I am always willing and eager to promote MACCRAY to the rest of the state. This will also be our opportunity to share more about our school to people who WILL inquire about the superintendent position.

Board Report
MACCRAY Senior High School
December 12, 2022

Getting Ready for 2023!:

- This is the season for MDE reports. I am working on the combined World's Best Work Force and Achievement & Integration plan which is due 12/15. I also had to submit a report for the district for our Carl Perkins (Ag/Tech Ed) grant.
- We had another great career opportunity, this time for our Special Education students to have a chance to look at college and work experience through Project Discovery, at SMSU.
- As an Admin Team, we looked at upcoming deadlines for the Minnesota Department of education.
- Mid-term is December 15th. That means we have 4-5 weeks left in the first semester.
- As we head into the end of 2022, I wanted to remind you that in January, my world begins to look at the '23-24 school year. In fact, student registration for next year will begin at our 2/23 and 3/7 conferences!

Upcoming:

- Winter Band/Choir Concert will be 12/19 (Middle - 7-7:45, HS - 8-8:45)
- Winter break begins with an early out (1p) on 12/22.
- 12/23-30 Epoxy floor finishes are being added to HS and MS locker rooms.
- We are gearing up for a HUGE professional development day on 1/16. Janelle Fields (SWWC) is the lead for the day.

Respectfully submitted -

Judd Wheatley
MACCRAY Sr. High Principal

MACCRAY Elementary School
Board Report
December 12, 2022

- STAR Results/Comparison
- Hiring
 - Elementary Physical Education - Sjea Anderson
 - Long-Term Sub for 1st grade - in progress
- Elementary Assembly, 12/22
- Upcoming Events
 - Holiday Concert, 12/15
 - North Collaborative Inservice, 1/16

Mitchell Kent
Elementary School Principal

December 2022 Activities Director Report

- 1. The Knowledge Bowl team practices have been taking place. At this time we have 8 H.S. students participating and 0 Junior High students.**
- 2. Nikki Erickson completed tryouts for the “One Act Play” and they have begun practicing.**
- 3. Junior High girls basketball will begin practicing on January 3, 2023.**
- 4. All other winter activity competitions have begun as well.**
- 5. We hosted a home wrestling match on December 1st. It ran very smoothly considering the number of years it's been since we hosted a match. MACCRAY had 3 students wrestling varsity and and 3 wrestle in JV matches.**



December 2022 School Board Report

Highlights

- ❖ Winter 22-23 Booklet

- ❖ MACCRAY Community Health Challenge
 - Kick-Off Meeting Thursday, Jan. 5th/12 Weeks
 - Partnering with Countryside Public Health and local businesses
 - Fitness/Nutrition/Emotional Health Classes – Discounts

- ❖ Youth Basketball
 - 8 Teams – 98 Players
 - Girls & Boys – 3rd Grade through 6th Grade
 - Volunteer Coaches
 - 6th GBB – Nikki Bodin
 - 5th GBB – Noah Hultgren and Josh Neu
 - 4th GBB – Kayla Brandt and Shelby Olson
 - 3rd GBB – Cory Janssen
 - 6th BBB – Nate Bourne and Cameron Macht
 - 5th BBB – Lucas Post and Shane Hansen
 - 4th BBB – Justin Dirksen and Matthew Kleinhuizen
 - 3rd BBB – Matt Condon and Harold Goedgedrag
 - MACCRAY Hoops Club
 - Boys Tournament – January 21st
 - Girls Tournament – February 18th
 - Saturday Hoops – Grades 1 & 2

- ❖ Youth Wrestling
 - Wednesdays After-School @ MACCRAY
 - Starts December 14th through February 22nd
 - Coach – Andy Bristle
 - Partner w/Quad County Elementary Wrestling Program

- ❖ MACCRAY Performing Arts Auditorium (MPAA)
 - Use Procedures & Guidelines Developed
 - Recognize - Joel Gronseth, Quinton Hauck, Bryson Kimpling, and Carter Mathews
 - Concert – Nancy Harms Held on Saturday, December 10th
 - 4th Grade Plays, Countryside Public Health Presentations, NHS Induction & Christmas Concerts

- ❖ Community Garden
 - * 10 Gardeners – Looking for additional ones.
 - * God's Garden - Donated 8,137 pounds to Chippewa County Food Shelf

- ❖ Youth Scholarship Fund
 - Current Balance: \$3,417.02
 - Concessions on January 24th

- ❖ MDE – Annual Community Ed Report Submitted/due November 1st each year

- ❖ Facility Use
 - Briggs Motley Craft Sale – November 5th
 - Lions Club Pancake Fundraiser – November 25th
 - Chuukese Community Volleyball – Saturday & Sunday Nights



MACCRAY COMMUNITY ED & REC

WINTER 2022-23
DEC - JAN - FEB



If you want a hard copy of the Community Ed booklets/newsletters through the mail, please contact Denise at 320-847-2154, Ext. 1106 or email her at smithd@maccray.k12.mn.us. We will no longer be doing bulk mailings to all box holders in our school district.

Winter 2022-23

December, January, February

Programs & Classes

Table of Contents

Page 3:	General Information
Page 4-7:	Early Childhood/Preschool Programs
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Page 19:	Nancy Harms Concert/MACCRAY 2180 Foundation Meal
Page 20:	MACCRAY 2180 Foundation QCD Information
Page 21:	Registration Form

Call Denise at 320-847-2154, Ext. 1106 or email smithd@maccray.k12.mn.us if you would like to teach a class or coach an activity **AND/OR** you have an idea for a class or activity.

Together we can build the best Community Ed and Rec Department that serves all members of our communities!



Remember to register early to make sure you get a spot for the class!

Registration

Preregistration is required for all classes. Participants must be registered and fees paid prior to the first class/activity. Options are:

1. Mail registration form and payment to Box 690; Clara City, MN 56222.
2. Online Option: Go to <http://maccray.k12.mn.us/communityed>. Click on "Register and Pay" to find the class and registration for it.

Register early so you don't miss out. Often classes reach the maximum enrollment early. Also, the classes depend on minimum enrollments to hold them and classes may be cancelled due to low numbers.

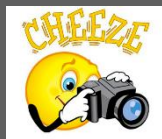
Confirmation: You will either receive an email or text confirmation of your registration for a class/activity.

Inclement Weather & School Closings: If MACCRAY classes and activities are cancelled, Community Education & Recreation classes/activities may be cancelled as well. Tune to Q102/102.5 FM for notification of cancellations or check on the school's website and the CER Facebook page for updates.

Cancellation & Refund Policy

We reserve the right to cancel any class due to low enrollment and a full refund will be given to those that signed up for the class. If the class is postponed due to weather, another date will be selected for the class. If a person is unable to attend the new date, a full refund will be given out.

If you are not able to attend a class and want a refund, cancellations must be requested two days prior to the starting date of the class or activity. A \$5.00 processing fee will be charged. Forfeiture of your registration fee will occur if not done within this timeframe. No refunds will be given once class starts.



Pictures

We may take pictures during activities of groups or individuals and used for the promotion of CER. If you object to your or your child's photo being used, please notify Denise at 320-847-2154, Ext. 1106.



"Like" us at MACCRAY Community Ed & Rec.

MACCRAY Community Education

Vision Statement

To create comprehensive educational, recreational, and wellness programs for community members of all ages – birth to golden ages.

Community Ed Staff

Denise R. Smith, Director
320-847-2154, Ext. 1106
smithd@maccray.k12.mn.us

Edith Tensen, Administrative Assistant
320-847-2154, Ext. 1111
tensene@maccray.k12.mn.us

Kristine Klosterboer
Early Childhood Coordinator, ECFE,
Early Childhood Screening & Preschool
320-847-2154, Ext. 1320
klosterboerk@maccray.k12.mn.us

Heather Shamla
Preschool Secretary & Billing
320-847-2154, Ext. 1306
shamla@maccray.k12.mn.us

CER Advisory Council

Debi Brandt
Laura Bristle
Jovita Harguth
Mac Hendrickx
Kristine Klosterboer
Sarah Macht
Kendra Peterson
Sam Peterson
Dave Plagge
Laine Rieger
Meghan Sunderland
Nancy Winter

Thank
You!

MACCRAY Early Education Programs

Early Childhood Programs are held at the MACCRAY Elementary School. Early childhood classes, events, and services are for families with children **ages birth to not yet in kindergarten**.

Remember to pre-register for all ECFE classes! Each class has a minimum of five students needed to run the class. We will decide the day after the deadline if a class will run.

Early Childhood Programs offered include:



(Early Childhood Family Education)

ECFE is based on the idea that the family provides a child's first and most significant learning environment. Parents are the child's first and most important teachers. ECFE's goal is to enhance the ability of all parents and other family members to provide the best possible environment for their child's learning and growth.

[Register with Denise at CER for all ECFE classes.](#)



Early Childhood Screening



Early Childhood Screening is required for all children before starting kindergarten. Children may be screened beginning at age 3. Look for more information in the next couple of pages.

[Contact Kristine Klosterboer for early childhood screening questions and information.](#)



MACCRAY school readiness/preschool is a program for children 3 to 5 years of age who are not yet enrolled in kindergarten. The goal of our preschool program is to provide children with a fun and enriched preschool experience that will assist parents with the emotional, social, intellectual, and physical development of their child. More information in the next couple of pages.

[Contact Kristine Klosterboer with questions about our school readiness programming.](#)

Early Childhood Staff

Kristine Klosterboer:

Early Childhood Coordinator
ECFE, Early Childhood Screening, & School Readiness/ Preschool

klosterboerk@maccray.k12.mn.us

or 320-847-2154, Ext. 1320

Heather Shamlah:

Preschool Secretary
Preschool Billing/Questions

shamlah@maccray.k12.mn.us

or 320-847-2154, Ext. 1306





Winter ECFE Classes



Come and join us for some holiday Grinch themed fun with games, a story, activities, and more! Two classes offered for two different age groups.

Date: Ages 2-3 Monday, December 19th
 Ages 4-5 Tuesday, December 20th (PK)
Time: 5:30 P.M. - 6:30 P.M.
Location: MACCRAY Elementary School
Cost: \$5.00

Registration deadline: Tuesday, December 6th

**** Remember to pre-register for all classes! Each class has a minimum of five students needed to run the class and will have a maximum of 12 students. We will decide the day after the deadline if a class will run. You can register with Denise at CER for all ECFE classes.**

**** Sibling care is available for all classes. Please let us know when you register so we have someone available. Also, indicate if your child has any allergies.**

Sliding Fee Scale

Free: Current family monthly gross income of \$1800 or less

Half Price: If family monthly income is below the following guidelines

Full Price: If family monthly exceeds the guidelines below

Household Size	2	3	4	5	6	7	8
Monthly Income	2,583	3,204	3,870	4,536	5,202	5,868	6,534

No family will be denied access due to inability to pay

“Snow” Happy to See You

Join us for this non-separating class to play and learn all things winter and snow with art, songs, sensory exploration, stories and more! Two classes offered for two different age groups.

Date: Ages 2-3 Tuesday, January 17th
 Ages 4-5 Thursday, Jan. 19th (PK)
Time: 5:30 P.M. - 6:30 P.M.
Location: MACCRAY Elementary School
Cost: \$5.00

Registration deadline: Tuesday, January 10th

Love Monster

Join us for this non-separating class with your favorite “love” as we celebrate Valentine’s Day. We will have fun celebrating with Valentine’s art, songs, stories and more! Two classes offered for two different age groups.

Date: Ages 2-3 Tuesday, February 14th
 Ages 4-5 Thursday, February 16th (PK)
Time: 5:30 P.M. - 6:30 P.M.
Location: MACCRAY Elementary
Cost: \$5.00

Registration deadline: Tuesday, February 7th



Early Childhood Screening

Is your child 3 years old? Then it's time for screening!

Screening date for 2022-23 school year:

Friday, February 3, 2023

Did you know that screening is required in the state of Minnesota? Screening allows health and developmental concerns to be addressed at least one to two years before a child enters kindergarten.

Screening is an early look at a child's development and is conducted by qualified professionals to help identify specific needs a child may have in these areas:

- *Fine and gross motor skills
- *Vision and hearing
- *Speech and language development
- *Height and weight
- *Cognitive development
- *Immunizations



The state of Minnesota requires a health and development screening for every child before kindergarten entry in a public school. The MACCRAY School District offers this service at no cost. Screening should be completed before a child turns five years old and may be scheduled as early as three years of age.

Please contact Kristine Klosterboer at klosterboerk@maccray.k12.mn.us or 320-847-2154, Ext. 1320 to schedule an appointment or if you are new to the district.

New baby or new to the district?

Being on the census ensures you will receive ECFE, screening, and kindergarten information when your child is eligible. If you are new to the community, recently had a new baby, or moved to a new address, call Heather at 320-847-2154, Ext. 1306 or shamlah@maccray.k12.mn.us to ensure that you are on our school census list.



Early
Childhood
Development
Milestones to age 5



Every child is unique. No two children develop, grow and learn at exactly the same pace. And yet children develop in predictable ways. The milestones indicated here are just some of the indicators that a child is developing typically. Take notes as your little one learns. Babies and toddlers are growing, learning and changing all the time. It's fun to watch! We suggest you keep track of the new things they do and the milestones they reach. If you are concerned about your child's growth, development or learning, we encourage you to contact us at HelpMeGrowMN.org or 1-866-693-4769

Track These Milestones



MACCRAY Preschool

Welcome to MACCRAY Preschool! MACCRAY preschool is a program for children 3 to 5 years of age who are not yet enrolled in kindergarten. The goal of our preschool program is to provide children with a fun and enriched preschool experience that will assist parents with the emotional, social, intellectual, and physical development of their child. Our preschool programs offer fun and meaningful experiences for the children through music, literacy, writing, math, science, technology, as well as fine and gross motor activities. We continue to implement Creative Curriculum for Preschool into the classrooms, along with the Teaching Strategies Gold to assess student progress throughout the school year.

2022-2023 Preschool Class Options

3 Year Old Preschool Class

- Must be 3 by September 1, 2022
- 2 Full Days (8-4:00) Wednesday/Friday (\$160/mo)
- 4 Full Days (8-4:00) Tuesday-Friday (\$320/mo)

4 & 5 Year-Old Preschool Class

- 2 Full Days (8-4:00) Wednesday/Friday (\$160/mo)
- 4 Full Days (8-4:00) Tuesday-Friday (\$320/mo)



Children who are eligible to participate in MACCRAY preschool programming for the 2022-23 school year must:

- *be 3 years old or older on September 1, 2022.
- *be toilet trained.
- *meet current Minnesota immunization requirements.

Link to preschool information on the website:

<https://www.maccray.k12.mn.us/page/479>

Preschool Calendar:

<https://www.maccray.k12.mn.us/page/540>

*Programming will run from September through May.

*Fees are charged to pay for program costs.

*Scholarships are available for qualifying families. Information available on the MACCRAY school website or email Heather at shamlah@maccray.k12.mn.us with questions.

*We are a four-star Parent Aware rated school readiness program with the goal of preparing all children for kindergarten.

*Parents interested in preschool classes can find information on the MACCRAY schools website at www.maccray.k12.mn.us or send inquiries to klosterboerk@maccray.k12.mn.us or shamlah@maccray.k12.mn.us

Have fun
and boost
your child's
learning!



Parent Powered Texts

At home with your young children? Now is the perfect time to try free Think Small Parent Powered Texts. You'll receive three text messages a week offering fun facts and at-home learning activities, plus you'll find additional support messages for parents. Sign up via the website: <https://www.thinksmall.org/>



Please remember to pick up your child on time from all activities. The time of supervisors, instructors, and volunteers is very important, and they cannot leave until all children are picked up.

Christmas Crafts & Ornaments



Love Christmas and doing crafts? Want to make a Christmas gift for parents, grandparents, and friends? Come join us for this fun craft opportunity. We will make a variety of yarn crafts to put on a Christmas tree.

- Grades:** 3rd – 6th
- Date:** Tuesday, December 13
- Time:** 4:00 – 5:15 p.m.
- Cost:** \$15.00
- Location:** Elementary Cafeteria
- Instructor:** Rachel Gueningsman
- Deadline to Register:** *December 9*



4-H Robotics

Come and Meet Edison, the programmable robot with 4-H! This six-week hands-on class is ideal for those who are new to the world of robotics! Each session will build upon the other. **Note: This is a repeat class from November.*

- Grades:** 3rd – 6th
- Dates:** Tuesdays, February 7, 14, 21, 28, March 7, 14
- Time:** After-School – 4:00– 5:15 p.m.
- Cost:** \$20.00
- Location:** Elementary Classroom
- Instructor:** 4-H Staff
- Deadline to Register:** *February 1*

MACCRAY Area Children’s Choir



The Children’s Choir is an after-school choir opportunity for all students in grades 3-5! Each Thursday rehearsal includes time for a snack, group singing games, and song practice. We’ll learn songs from here in the U.S. and around the world!

Students in this choir will have the opportunity to develop their musical gifts and foster a life-long love for singing. Attending all rehearsals is highly encouraged for this group activity. Students get a choir t-shirt as part of the fee.

Public performances will include the National Anthem at a home high school athletic event (might be a taped recording) and a special *Children’s Choir concert on April 20th*.



- Grades:** 3rd – 5th
- Dates:** Thursdays
Starting January 12 through April 20
Public Performance April 20 @ 7:00
- Time:** 4:00 – 5:00 p.m.
- Location:** Elementary Choir Room
- Fee:** \$40.00 (includes a t-shirt)
- Instructor:** Michaela Bullivant - Music Teacher
- Deadline to Register:** *January 5*



Piano and Vocal Lessons

If you are a beginner or are looking to continue to foster your singing and/or piano playing skills, this is the perfect opportunity for you. Music teacher Michaela Bullivant is offering vocal and/or piano lessons. If interested, please contact her at 320-250-7539.





Kids Cooking?

You'll now have the answer to your kid's question, "What's there to eat?". This hands-

on class will teach kids how to make healthy snacks and light meals. Plus, they will learn about kitchen safety rules to help them stay safe while cooking.

- Grades:** 4th – 8th
- Dates:** Wednesdays
January 18, 25, February 1, 8
- Time:** 4:00 – 5:30 p.m.
- Cost:** \$25.00
- Location:** MS/HS Cafeteria
- Instructor:** Rachel Gueningsman
- Deadline to Register:** *January 11*

Finding & Owning Your True Voice



Open to singers and non-singers alike. We'll use sound and some breathing and stretching to explore finding your genuine voice. Not

only is this about singing in your own unique sound and style, but it's the same dynamics that cause us to not speak and express ourselves fully and in our truth. No one will need to sing in front of others, so please feel free to join if you are not a singer. This is about opening up where we feel we are restraining and shrinking ourselves and not expressing fully.

- Ages:** 12 and Up
- Date:** Saturday, December 10
- Time:** 1:00 – 2:30 p.m.
- Cost:** \$5.00
- Location:** Performing Arts Auditorium
- Instructor:** Nancy Harms, Professional Singer
- Deadline to Register:** *December 7*



Spotlight Theatre Workshops

*Classes will be in Willmar/site to be determined. Transportation will NOT be provided.

REGISTER one of these ways
(do not register through MACCRAY CER)

- * Facebook at SPOTLIGHT THEATRE WORKSHOP
- * Website at <https://sites.google.com/view/find-your-light/summer-2022-programs>
- * Call or text Nikki Erickson at 320-262-9170

CENTER STAGE

Are you interested in theatre but not sure what it all involves? Do you love playing silly games where you get to interact with new people? Do you love trying out new things and have a huge imagination? In this class you will have the chance to try out all new, goofy theatre games, work on new techniques, meet other kids interested in being onstage and have a great time performing and thinking outside of the box. Never done theatre? No problem! Fun class for all ability and experience levels! Just bring yourself and an open mind!

- Grades:** 2nd – 8th
- Date:** Saturday, February 25
- Time:** 9:00 – 10:00 a.m.
- Fee:** \$10.00

AUDITION WORKSHOP – GET PREPARED!

Interested in auditioning for local shows but nervous about what is expected? Do you feel you need a confidence boost to really feel audition READY? In this workshop we will rehearse a real audition experience, work on techniques to help us feel stage ready and answer questions about auditioning so you can walk into that audition with confidence and grace.

- Grades:** 3rd – 6th
- Date:** Saturday, February 25
- Time:** 10:15 – 11:15 a.m.
- Fee:** \$10.00



Snowmobile Safety

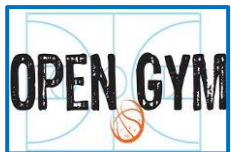
Prior to taking the Riding Performance Course, students must go online and complete one of the online courses below and must print out certificate of completion and bring with them.

Things to bring to class: Snowmobile Helmet, Snow Pants, Hat, Gloves, Certificate of Completion of online course. The course will consist of inside and outside training, so please dress accordingly. **ONLINE COURSE REQUIREMENTS:**

- Youth ages 11-15.
- Complete online course via link at: <https://www.snowmobilecourse.com/usa/minnesota/>
- Fee for the online course is \$29.95 – pay online on this online course website. In-person class is free.
- Student attends a classroom review class and participates in a riding performance course.
- Led by trained volunteer instructors.
- Certificate becomes valid at age 12.

To register or if you have questions, contact Mike Bosch at boschml08@gmail.com or call him at 320-894-0485.

Ages: 11 -15 years old
Date: Saturday, December 17
Time: 2:30 – 5:30 p.m.
Location: HS Ag Kitchen Classroom
Instructor: Mike Bosch



Getting cabin fever? Want some family fun time? Come to open gym for some fun and exercise! No registration required. **FREE!**

Sundays: January 8 through February 26
Time: 2:00 – 4:00 p.m.
Location: Elementary Double Gym

No registration required.



Saturday Hoops

Boys & girls - join us to learn and practice basketball skills. Kids registered for this will have a chance to be picked at random to be a “mini-wolverine” at a varsity basketball game.

Grades: 1st – 2nd
Time: 9:00 – 10:00 a.m.
Dates: January 7, 14, 28, February 4
Cost: \$25.00
Location: Elementary Double Gym
Coaches: Lucas Post & Shaun Condon
Deadline to Register: January 5

Youth Wrestling Program



We have a two-fold option for the program! We have a local practice option on Wednesdays for wrestlers in grades PK – 6th. Practice will be in the MACCRAY elementary cafeteria.

In addition to this, we are partnering with Quad County’s elementary program. Practice will be at YME/Granite Falls. There will be a chance to be in wrestling tournaments for kids in grades 3rd – 6th.



For more information on the Quad County program, contact Denise at 320-847-2154, Ext. 1106.

Grades: Pre-K – 6th
Dates: Wednesdays
 December 14 through February 22
 ***Not December 28**
Time: 4:00 – 5:30 p.m.
Cost: \$25.00 includes a t-shirt
Location: Elementary Cafeteria
Instructor: Andy Bristle

**NOTE: NOT SPONSORED THROUGH
MACCRAY COMMUNITY ED & REC.
THIS IS FOR INFORMATIONAL
PURPOSES. TO SIGN UP – SEE
INSTRUCTIONS BELOW.**



**MINNESOTA
DEPARTMENT OF
NATURAL RESOURCES
FIREARMS SAFETY AND
HUNTER EDUCATION
COURSE**

Norm Andresen
Certified Instructor
Clara City, MN

***Pre-registration is recommended. Please provide
a parent/guardian email address to
normandresen@yahoo.com.***

Class Details

This course is open to everyone who is 11 years old and above on class starting date. Firearm Safety Program is also required before hunting license can be purchased for anyone born after 12/31/ 1979.

Classes will be held at the Citizens Alliance Bank in Clara City. Please use south entrance door. We are working out location details for the “field day or range class”.

Students are asked not to bring either firearms or live ammunition to class or “field day”. All materials will be provided for the students.

Class dates are being determined. Email Norm Andresen at normandresen@yahoo.com to sign up.

Class Expense

- The “Firearm Safety Class” is \$7.50 and needs to be paid in full on the first day. This fee includes:
 - Mailing, copying and other incidental class expense
 - Ammunitions and targets for “field day”
 - Training aids or safety equipment for program use
- The Minnesota DNR Firearm Safety Hunter Education will **require an additional licensing fee** (after successful class completion) to create the student’s official *Firearm Safety Certificate*.

Please visit www.mndnr.gov or call 1-877-348-0498 for more information.

Basic Course Guidelines

- To prevent firearm accidents.
- To ensure the future of hunting and shooting sports through compliance with laws, regulations, and ethics.
- To emphasize the importance of wildlife management, laws, and regulations so that students will obtain a better understanding of their obligations to the resources, landowners, other hunters, and themselves.





Need a parent break?

Need to get errands done?

Want a "date" with someone special for Valentines?

This is for **YOU!**

#####

When: Saturday, February 11, 2023

Time: 2:00 - 5:00 p.m.

Where: MACCRAY Elementary School

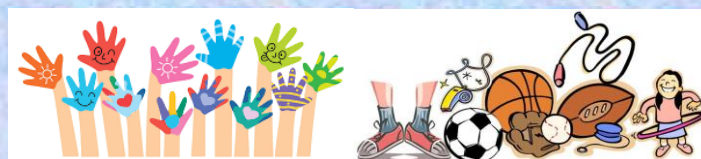
Age: Child needs to be potty trained.

Fee: \$5.00 Per Child

Sponsor Group: National Honor Society

There will be gym time, crafts, movies, snacks and more.

Deadline to Register: Sunday, February 5



MACCRAY PARENTS CLUB



WHAT IS PARENTS CLUB?

MACCRAY Parents Club is a volunteer-based organization that all parents of MACCRAY Elementary students belong to.

- **Mission Statement:** *MACCRAY Parents club works together with teachers and administration to strengthen, enhance, and encourage the educational environment of MACCRAY Elementary School. Together we complement the school curriculum by bringing enhanced opportunities for parents, teachers, and students to learn and grow.*

We encourage all parents to volunteer and help with events even in a small way. Your impact on students and staff goes a long way.

WHAT DO WE DO FOR OUR STUDENTS?

We aid in sponsoring programs throughout the year such as A/R, Jump Rope for Heart, Book Fair, and so much more. We also bring in educational based lyceums/assemblies for our students to enjoy.

HOW DO WE PAY FOR THIS?

We fundraise through multiple events such as the fall and spring clothing orders. Also, the spring plant sale. Depending on how much money is used during the year, additional fundraisers may be added.

WE NEED YOU! HOW CAN YOU BECOME INVOLVED?

Our team is made up of six individuals that have come together to make decisions about upcoming programming and to help aid in the promotion of MACCRAY Parents' Club. Please reach out to any of these members if you would like to volunteer at our events: Lindsey Bosch, Carlee Ashburn, Shelby McNeil, Pam Rosenau, Kati Hess, and Jackie Wandersee or simply by emailing boschl@maccray.k12.mn.us or hessk@maccray.k12.mn.us.



6th –
12th
Gr.

☆ Tuesdays & Thursdays after school from 4:00-5:00

☆ No need to sign up, just show up when you need a quiet place to work on homework.

☆ In the High School Library Hub

☆ No transportation provided



Woodworking

Back by popular demand! This course will provide a better understanding of how to plan and build wood projects. Basic to advanced level of woodworking techniques will be used depending on individual skill levels. Emphasis will be placed on the proper safety and use of all tools and machines.

- Dates:** Tuesdays, January 17 – February 28
No Class on February 14
- Time:** 6:00 – 9:00 p.m.
- Cost:** \$50.00
- Location:** High School Shop Room
- Instructor:** John Hagemeyer
- Minimum #:** 6
- Maximum #:** 12
- Deadline to Register:** *January 11*

55+ Driver Improvement Class



Want to continue to get a discount on your car insurance? This class is what you need to continue saving money! You first need to attend a starter 8-hour course and then only a 4-hour refresher course every 3 years to keep that discount in place. Instructor is Larry Hastad.

- Date:** Wednesday, February 8
- Time:** 5:30 p.m. – 9:30 p.m.
- Cost:** \$20.00
- Location:** High School Ag Kitchen Classroom
- Minimum #:** 10
- Deadline to Register:** *February 3*

Sponsor a Kid!

Please consider making a donation to the CER Youth Scholarship Fund. Call Denise at 320-847-2154, Ext. 1106 to inquire about this opportunity to give every child the chance to participate in our community ed activities.



SENIOR ACTIVITY FREE PASSES

Senior activity passes are available at the District Office for senior citizen residents of the District and senior citizen grandparents of MACCRAY athletes age 65 and older. Please stop in and receive your free pass or get one from the ticket taker at a game. Seniors not residing in the District will be admitted at the student rate.

Finding & Owning Your True Voice



Open to singers and non-singers alike. We'll use sound and some breathing and stretching to explore finding your genuine voice. Not only is this about singing in your own unique sound and style, but it's the same dynamics that cause us to not speak and express ourselves fully and in our truth. No one will need to sing in front of others, so please feel free to join if you are not a singer. This is about opening up where we feel we are restraining and shrinking ourselves and not expressing fully.

- Ages:** 12 and Up
- Date:** Saturday, December 10
- Time:** 1:00 – 2:30 p.m.
- Cost:** \$5.00
- Location:** Performing Arts Auditorium
- Instructor:** Nancy Harms, Professional Singer
- Deadline to Register:** *December 7*

MACCRAY Community



Health Challenge

Want to live a healthier lifestyle?

Want to get stronger while losing weight?

Want to challenge others to be their best?

This challenge is to encourage people to achieve a healthier lifestyle and to get more people active in our community. Join with three other friends to form a team. Collect points for percentage of weight loss, attending fitness/healthier you classes, and participating in community events over a 12-week time frame.

Cost is \$20 per person/pre-registration required.

Kickoff meeting and weigh-in (private) will be

Thursday, January 5th, at 6:30 p.m. in the MACCRAY Elementary Cafeteria.



Note: "Fitness and Healthier You" classes in this booklet are marked with this RED HEART and are discounted 25% for Challenge participants. You will earn points each time participating in them. If using this discount, you will need to use a paper registration form and note the discount on it.

Questions, contact Lindsey Bosh
at 847-2154, Ext. 1153 or at
boschl@maccray.k12.mn.us.





Pickleball

One of the fastest growing sports in the country, pickleball appeals to players of all ages. The game of pickleball has been compared to tennis, badminton, and ping-pong. It is easy to learn but still challenging. It will be a doubles format where partners are switched after each game. This is to even out the different levels of play and make it fun to meet new people or play with existing friends. Paddles and balls provided.

- Dates:** Wednesdays
January 11 through February 15
- Time:** 6:00 – 7:30 p.m.
- Cost:** \$25.00 per person
- Location:** High School Gym
- Coordinator:** Leanne Carmany
- Minimum #:** 16
- Maximum #:** 24
- Deadline to Register:** *January 5*



Zumba Gold®

Zumba Gold is a lower-intensity version of the typical Zumba class. Zumba is a mix of dance moves for an interval-style, calorie-burning dance fitness party! Once the Latin and world rhythms take over, you'll see why this fitness class is often called exercise in disguise. It is a total workout, combining all elements of fitness – cardio, muscle conditioning, balance and flexibility, boosted energy and a serious dose of awesome each time you leave class.

- Date:** Thursdays
January 12 through March 2
- Time:** 6:30 – 7:30 p.m.
- Cost:** \$55.00
- Location:** Elementary Shelter Gym
- Instructor:** Sara Toov
- Minimum #:** 10
- Deadline to Register:** *January 9*



Stay Active & Independent for Life (SAIL)



This fitness class is an evidence-based strength, balance and fitness program for older adults. Performing exercises that improve strength, balance and fitness are the single most important activity that adults can do to stay active and reduce their chances of falling. SAIL focuses on exercises which improve strength, balance and fitness levels. Attendees feel better and are able to stay independent longer.

Who should participate?

Primary focus is on community-dwelling older adults and people with a history of falls.



The SAIL program is able to accommodate people with a mild level of mobility difficulty (e.g. people who are occasional cane users). The program focuses on improving flexibility, strength and balance. It can be done standing or seated.

- Dates:** Tuesdays and Thursdays
January 3 through February 28
- Time:** 8:30 – 9:30 a.m.
- Cost:** \$20.00
- Location:** Bethany Reformed Church
- Instructor:** Eileen Brouwer
- Minimum #:** 10
- Deadline to Register:** *December 28*



Wolverine Walkers

Join the *Wolverine Walkers* and walk the hallways of our schools during the school year. The buildings will be open on Mondays and Wednesdays 6:00 – 7:15 a.m. and 6:00 – 8:00 p.m.

There is no fee, but registration is required.



HIIT Aerobics

What is a HIIT workout? HIIT stands for High Intensity Interval Training! Break the boredom of your regular even-paced cardio workouts with these short spurts of continuous high and low intensity cardio exercises. Reach your fitness goals, improve your endurance and stamina, lose weight, develop muscle tone, and increase your metabolism!

Date: Tuesdays
January 10 through February 28
Time: 6:00 – 7:00 p.m.
Cost: \$60.00
Location: Fitness Center
Instructor: Steph Pennings
Maximum #: 12
Deadline to Register: *January 6*



Strength & Conditioning Fitness Center



Check out our brand-new Fitness Center! From weightlifting to treadmills to step machines, the opportunities are endless to find a workout that helps you achieve your goal of getting stronger and living a healthier YOU!

There are two opportunities for workouts offered on Thursday nights and Sunday afternoons.

Dates: Thursdays 6:30 – 7:30 p.m.
January 12 through March 2
Sundays – 2:00 – 4:00 p.m.
January 15 through March 5
Cost: \$60.00
Location: Fitness Center
Instructor: Steph Pennings and Staff
Minimum #: 10
Deadline to Register: *January 9*



Getting cabin fever? Want some family fun time? Come to open gym for some fun and exercise! No registration required. **FREE!**

Sundays: January 8 through February 26
Time: 2:00 – 4:00 p.m.
Location: Elementary Double Gym
No registration required.



Breathing in Relief!



A great class for those with chronic conditions, anxiety, stress, and those who just feel like they'd like to be able to breathe deeper. This class is not medical advice, it is merely an exploration of how breathing can help you bring mental and physical relief and enjoy more peace in your life. Calming down our nervous systems can drastically change the way we experience our lives. The class will include breathwork, some light stretching, and some gentle sound exploration.

Bringing a yoga mat or thick blanket to lie on is recommended. If you are uncomfortable lying down or sitting on the floor, it will also work to have you seated on a chair (which will be provided). There will be no pressure to do anything you're uncomfortable with...if you're at all curious, come! Let's breathe in relief together.

Dates: Mondays
January 16, 23, & 30 and
February 6, 13, & 20
Time: 6:00 – 7:00 p.m.
Cost: \$50.00
Location: Elementary Music Room
Instructor: Nancy Harms, Professional Singer
Ages: 12 and over
Deadline to Register: *January 9*



What's for Dinner?

Do you find yourself munching in the kitchen while you are trying to figure out what to make for dinner? Or, maybe you don't know what to make so you go out to a restaurant instead. Planning meals ahead of time will help you eat healthier. In this session, you will learn easy tips for planning meals ahead of time, quick meal ideas, and foods to keep on hand. Meal planning can be fun!

Date: Monday, January 23
Time: 6:00 – 7:00 p.m.
Cost: \$20.00
Location: High School Ag Kitchen Classroom
Instructor: Mary Schroeder
U of M Extension Educator

Deadline to Register: January 16



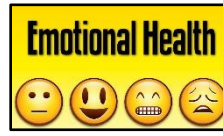
Culinary Knife Skills 101

Are you trying to use more fresh produce? Have a set of knives and have no clue which one to use or how to take care of them? In this session, you will learn about the different types of knives and how to use them. You'll learn tips for cutting different vegetables and then make a stir-fry using the cut vegetables! Come hungry!



Date: Tuesday, February 28
Time: 6:00 – 7:30 p.m.
Cost: \$20.00
Location: High School Ag Classroom
Instructor: Mary Schroeder
U of M Extension Educator

Deadline to Register: February 21



Stress Busting!



Does life have your stressed out....dealing with anxiety and depression at times? Come to this class and find out what the signs are for these emotions. Learn about ways to manage the stresses in your life and the emotional roller coaster life can bring on some days. Mental health is as important and vital as physical health. Take care of the “whole” you!

Date: Thursday, February 2
Time: 6:00 – 7:00 p.m.
Cost: \$10.00
Location: High School Classroom
Instructor: Seth Johnson
Deadline to Register: January 27



Church Basement Ladies Plowin' Thru

The Church Basement Ladies are at it again! In the ninth installment of the highly successful series, the year is 1975 and all your favorite characters are back! Whether this is your first visit to the basement or you've seen 'em all, you won't want to miss this brand new show. Come along as the ladies don their polyester pantsuits and sing, dance and laugh their way thru this hilarious and touching new musical, PLOWIN' THRU.

Your fee includes a chartered coach ride, lunch, and reserved ticket.

Theatre: Ames Center - Burnsville
Date: Wednesday, February 15
Time: 9:00 a.m. – 6:00 p.m.
(Dinner @ 11:30 - Show @ 1:00)
Meet: Donners Crossroads/West Side
Cost: \$85
Deadline to Register: January 31

Nancy Harms Concert



Saturday, December 10th

\$20.00
A Ticket

7:00 p.m.



MACCRAY Performing Arts Auditorium

Ticket Window Opens at 5:30; Auditorium Doors Open at 6:30

Our very own Nancy Harms will be our inaugural artist performing in our new MACCRAY Performing Arts Auditorium. Nancy is a graduate of MACCRAY and is a renowned jazz singer sharing her talents around the world - most recently touring in Europe and Asia.

Online Tickets www.maccray.k12.mn.us -
Click on "Fee Payment" - "Performing Arts
Auditorium" - "Nancy Harms"

In Person Stop at the High School Office
during business hours to purchase your ticket.

School Tours
4:30 & 5:30 p.m.

Call Lindsey at 320-
847-2154, x1153 to
reserve your spot.

Pasta Bar Meal

MACCRAY 2180 Foundation
Serving: 4:30 - 6:30 p.m.
MS/HS Cafeteria
Free Will Donation
Enter MS/HS Entrance/East Side



MACCRAY 2180 Foundation

"Improving the World One Student at a Time"

Box 690; Clara City, MN 56222

Greetings from the MACCRAY 2180 Foundation!

The MACCRAY 2180 Foundation is an organization that provides educational equipment, services, and support of pre - K-12 students at MACCRAY. The primary objective of the Foundation is to enhance and promote the educational learning experiences for all students.

If you are 70 ½ or older and own a Traditional IRA, you may be required to take a Required Minimum Distribution (RMD) each year. If yes, please consider a donation to the MACCRAY 2180 Foundation through a Qualified Charitable Distribution (QCD). A QCD allows you to donate tax-free directly from your Traditional IRA to our Foundation.

You can direct those funds to our Foundation through a QCD instead of taking the funds as taxable income to you. This is a great way to eliminate paying income taxes on funds you may not need or want, as well as a tax efficient way to send funds to our Foundation. This benefits you, as you're paying less tax, and you're also providing funds to further the MACCRAY 2180 Foundation's mission of helping the students in our district. These funds are valuable to our Foundation, as each dollar is used to enhance the educational opportunities at MACCRAY, such as providing funds for band, choir, trips, equipment, supplies and sporting activities.

If you would like to send a QCD to the MACCRAY 2180 Foundation, funds must be sent from your IRA Custodian directly to the MACCRAY 2180 Foundation, P.O. Box 690, Clara City, MN 56222. If you have questions, please contact Kendra Peterson at 320-905-4550.

Please consult your Tax Professional or Financial Advisor before making a QCD donation.

Thank you for your consideration and your support of the students at MACCRAY!

Sincerely,

MACCRAY 2180 Foundation Board

*Nathan Bourne, Cory Janssen, Mark Kasella, Tracy Neville, Kendra Peterson,
Sam Peterson, Dan Pieper, Linsey Saue, and Denise Smith*



MACCRAY Community Ed & Rec

Denise R. Smith, Director

MACCRAY School District

P.O. Box 690; Clara City, MN 56222

320-847-2154, Ext. 1106; smithd@maccray.k12.mn.us

Facebook: Maccray Community Ed & Rec

COURSE REGISTRATION (*One form per person*)

To register, complete the below requested information and mail to the address listed above along with your payment. Make checks payable to MACCRAY Community Ed & Rec. Or, another option is to register and pay online through the school's website - <http://maccray.k12.mn.us/communityed>. See page 3 for instructions on this.

Participant Name: _____ Grade/Age (if applicable): _____

Parent's Name (if applicable): _____

Address & City/Zip: _____

Email Address: _____

Preferred Phone Number: _____

Class Name: _____ Fee: _____

Class Name: _____ Fee: _____

Class Name: _____ Fee: _____

Community Health Challenge Team Name: _____

 **Note: A 25% discount on classes with this red heart if Community Health Challenge Participant.**

In consideration of participation in the MACCRAY Community Education and Recreation activities, I hereby acknowledge and do enter this program at my own risk, assuming all known and unknown risks. I also agree to indemnify and hold harmless the MACCRAY School District #2180, Community Education, and its employees from any and all injuries I may incur. All persons under the age of 18 years old must have a parent/guardian signature to participate in this activity.

Adult Participant Signature: _____

Parent/Guardian Signature (if applicable): _____

Date: _____



Independent School District No. 2180 Clara City, Minnesota

Report to the Members of
Governance

December 5, 2022

**SCHLENNER
WENNER & CO.**
CPAs

INDEPENDENT SCHOOL DISTRICT NO. 2180
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Members of Governance
Independent School District No. 2180
Clara City, Minnesota

We are pleased to present this report related to our audit of the basic financial statements of Independent School District No. 2180 (the District) as of and for the year ended June 30, 2022. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for Independent School District No. 2180's financial reporting process.

This report is intended solely for the information and use of the members of governance and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have regarding this report. We appreciate the opportunity to continue to be of service to Independent School District No. 2180.



SCHLENNER WENNER & CO.
St. Cloud, Minnesota
December 5, 2022

**INDEPENDENT SCHOOL DISTRICT NO. 2180
REQUIRED COMMUNICATIONS**

Auditing standards generally accepted in the United States of America (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial and related compliance reporting process.

Our Responsibilities With Regard to the Financial Statement and Compliance Audit

Our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States have been described to you in our arrangement letter dated August 11, 2022. Our audit of the basic financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication, dated September 9, 2022 regarding the planned scope and timing of our audit and identified significant risks.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices

Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District.

The District did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.

Significant Accounting Policies

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Unusual Transactions

We did not identify any significant unusual transactions.

Management's Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The only estimates we have deemed significant to the financial statements are estimates associated with the following balances reported at year-end:

- Amounts due from the Minnesota Department of Education
- Net OPEB liability and related deferred outflows/inflows of resources
- Net pension liability and related deferred outflows/inflows of resources

Audit Adjustments and Uncorrected Misstatements

Audit adjustments proposed by us and recorded by the District consist primarily of adjustments to year-end balances for receivables, liabilities and fund balances, as well as various reclassifications.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
REQUIRED COMMUNICATIONS**

Departure From the Auditor's Standard Report

Our Independent Auditor's Report includes several additional or non-standard paragraphs that you should be aware of as follows:

- Other Matters related to Required Supplementary Information and Supplementary Information
- Other Reporting Required by *Government Auditing Standards*

Observations About the Audit Process

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the basic financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Difficult or Contentious Matters That Required Consultation

We did not encounter any significant and difficult or contentious matters that required consultation outside the engagement team.

Internal Control and Compliance Matters

We have separately communicated the material weaknesses and significant deficiency in internal control over financial reporting identified during our audit of the basic financial statements and major awards, as required by *Government Auditing Standards* and when applicable, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* at 2 CFR 200 (Uniform Guidance). This communication is included within the compliance section of the District's financial report for the year ended June 30, 2022.

Significant Written Communications Between Management and Our Firm

We have requested certain representations from management that are included in the management representation letter dated December 5, 2022.

Independent School District No. 2180 Clara City, Minnesota

Audited Financial Statements

June 30, 2022

**SCHLENNER
WENNER & CO.**
CPAs

**INDEPENDENT SCHOOL DISTRICT NO. 2180
CLARA CITY, MINNESOTA
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**INTRODUCTORY
SECTION**

**INDEPENDENT SCHOOL DISTRICT NO. 2180
BOARD OF EDUCATION AND ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2022**

BOARD OF EDUCATION

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Julie Alsum	Chairperson	December 31, 2024
Scott Ruiter	Vice-Chairperson	December 31, 2024
Carmel Thein	Clerk	December 31, 2024
Lane Schwitters	Treasurer	December 31, 2022
Debra Brandt	Director	December 31, 2022
Tate Mueller	Director	December 31, 2022

ADMINISTRATION

<u>Name</u>	<u>Title</u>
Sherri Broderius	Superintendent
Kim Sandry	Business Manager

**FINANCIAL
SECTION**

INDEPENDENT AUDITOR'S REPORT

Members of the School Board
Independent School District No. 2180
Clara City, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 2180, Clara City, Minnesota (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the 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. 2180, Clara City, Minnesota, as of June 30, 2022, and the respective changes in financial position 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 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, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedule, Schedule of Changes in District's Net OPEB Liability, Schedule of District OPEB Contributions, Schedule of District's Proportionate Share of Net Pension Liability, and Schedule of District Pension Contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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 Independent School District No. 2180's basic financial statements. The introductory section, combining nonmajor governmental funds financial statements, Uniform Financial Accounting and Reporting Standards Compliance Table, and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor governmental funds financial statements, Uniform Financial Accounting and Reporting Standards Compliance Table, and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor governmental funds financial statements, Uniform Financial Accounting and Reporting Standards Compliance Table, and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2022, on our consideration of Independent School District No. 2180'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 Independent School District No. 2180's internal control over financial reporting and compliance.



SCHLENNER WENNER & CO.
St. Cloud, Minnesota
December 5, 2022

**REQUIRED SUPPLEMENTARY
INFORMATION**

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

As management of Independent School District No. 2180 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$7,778,723. The unrestricted portion of net position is negative \$5,149,780.
- The District's total net position increased \$1,228,721 as a result of current year operations.
- At the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$11,328,750, a decrease of \$26,532,421 in comparison with the prior year. Approximately 23 percent of this amount, \$2,631,833, is available for spending at the District's discretion.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,265,235, or 29 percent of total General Fund expenditures.
- The District's total long-term debt decreased by \$1,731,914 (4 percent) in the current fiscal year, excluding the change in the net OPEB liability and net pension liability.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

The major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain are summarized in the following table. The remainder of the overview section of the Management Discussion and Analysis highlights the structure and contents of each of the statements.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

	Government-Wide	Fund Financial Statements
		Governmental Funds
Scope	Entire District	The activities of the District, such as regular instruction, special education, support services, building maintenance, food service, and community service
Required financial statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus
Type of asset/deferred outflows/liability/deferred inflows information	All assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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; deferred inflows of resources recorded to defer unavailable assets; no capital assets or long-term liabilities included
Type of outflow/inflow information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the net difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and accrued but unpaid interest).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the District include administration, district support services, regular instruction, vocational instruction, exceptional instruction, community education and services, instructional support services, pupil support services, sites and buildings, fiscal and other fixed cost programs, and interest and other fiscal charges. The District currently does not report any business-type activities.

The government-wide financial statements start on page 20 of this report.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Although governments often report multiple types of funds, all of the funds of the District are governmental funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains three individual major governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Debt Service Fund, and Building Construction Fund, all of which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 22 of this report.

Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements start on page 26 of this report.

Supplementary Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented as supplementary information. Combining fund statements start on page 66 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources, for a net balance of \$7,778,723 at the close of the most recent fiscal year.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

A significant portion of the District's net position reflects its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Net Position
Table 1**

	Governmental Activities		
	2022	2021	Increase (Decrease)
Assets			
Current and Other Assets	\$ 19,154,054	\$ 43,199,010	\$ (24,044,956)
Capital Assets	<u>46,433,890</u>	<u>20,743,470</u>	<u>25,690,420</u>
Total Assets	65,587,944	63,942,480	1,645,464
Deferred Outflows of Resources	2,720,773	2,921,914	(201,141)
Liabilities			
Current and Other Liabilities	3,947,020	1,670,311	2,276,709
Noncurrent Liabilities	<u>46,056,737</u>	<u>50,282,181</u>	<u>(4,225,444)</u>
Total Liabilities	50,003,757	51,952,492	(1,948,735)
Deferred Inflows of Resources	10,526,237	8,361,900	2,164,337
Net Position			
Net Investment in Capital Assets	12,080,886	10,901,832	1,179,054
Restricted	847,617	714,291	133,326
Unrestricted	<u>(5,149,780)</u>	<u>(5,066,121)</u>	<u>(83,659)</u>
Total Net Position	<u>\$ 7,778,723</u>	<u>\$ 6,550,002</u>	<u>\$ 1,228,721</u>

An additional portion of the District's net position (\$847,617) represents resources that are subject to external restrictions on how they may be used. The remaining balance (unrestricted net position) is negative \$5,149,780 at year end. This unrestricted balance has been reduced by a total of \$0 as a result of recording the District's proportionate share of net pension liability and related balances for the statewide pension plans in which District employees participate.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position

The District's net position increased \$1,228,721 during the most recent fiscal year. Key elements of this increase are as follows:

**Changes in Net Position
Table 2**

	Governmental Activities		
	2022	2021	Increase (Decrease)
Revenues			
Program Revenues			
Charges for Services	\$ 416,569	\$ 331,372	\$ 85,197
Operating Grants and Contributions	2,730,321	2,608,195	122,126
Capital Grants and Contributions	16,276	16,708	(432)
General Revenues			
Property Taxes	3,212,609	3,676,247	(463,638)
State Aid Not Restricted to Specific Programs	7,878,819	8,038,355	(159,536)
Earnings on Investments	222,202	257,711	(35,509)
Gifts and Donations	20,044	18,491	1,553
Gain (Loss) on Sale of Assets	370	(2,574)	2,944
Miscellaneous	288,916	229,985	58,931
Total Revenues	<u>14,786,126</u>	<u>15,174,490</u>	<u>(388,364)</u>
Expenses			
Administration	744,420	792,784	(48,364)
District Support Services	313,725	310,156	3,569
Regular Instruction	4,500,141	4,464,114	36,027
Vocational Instruction	238,755	241,306	(2,551)
Exceptional Instruction	1,669,347	1,814,210	(144,863)
Community Education and Services	514,522	556,188	(41,666)
Instructional Support Services	574,699	827,093	(252,394)
Pupil Support Services	1,773,474	1,563,097	210,377
Sites and Buildings	2,101,951	1,847,583	254,368
Fiscal and Other Fixed Cost Programs	61,434	55,154	6,280
Interest and Other Fiscal Charges	1,064,937	1,047,793	17,144
Total Expenses	<u>13,557,405</u>	<u>13,519,478</u>	<u>37,927</u>
Change in Net Position	1,228,721	1,655,012	(426,291)
Net Position - Beginning of Year	<u>6,550,002</u>	<u>4,894,990</u>	<u>1,655,012</u>
Net Position - End of Year	<u>\$ 7,778,723</u>	<u>\$ 6,550,002</u>	<u>\$ 1,228,721</u>

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Some significant items to note include the following:

- The current year change in net position is an increase of \$1,228,721, compared to an increase of \$1,655,012 in the prior year. This is a result of a 2.6 percent decrease in revenues and a 0.3 percent increase in expenses during fiscal year 2022.
- Property taxes decreased \$463,638, due to the differences in amounts levied compared to the prior year. State Aid Not Restricted to Specific Programs decreased \$159,536, primarily due to a decrease in State funding related to Basic Skills Aid.
- Expenses related to Instructional Support Services decreased \$252,394, primarily due to costs incurred in response to the COVID-19 pandemic in the prior year.
- Expenses related to Sites and Buildings increased \$254,368 due to building repair and improvement costs incurred in relation to the building construction project.

Total and Net Cost of Governmental Activities

The net cost of governmental activities is their total costs less program revenues applicable to each category. The following table presents these total and net costs.

**Total and Net Costs of Services
Table 3**

	Total Cost of Services			Net Cost of Services		
	2022	2021	Increase (Decrease)	2022	2021	Increase (Decrease)
Administration	\$ 744,420	\$ 792,784	\$ (48,364)	\$ 744,420	\$ 792,784	\$ (48,364)
District Support Services	313,725	310,156	3,569	313,721	309,236	4,485
Regular Instruction	4,500,141	4,464,114	36,027	3,838,631	3,984,537	(145,906)
Vocational Instruction	238,755	241,306	(2,551)	238,755	241,306	(2,551)
Exceptional Instruction	1,669,347	1,814,210	(144,863)	180,941	557,072	(376,131)
Community Education and Services	514,522	556,188	(41,666)	247,657	266,626	(18,969)
Instructional Support Services	574,699	827,093	(252,394)	574,699	486,098	88,601
Pupil Support Services	1,773,474	1,563,097	210,377	1,043,369	1,038,637	4,732
Sites and Buildings	2,101,951	1,847,583	254,368	2,085,675	1,783,960	301,715
Fiscal and Other Fixed Cost Programs	61,434	55,154	6,280	61,434	55,154	6,280
Interest and Other Fiscal Charges	1,064,937	1,047,793	17,144	1,064,937	1,047,793	17,144
Totals	\$ 13,557,405	\$ 13,519,478	\$ 37,927	\$ 10,394,239	\$ 10,563,203	\$ (168,964)

Some significant items to note include the following:

- The net cost of services related to Exceptional Instruction decreased \$376,131 primarily due to less costs incurred for para and nurse services compared to the prior year, as well as an increase in State aid attributable to this program.
- The total and net cost of services for Sites and Buildings increased \$301,715 due to the reasons outlined previously.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

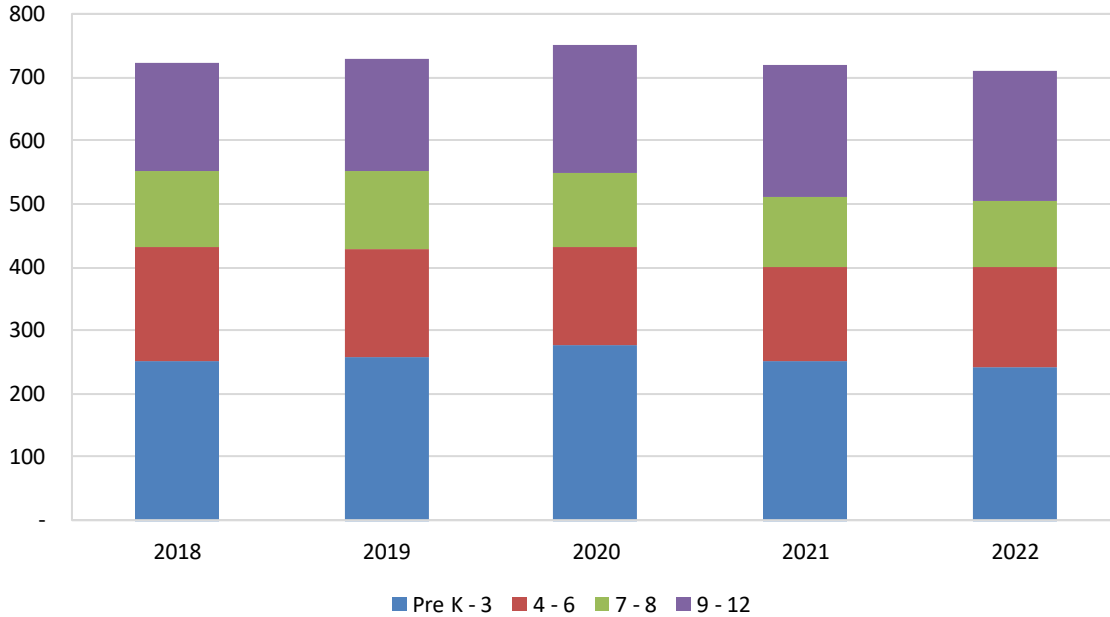
FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The majority of the financial aid received by the District is determined based on the number of students enrolled during the year. Therefore, fluctuations in enrollment have a significant impact on the financial health of the District. The following graphs show the trend in student enrollment counts over the past five years:

Student Enrollment (Average Daily Membership)

	2018	2019	2020	2021	2022
Pre K - 3	251	258	276	250	241
4 - 6	180	170	155	149	160
7 - 8	121	123	119	113	105
9 - 12	170	179	202	209	205
Total Student for Aid	<u>722</u>	<u>730</u>	<u>752</u>	<u>721</u>	<u>711</u>
Percentage Change	3.74%	1.11%	3.01%	-4.12%	-1.39%

Student Enrollment (in ADM's)



As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

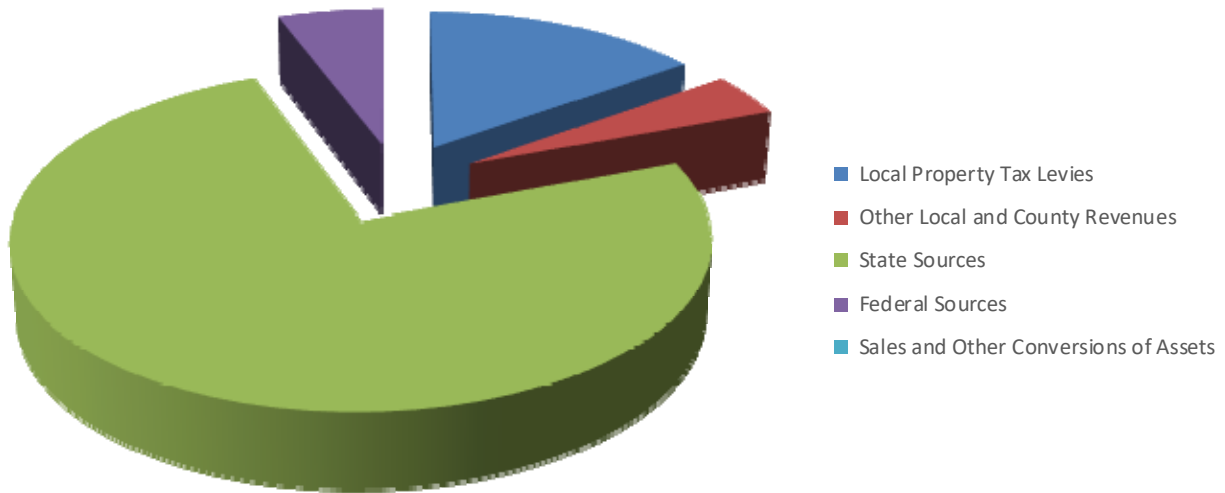
FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (Continued)

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$11,328,750, a decrease of \$26,532,421 in comparison with the prior year. The following is a summary of the District's major funds:

Major Funds	Fund Balance June 30,		Increase (Decrease)
	2022	2021	
General	\$ 4,027,086	\$ 4,385,279	\$ (358,193)

The fund balance of the General Fund decreased by \$358,193 (8 percent). Revenues decreased approximately 2.8 percent from the prior year, while expenditures increased approximately 9.1 percent.

General Fund Revenue

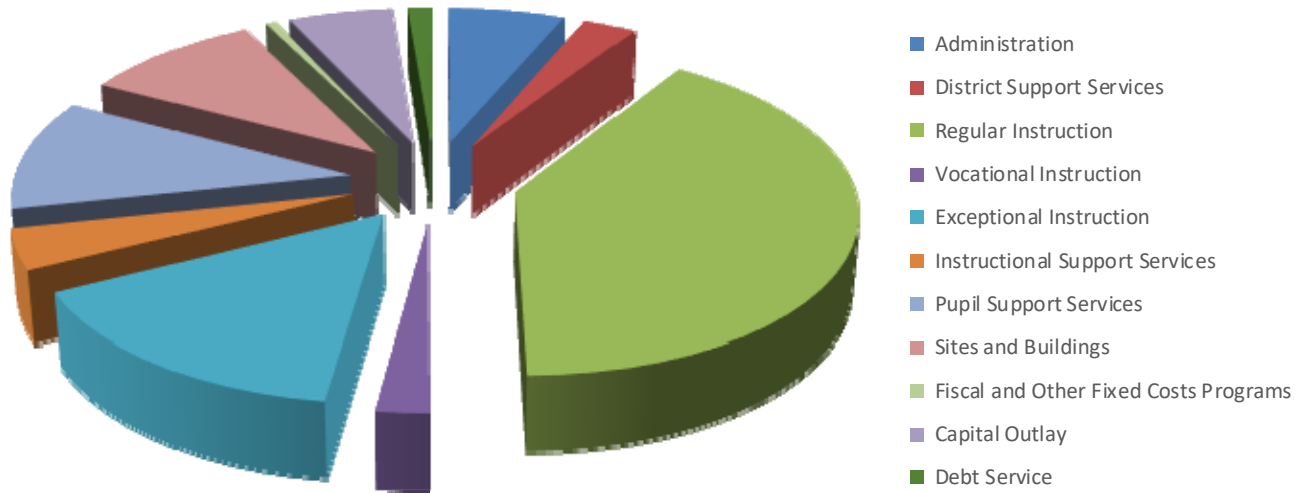


The District receives the vast majority of its funding in the General Fund from the State of Minnesota (75 percent), which is subject to fluctuation based on the number of pupils served by the District and changes in State legislation. In addition, the District receives approximately 15 percent of its General Fund revenues from local property tax levies and 6 percent from the Federal Government.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (Continued)

General Fund Expenditures



A significant portion of the District's General Fund expenditures are used for regular, vocational, and exceptional instruction (58 percent). Expenditures for various support services total 18 percent, and the remaining 24 percent consists of expenditures for administration, sites and buildings, and other items.

Major Funds	Fund Balance June 30,		Increase (Decrease)
	2022	2021	
Debt Service	\$ 355,216	\$ 215,516	\$ 139,700

The Debt Service Fund balance increased \$139,700 during the year, primarily due to the current year refunding bond issuance.

Building Construction	\$ 7,170,307	\$ 33,413,249	\$ (26,242,942)
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The Building Construction Fund balance decreased \$26,242,942 during the year due to expenditures for the building construction project.

General Fund Budgetary Highlights

The District's General Fund budget was amended during the year. The revenues budget was increased by \$828,744, and the expenditures budget was revised in several functions for an overall increase of \$1,515,033 from original to final. The final budget called for expenditures of \$10,840,646 and an overall decrease in fund balance of \$443,884. Actual revenues recognized during the year exceeded budgeted amounts by \$412,505. Expenditures exceeded budgeted amounts by \$333,174. Therefore, the current year decrease in fund balance was \$85,691 less than budgeted.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$46,433,890 (net of accumulated depreciation). This investment in capital assets includes site improvements, buildings and improvements, equipment and vehicles. The total increase in the District's investment in capital assets for the current fiscal year was approximately 123.8 percent.

Major capital asset events during the current fiscal year included the following:

- The District incurred extensive costs for construction on the 2020 School Facilities Building Project.
- The District purchased new scoreboards.

**Capital Assets Net of Depreciation
Table 4**

	Governmental Activities		
	2022	2021	Increase (Decrease)
Construction in Progress	\$ 34,165,932	\$ 7,639,346	\$ 26,526,586
Buildings and Improvements	11,910,316	12,866,007	(955,691)
Equipment and Vehicles	357,642	238,117	119,525
Total	\$ 46,433,890	\$ 20,743,470	\$ 25,690,420

Additional information on the District's capital assets can be found in Note 2.B. on page 34 of this report.

Long-Term Debt

At the end of the current fiscal year, the District had total long-term debt outstanding of \$41,532,421, excluding the District long-term net OPEB liability and net pension liability of \$511,575 and \$4,012,741, respectively. A summary of long-term debt activity for the year ended June 30, 2022 follows:

**Long-Term Debt
Table 5**

	Governmental Activities		
	2022	2021	Increase (Decrease)
G.O. Alternative and Capital Facilities Bonds	\$ 2,085,000	\$ 2,815,000	\$ (730,000)
G.O. School Building Bonds	36,615,000	37,615,000	(1,000,000)
Unamortized Premium	2,012,773	1,904,799	107,974
Financing Arrangements	810,538	920,088	(109,550)
Severance Liability	9,110	9,448	(338)
Total	\$ 41,532,421	\$ 43,264,335	\$ (1,731,914)

The District's total debt decreased by \$1,731,914 (4.0 percent) during the current fiscal year, not including the change in the noncurrent net OPEB liability and noncurrent net pension liability recorded by the District. Additional information on the District's long-term debt can be found in Note 2.C. on page 35 of this report.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District's appointed and elected officials considered many factors when setting the fiscal year 2023 budget. These factors included the following:

- The District had experienced an increase in enrollment in recent years and then experienced fluctuating enrollment due to the Coronavirus. Many students that were lost to homeschooling and online schools have returned.
- Budgets include normal inflationary increases in expenditures, with more significant increases expected in utility and food costs and operational costs due to teacher shortages and overall inflation.
- Coronavirus and free-meals-for-all caused an increase in revenue for Food Service but the revocation of that may hurt food service with delinquent food service bills.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with 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, please contact the Business Manager, Kim Sandry, Independent School District No. 2180, P.O. Box 690, 711 Wolverine Drive, Clara City, MN 56222.

BASIC FINANCIAL STATEMENTS

INDEPENDENT SCHOOL DISTRICT NO. 2180
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
ASSETS	
Cash and Temporary Investments	\$ 4,785,903
Cash with Fiscal Agent	9,671,949
Property Taxes Receivable	2,782,778
Accounts Receivable	33,961
Due from Minnesota Department of Education	1,040,085
Due from Federal Government through Minnesota Department of Education	219,359
Inventory	11,993
Prepays	608,026
Capital Assets not Being Depreciated	34,165,932
Capital Assets Being Depreciated (Net)	12,267,958
TOTAL ASSETS	65,587,944
DEFERRED OUTFLOWS OF RESOURCES	
OPEB	89,912
Pensions	2,630,861
TOTAL DEFERRED OUTFLOWS OF RESOURCES	2,720,773
LIABILITIES	
Accounts Payable	1,640,320
Due to Other Minnesota School Districts	41,000
Construction Contracts Payable	1,116,476
Salaries Payable	401,911
Payroll Deductions and Employer Contributions	239,574
Accrued Interest Payable	487,635
Unearned Revenue	20,104
Noncurrent Liabilities:	
Amount Due Within One Year	1,618,340
Amount Due After One Year	39,914,081
Net OPEB Liability	511,575
Net Pension Liability	4,012,741
TOTAL LIABILITIES	50,003,757
DEFERRED INFLOWS OF RESOURCES	
Property Taxes Levied for Subsequent Years	4,334,807
OPEB	135,614
Pensions	6,055,816
TOTAL DEFERRED INFLOWS OF RESOURCES	10,526,237
NET POSITION	
Net Investment in Capital Assets	12,080,886
Restricted:	
General Fund State-Mandated Restrictions	697,027
Food Service	147,574
Community Service	3,016
Unrestricted	(5,149,780)
TOTAL NET POSITION	\$ 7,778,723

See Accompanying Notes.

INDEPENDENT SCHOOL DISTRICT NO. 2180
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense)/ Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Administration	\$ 744,420	\$ -	\$ -	\$ -	\$ (744,420)
District Support Services	313,725	4	-	-	(313,721)
Regular Instruction	4,500,141	74,213	587,297	-	(3,838,631)
Vocational Instruction	238,755	-	-	-	(238,755)
Exceptional Instruction	1,669,347	72,019	1,416,387	-	(180,941)
Community Education and Services	514,522	228,182	38,683	-	(247,657)
Instructional Support Services	574,699	-	-	-	(574,699)
Pupil Support Services	1,773,474	42,151	687,954	-	(1,043,369)
Sites and Buildings	2,101,951	-	-	16,276	(2,085,675)
Fiscal and Other Fixed Cost Programs	61,434	-	-	-	(61,434)
Interest and Other Fiscal Charges	<u>1,064,937</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,064,937)</u>
Total Governmental Activities	<u>\$ 13,557,405</u>	<u>\$ 416,569</u>	<u>\$ 2,730,321</u>	<u>\$ 16,276</u>	<u>(10,394,239)</u>
General Revenues:					
Property Taxes					3,212,609
State Aid Not Restricted to Specific Programs					7,878,819
Earnings on Investments					222,202
Gifts and Donations					20,044
Gain (Loss) on Sale of Assets					370
Miscellaneous					<u>288,916</u>
Total General Revenues					<u>11,622,960</u>
CHANGE IN NET POSITION					1,228,721
NET POSITION - BEGINNING OF YEAR					<u>6,550,002</u>
NET POSITION - END OF YEAR					<u>\$ 7,778,723</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	Debt Service Fund	Building Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Temporary Investments	\$ 3,809,863	\$ 739,772	\$ 67,991	\$ 168,277	\$ 4,785,903
Cash with Fiscal Agent	-	-	9,671,949	-	9,671,949
Property Taxes Receivable:					
Current	1,082,076	1,632,516	-	37,074	2,751,666
Delinquent	14,051	16,640	-	421	31,112
Accounts Receivable	33,961	-	-	-	33,961
Due from Minnesota					
Department of Education	909,315	123,482	-	7,288	1,040,085
Due from Federal Government through Minnesota Department of Education	219,121	-	-	238	219,359
Due from Other Funds	308,393	-	-	-	308,393
Inventory	-	-	-	11,993	11,993
Prepays	38,834	569,192	-	-	608,026
TOTAL ASSETS	<u>\$ 6,415,614</u>	<u>\$ 3,081,602</u>	<u>\$ 9,739,940</u>	<u>\$ 225,291</u>	<u>\$ 19,462,447</u>
LIABILITIES					
Accounts Payable	\$ 177,039	\$ -	\$ 1,453,157	\$ 10,124	\$ 1,640,320
Due to Other Minnesota					
School Districts	41,000	-	-	-	41,000
Construction Contracts Payable	-	-	1,116,476	-	1,116,476
Salaries Payable	353,341	-	-	48,570	401,911
Payroll Deductions and Employer Contributions	239,574	-	-	-	239,574
Due to Other Funds	-	-	-	308,393	308,393
Unearned Revenue	-	-	-	20,104	20,104
Total Liabilities	810,954	-	2,569,633	387,191	3,767,778
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Delinquent Property Taxes	14,051	16,640	-	421	31,112
Property Taxes Levied for Subsequent Years	1,563,523	2,709,746	-	61,538	4,334,807
Total Deferred Inflows of Resources	1,577,574	2,726,386	-	61,959	4,365,919
FUND BALANCES					
Nonspendable	38,834	569,192	-	11,993	620,019
Restricted	697,027	32,984	7,170,307	150,590	8,050,908
Assigned	25,990	-	-	-	25,990
Unassigned	3,265,235	(246,960)	-	(386,442)	2,631,833
Total Fund Balances	<u>4,027,086</u>	<u>355,216</u>	<u>7,170,307</u>	<u>(223,859)</u>	<u>11,328,750</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 6,415,614</u>	<u>\$ 3,081,602</u>	<u>\$ 9,739,940</u>	<u>\$ 225,291</u>	<u>\$ 19,462,447</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total Fund Balances - Governmental Funds \$ 11,328,750

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:

Capital Assets	\$ 64,498,049	
Accumulated Depreciation	<u>(18,064,159)</u>	
Capital Assets (Net)		46,433,890

Long-term liabilities are not due and payable in the current period and, therefore,
are not reported as liabilities in the governmental funds:

Bond Principal Payable	(38,700,000)	
Bond Premium, Net of Accumulated Amortization	(2,012,773)	
Financing Arrangements	(810,538)	
Severance Payable	<u>(9,110)</u>	
		(41,532,421)

The net OPEB liability represents the present value of projected unfunded future
postemployment benefits other than pensions, as determined by an actuary as
of the most recent measurement date. Such liability and related balances do not
represent the impending use of current financial resources and, therefore, are
not reported in the governmental funds:

Net OPEB Liability	(511,575)	
Deferred Outflows - OPEB	89,912	
Deferred Inflows - OPEB	<u>(135,614)</u>	
		(557,277)

The net pension liability and related deferred outflows/inflows represent the
allocation of the pension obligations of the statewide plans to the District. Such
balances are not reported in the governmental funds:

Net Pension Liability	(4,012,741)	
Deferred Outflows - Pensions	2,630,861	
Deferred Inflows - Pensions	<u>(6,055,816)</u>	
		(7,437,696)

Interest on long-term debt is recognized as an expenditure when due and payable
in the governmental funds. Therefore, interest is not accrued in the governmental
funds Balance Sheet, but is accrued in the Statement of Net Position:

(487,635)

Some of the District's property taxes will be collected after year-end, but are not
available soon enough to pay for the current period's expenditures and,
therefore, are reported as deferred inflows of resources in the governmental funds:

31,112

TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 7,778,723

INDEPENDENT SCHOOL DISTRICT NO. 2180
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	General Fund	Debt Service Fund	Building Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Local Property Tax Levies	\$ 1,626,309	\$ 1,536,016	\$ -	\$ 48,155	\$ 3,210,480
Other Local and County Revenues	463,751	-	211,115	229,939	904,805
State Sources	8,099,028	1,244,163	-	56,984	9,400,175
Federal Sources	617,500	-	-	600,523	1,218,023
Sales and Other Conversions of Assets	<u>2,679</u>	<u>-</u>	<u>-</u>	<u>42,151</u>	<u>44,830</u>
TOTAL REVENUES	<u>10,809,267</u>	<u>2,780,179</u>	<u>211,115</u>	<u>977,752</u>	<u>14,778,313</u>
EXPENDITURES					
Current:					
Administration	712,345	-	-	-	712,345
District Support Services	318,965	-	-	-	318,965
Regular Instruction	4,548,028	-	-	-	4,548,028
Vocational Instruction	247,427	-	-	-	247,427
Exceptional Instruction	1,724,149	-	-	-	1,724,149
Community Education and Services	-	-	-	531,787	531,787
Instructional Support Services	453,000	-	-	-	453,000
Pupil Support Services	1,248,351	-	-	516,951	1,765,302
Sites and Buildings	1,083,613	-	-	-	1,083,613
Fiscal and Other Fixed Cost Programs	61,434	-	-	-	61,434
Capital Outlay	636,332	-	26,454,057	-	27,090,389
Debt Service:					
Principal	109,550	1,540,000	-	-	1,649,550
Interest and Other Charges	<u>30,626</u>	<u>1,162,381</u>	<u>-</u>	<u>-</u>	<u>1,193,007</u>
TOTAL EXPENDITURES	<u>11,173,820</u>	<u>2,702,381</u>	<u>26,454,057</u>	<u>1,048,738</u>	<u>41,378,996</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(364,553)	77,798	(26,242,942)	(70,986)	(26,600,683)
OTHER FINANCING SOURCES (USES)					
Sale of Equipment	6,360	-	-	-	6,360
Proceeds from Bond Issuance	-	2,085,000	-	-	2,085,000
Bond Refunding Payment	-	(2,275,000)	-	-	(2,275,000)
Premium on Bond Issuance	<u>-</u>	<u>251,902</u>	<u>-</u>	<u>-</u>	<u>251,902</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>6,360</u>	<u>61,902</u>	<u>-</u>	<u>-</u>	<u>68,262</u>
NET CHANGE IN FUND BALANCES	(358,193)	139,700	(26,242,942)	(70,986)	(26,532,421)
FUND BALANCES - BEGINNING	<u>4,385,279</u>	<u>215,516</u>	<u>33,413,249</u>	<u>(152,873)</u>	<u>37,861,171</u>
FUND BALANCES - ENDING	<u>\$ 4,027,086</u>	<u>\$ 355,216</u>	<u>\$ 7,170,307</u>	<u>\$ (223,859)</u>	<u>\$ 11,328,750</u>

**INDEPENDENT SCHOOL DISTRICT NO. 2180
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Net Change in Fund Balances - Total Governmental Funds \$(26,532,421)

Amounts reported for governmental activities in the Statement of Activities are different due to the following:

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 expense:

Capital Outlay Capitalized	\$ 26,708,658	
Depreciation Expense	(1,012,248)	
Loss on Disposal of Assets	<u>(5,990)</u>	
		25,690,420

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The amounts below detail the effects of these differences in the treatment of long-term debt and related items:

Financing Arrangements Principal Repayments	109,550	
Bond Principal Repayments	1,540,000	
Issuance of Long-Term Debt	(2,085,000)	
Premium on Long-Term Debt Issued	(251,902)	
Bond Refunding Payments	2,275,000	
Amortization of Bond Premium	<u>143,928</u>	
		1,731,576

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 the 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:

		(15,858)
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Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting certain revenues cannot be recognized until they are available to liquidate liabilities of the current period:

Property Taxes - Delinquent		2,129
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in Severance Payable		338
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Certain liabilities do not represent the impending use of current resources. Therefore, the change in such liabilities and related deferrals are not reported in the governmental funds:

Net OPEB Liability and Deferred Outflows/Inflows of Resources	51,872	
Net Pension Liability and Deferred Outflows/Inflows of Resources	<u>300,665</u>	
		<u>352,537</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 1,228,721

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.A. FINANCIAL REPORTING ENTITY

Independent School District No. 2180 (the District) is an educational entity established by the State of Minnesota. The government of the District is directed by an elected six-member Board of Education (the Board). The Board exercises legislative authority and determines all matters of policy. The Board appoints personnel responsible for the proper administration of all affairs relating to the District. The accompanying financial statements present the government entities for which the District is considered to be financially accountable.

The District has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. Based on these criteria, there are currently no entities considered to be component units of the District.

Student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside school hours. However, the Board does have administrative control over student activity funds, as well as responsibility for establishing broad policies and ensuring that appropriate financial records are maintained for student activities. Accordingly, the student activity accounts are included in the basic financial statements as part of the General Fund.

1.B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all nonfiduciary activities of the primary government. For the most part, interfund activities have been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operations 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*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

1.C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The financial statements of Independent School District No. 2180 have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenses are classified by function for governmental activities.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to severance and claims and judgments, are recorded only when payment is due. In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character	Current (further classified by function)
	Capital Outlay
	Debt Service

Property taxes, intergovernmental revenue, and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the tax is levied. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The *Building Construction Fund* is a capital project fund used to account for the District's building construction project funded through bond proceeds.

The District reports the following nonmajor governmental fund types:

The *Special Revenue Funds* account for the proceeds of specific revenue sources (other than expendable trust and major capital projects) that are legally restricted to expenditures for specified purposes.

1.D. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, and deferred inflows, and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY

Deposits and Investments

Cash balances from all funds are combined and invested to the extent available in various securities as authorized by Minnesota Statutes. Earnings from the pooled investments are allocated to the respective funds on the basis of applicable participation by each of the funds. Temporary cash investments are stated at cost which approximates fair value. Investments in external investment pools are valued at the pool's share price. See Note 2.A. for additional information related to Deposits and Investments.

Cash with Fiscal Agent

Cash with fiscal agent represents deposits with fiscal agents to be used for the payment of building construction costs.

Property Taxes Receivable

The majority of District revenue is determined annually by statutory funding formulas. The total revenue allowed by these formulas is then allocated between property taxes and state aids by the Legislature based on education funding priorities.

Generally, property taxes are recognized as revenue by the District in the fiscal year that begins midway through the calendar year in which the tax levy is collectible. To help balance the State budget, the Minnesota Legislature utilizes a tool referred to as the "tax shift," which periodically changes the District's recognition of property tax revenue. The tax shift advance recognizes cash collected for the subsequent year's levy as current year revenue, allowing the state to reduce the amount of aid paid to the District.

Property tax levies are certified to the County in December of each year for collection from taxpayers in May and October of the following calendar year. In Minnesota, counties act as collection agents for all property taxes. The County spreads all levies over taxable property. Such taxes become an enforceable lien on property on the following January 1. The County generally remits taxes to the District at periodic intervals as they are collected. 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 financial statements.

Taxes that remain unpaid are classified as delinquent taxes receivable. Revenue from these delinquent property taxes that is not collected within 60 days of year-end is deferred in the fund financial statements because it is not known to be available to finance the operation of the District in the current year. For government-wide financial statements, no allowance for uncollectible taxes is considered necessary.

Accounts Receivable

Accounts receivable include amounts billed for services provided before year end. No substantial losses are anticipated from present receivable balances; therefore, no allowance for uncollectible accounts is deemed necessary.

Due from Other Governments

Amounts due from the Minnesota Department of Education, from the federal government through the Department of Education and from other governmental units for general education aids and reimbursements under various specific programs are reported at the estimated amounts to be received based on available information at the date of this report. In some instances, adjustments and proration by these agencies, which are dependent upon the amount of funds available for distribution, and may result in differing amounts actually being received. Any such differences will be absorbed into operations of the subsequent period.

Inventory

Inventories are recorded using the consumption method of accounting and consist of purchased food, supplies, and surplus commodities received from the federal government. Food and supply purchases are recorded at invoice cost, computed on a first-in, first-out method, and surplus commodities are stated at standardized cost, as determined by the Department of Agriculture.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY (Continued)

Prepays

Prepaid expenditures/expenses consist of amounts paid during the year ended June 30, 2022 which will benefit future periods. Included in this amount are supplies purchased for use in subsequent periods and insurance premiums applicable to future accounting periods.

Capital Assets

Capital 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 their estimated acquisition value at the date of donation. The District maintains a threshold level of \$5,000 or more for capitalizing equipment and \$25,000 or more for buildings and improvements. The system for accumulation of capital asset cost data does not provide the means for determining the percentage of assets valued at actual and those valued at estimated cost.

Capital assets are recorded in the district-wide financial statements but are not reported in the fund financial statements. 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 purposes by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from twenty to fifty years for land improvements and buildings, and five to fifteen years for equipment and vehicles.

Capital assets not being depreciated include land and construction in progress, if any.

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.

Accrued Payroll Liabilities

Salaries pertaining to the school year ended June 30, 2022, which are payable in July and August 2022, are accrued as of June 30, 2022, and are shown as a liability on the accompanying financial statements. Liabilities for payroll taxes, amounts withheld from payroll checks and benefits accrued are also included.

Unearned Revenue

Unearned revenue consists of local revenue received but not yet earned. Such amounts typically consist of grants and entitlements received before eligibility requirements are met and prepaid pupil lunch balances.

Severance Payable

Per employment agreements, teachers who have completed 15 years of allowable service with the District and are at least 55 years of age are eligible for severance. Eligible teachers, upon retirement will receive pay in the amount obtained by multiplying 10 percent of the unused number of sick leave days times the teacher's daily rate of pay (not to exceed 100 days).

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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 from the actual debt proceeds received, are reported as debt service expenditures.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY
(Continued)

Postemployment Benefits Other Than Pensions (OPEB)

Under the provisions of the various employee and union contracts, the District provides health insurance coverage for varying lengths of time if certain age and minimum years of service requirements are met.

Pensions

The net pension liability represents the District's allocation of its pro-rata share of the Statewide Public Employees Retirement Association (PERA) and Teachers Retirement Association (TRA) net pension liabilities.

PERA

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 additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. 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

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Teachers Retirement Association (TRA) and additions to/deductions from TRA's fiduciary net position have been determined on the same basis as they are reported by TRA.

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis and Minneapolis School District. This direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association 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 in 2015.

Interfund Transactions and Balances

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. If short-term in nature or incurred through goods and service type transactions, such interfund balances are reported as "due to/from other funds." Long-term interfund loans are reported as "advances to/from other funds." Interfund transactions and balances between governmental funds are eliminated in the Statement of Net Position.

See Note 2.E. for additional information pertaining to interfund balances and transfers.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This element represents a consumption of net position that applies to future periods and, therefore, will not be recognized as an outflow of resources (expense) until that time. The District reports deferred outflows of resources in the government-wide Statement of Net Position in relation to the activity of the pension funds and OPEB plan in which District employees participate.

In addition to liabilities, the Statement of Net Position and Balance Sheet report a separate section for deferred inflows of resources. This element represents an acquisition of net position or fund balance that applies to future periods and, therefore, will not be recognized as an inflow of resources (revenue) until that time. The District reports property taxes levied for subsequent years as deferred inflows of resources in both the government-wide and governmental fund financial statements. The District reports delinquent property tax receivables as deferred inflows of resources in the governmental funds, in accordance with the modified accrual basis of accounting. In addition, the District reports deferred inflows of resources in the government-wide Statement of Net Position in relation to the activity of the pension funds and OPEB plan in which District employees participate. See Notes 3 and 4 for additional information pertaining to the deferred outflows and deferred inflows recorded to account for OPEB and pension activities, respectively.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1.E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND EQUITY (Continued)

Fund Balance

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Nonspendable – Includes amounts that cannot be spent because they are either not in spendable form, or they are legally or contractually required to be maintained intact. The nonspendable fund balance at June 30, 2022 consists of inventory and prepaid expenditures.

Restricted – Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed – Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the Board of Education (the Board), which is the District’s highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board modifies or rescinds the commitment by resolution. The District has no committed fund balances at June 30, 2022.

Assigned – Amounts that are neither restricted nor committed but are constrained by the District’s intent to be used for specific purposes. The Board has delegated the authority to assign fund balance to the District’s Superintendent and Business Manager.

Unassigned – The residual classification for the General Fund and also negative residual amounts in other funds, if any. The District has formally adopted a policy under which it strives to maintain a minimum unassigned General Fund balance equal to approximately 20 percent of the annual budget.

When both restricted and unrestricted resources are available for use, it is the District’s practice to first use restricted resources, and then use unrestricted resources as they are needed. If resources from more than one fund balance classification could be spent, the District will spend the resources from fund balance classifications in the following order: committed, assigned, and unassigned, in accordance with the District’s policy.

See Note. 2.D. for additional disclosures.

Net Position

Net position represents the difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources. Net position is displayed in three components:

Net Investment in Capital Assets – Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquiring the capital assets.

Restricted Net Position – Consists of net position restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Unrestricted Net Position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

It is the District’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS

2.A. DEPOSITS AND INVESTMENTS

Deposits

In accordance with applicable Minnesota Statutes, the District maintains deposits in financial institutions designated by the School Board. Minnesota Statutes require that all District deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds (100% if collateral pledged is irrevocable standby letters of credit issued by the Federal Home Loan Bank). The District complies with such laws.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- A general obligation of a state or local government, with taxing powers, rated “A” or better;
- A revenue obligation of a state or local government, with taxing powers, rated “AA” or better;
- Unrated general obligation securities of a local government, with taxing powers, pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letter of credit issued by a Federal Home Loan Bank accompanied by written evidence that the Federal Home Loan Bank’s public debt is rated “AA” or better by Moody’s or Standard and Poor’s; or
- Time deposits insured by any federal agency.

Minnesota Statutes require that all collateral shall be placed in safekeeping in a restricted account at a Federal Reserve Bank, or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral. The selection should be approved by the District.

At June 30, 2022, the District's deposits were not exposed to custodial credit risk. The District's deposits were sufficiently covered by federal depository insurance or by collateral held by the District’s agent in the District's name.

Investments

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

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.A. DEPOSITS AND INVESTMENTS (Continued)

Investment balances at June 30, 2022 are as follows:

Type of Investments	Credit Rating	Segmented Time Distribution	Fair Value
Minnesota School District Liquid Asset Fund	N/A	Less than 1 year	\$ <u>3,622</u>

The investments of the District are subject to the following risks:

- Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota Statutes limit the District’s investments.
- Custodial credit risk is the risk that in the event of a failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District does not have a formal investment policy to address custodial credit risk but typically limits its exposure by purchasing insured or registered investments.
- Concentration of Credit Risk is the risk associated with the magnitude of the District’s investments (considered five percent or more) in the investments of a single issuer, excluding U.S. guaranteed investments (such as treasuries), investment pools, and mutual funds. The District has no formal policy limiting the amounts that may be invested in any one issuer. At June 30, 2022, the District does not have a significant concentration of credit risk.
- Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District has no formal policy to address interest rate risk.

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

The Minnesota School District Liquid Asset Fund is an external investment pool not registered with the Securities Exchange Commission (SEC) that follows the same regulatory rules of the SEC under rule 2a7. The fair value of the position in the pool is the same as the value of the pool shares. The investment in the Minnesota School District Liquid Asset Fund is not subject to the credit risk classifications as noted in GASB Statement No. 72 and, therefore, is not subject to the fair value measurements noted in the previous paragraph.

Deposits and Temporary Investments Summary

The following is a summary of total deposits and temporary investments:

Carrying Amount of Deposits	\$ 4,782,281
Investments (see Investments section)	3,622
Cash with Fiscal Agent	<u>9,671,949</u>
 Total Cash and Temporary Investments	 <u>\$ 14,457,852</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.A. DEPOSITS AND INVESTMENTS (Continued)

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

District-Wide:		
Cash and Temporary Investments		\$ 4,785,903
Cash with Fiscal Agent		<u>9,671,949</u>
 Total Cash and Temporary Investments		 <u>\$ 14,457,852</u>

2.B. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2022 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, not Being Depreciated				
Construction in Progress	\$ 7,639,346	\$ 26,526,586	\$ -	\$ 34,165,932
Capital Assets, Being Depreciated				
Buildings and Improvements	29,340,635	-	20,484	29,320,151
Equipment	<u>862,772</u>	<u>182,072</u>	<u>32,878</u>	<u>1,011,966</u>
Total Capital Assets Being Depreciated	30,203,407	182,072	53,362	30,332,117
Less Accumulated Depreciation for				
Buildings and Improvements	16,474,628	952,758	17,551	17,409,835
Equipment	<u>624,655</u>	<u>59,490</u>	<u>29,821</u>	<u>654,324</u>
Total Accumulated Depreciation	<u>17,099,283</u>	<u>1,012,248</u>	<u>47,372</u>	<u>18,064,159</u>
Total Capital Assets Being Depreciated, Net	<u>13,104,124</u>	<u>(830,176)</u>	<u>5,990</u>	<u>12,267,958</u>
Governmental Activities Capital Assets, Net	<u>\$ 20,743,470</u>	<u>\$ 25,696,410</u>	<u>\$ 5,990</u>	<u>\$ 46,433,890</u>

Depreciation expense was charged to functions of the District as follows:

Governmental Activities	
Administration	\$ 4,150
Regular Instruction	8,832
Pupil Support Services	26,817
Sites and Buildings	<u>972,449</u>
 Total Depreciation Expense - Governmental Activities	 <u>\$ 1,012,248</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.C. NONCURRENT LIABILITIES

General Obligation (G.O.) Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. Assets of the Debt Service Fund, together with scheduled future tax levies, are dedicated for the retirement of these obligations. The annual future debt service levies authorized are equal to 105 percent of the principal and interest due each year. These levies are subject to reduction if fund balance amounts exceed limitations imposed by Minnesota law.

There are a number of limitations and restrictions contained in the general obligation bond indentures.

The interest rates are fixed rates that may increase a predetermined amount each year. District-wide interest and other fiscal charges for the year ended June 30, 2022 total \$1,208,865. Fund financial statement interest and fiscal charges for the year ended June 30, 2022 total \$1,193,007. Interest expenses included in direct program expenses total \$0; all bond interest and fees are included in interest and other charges.

General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Description	Original Issue Amount	Interest Rates	Final Maturity Date	Balance Outstanding
<i>Governmental Activities</i>				
G.O. Bonds				
G.O. School Building Bonds, Series 2020A	\$ 38,790,000	2.00-4.00%	2/1/2040	\$ 36,615,000
G.O. Alternative Facilities and Capital Facilities Refunding Bonds, Series 2021A	<u>2,085,000</u>	5.00%	2/1/2026	<u>2,085,000</u>
Total	<u>\$ 40,875,000</u>			<u>\$ 38,700,000</u>

Financing Arrangements

In February 2013, the District signed a financing agreement to finance energy conservation upgrades. Additional information, including the outstanding balance on this agreement at June 30, 2022, is as follows:

Description	Original Issue Amount	Interest Rate	Final Maturity Date	Balance Outstanding
<i>Governmental Activities</i>				
Financing Arrangements				
Equipment Financing Arrangement	<u>\$ 1,605,507</u>	3.43%	8/15/2028	<u>\$ 810,538</u>

The carrying value of the assets acquired by the financing arrangement is estimated to approximate the outstanding balance on the financing arrangement at June 30, 2022.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.C. NONCURRENT LIABILITIES (Continued)

Debt Service Requirements

At June 30, 2022, estimated annual debt service requirements to maturity for the general obligation bonds are as follows:

Years Ending June 30,	Governmental Activities		
	G.O. Bonds		
	Principal	Interest	Total
2023	\$ 1,505,000	\$ 1,121,298	\$ 2,626,298
2024	1,675,000	1,039,313	2,714,313
2025	1,745,000	967,213	2,712,213
2026	1,820,000	892,013	2,712,013
2027	1,865,000	813,563	2,678,563
2028-2032	10,500,000	3,005,863	13,505,863
2033-2037	11,845,000	1,660,031	13,505,031
2038-2040	7,745,000	361,010	8,106,010
Total	<u>\$ 38,700,000</u>	<u>\$ 9,860,304</u>	<u>\$ 48,560,304</u>

At June 30, 2022, estimated annual debt service requirements to maturity for the financing arrangements are as follows:

Years Ending June 30,	Governmental Activities		
	Financing Arrangements		
	Principal	Interest	Total
2023	\$ 113,340	\$ 26,836	\$ 140,176
2024	117,260	22,916	140,176
2025	121,317	18,859	140,176
2026	125,513	14,663	140,176
2027	129,855	10,321	140,176
2028-2029	203,253	7,011	210,264
Total	<u>\$ 810,538</u>	<u>\$ 100,606</u>	<u>\$ 911,144</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.C. NONCURRENT LIABILITIES (Continued)

Changes in Noncurrent Liabilities

Noncurrent liability activity (excluding the net OPEB liability and net pension liability) for the year ended June 30, 2022 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<i>Governmental Activities:</i>					
General Obligation Bonds	\$ 40,430,000	\$ 2,085,000	\$ (3,815,000)	\$ 38,700,000	\$ 1,505,000
Unamortized Bond Premium	1,904,799	251,902	(143,928)	2,012,773	-
Financing Arrangements	920,088	-	(109,550)	810,538	113,340
Severance Payable	<u>9,448</u>	<u>439</u>	<u>(777)</u>	<u>9,110</u>	<u>-</u>
Long-Term Liabilities	<u>\$ 43,264,335</u>	<u>\$ 2,337,341</u>	<u>\$ (4,069,255)</u>	<u>\$ 41,532,421</u>	<u>\$ 1,618,340</u>

Bonds payable are typically funded through the Debt Service Fund. Financing arrangements and severance payable are typically funded through the General Fund.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.D. FUND BALANCE CLASSIFICATIONS

At June 30, 2022, governmental fund equity includes the following:

	General Fund	Debt Service Fund	Building Construction Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Inventory	\$ -	\$ -	\$ -	\$ 11,993	\$ 11,993
Prepays	<u>38,834</u>	<u>569,192</u>	<u>-</u>	<u>-</u>	<u>608,026</u>
Total Nonspendable	<u>\$ 38,834</u>	<u>\$ 569,192</u>	<u>\$ -</u>	<u>\$ 11,993</u>	<u>\$ 620,019</u>
Restricted for:					
Student Activities	\$ 133,692	\$ -	\$ -	\$ -	\$ 133,692
Staff Development	132,766	-	-	-	132,766
Disabled Accessibility	2,273	-	-	-	2,273
Learning and Development	1,189	-	-	-	1,189
Gifted and Talented	131	-	-	-	131
Basic Skills Programs	118,534	-	-	-	118,534
Safe Schools Levy	52,073	-	-	-	52,073
Long-Term Facility Maintenance	255,669	32,984	-	-	288,653
Medical Assistance	700	-	-	-	700
Building Construction	-	-	7,170,307	-	7,170,307
Food Service	-	-	-	147,574	147,574
Early Childhood and Family Education	-	-	-	541	541
School Readiness	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,475</u>	<u>2,475</u>
Total Restricted	<u>\$ 697,027</u>	<u>\$ 32,984</u>	<u>\$ 7,170,307</u>	<u>\$ 150,590</u>	<u>\$ 8,050,908</u>
Assigned for:					
Technology Repairs	<u>\$ 25,990</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,990</u>
Deficit UFARS Restrictions:					
Community Education	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (124,801)</u>	<u>\$ (124,801)</u>

Additionally, nonmajor funds with deficit fund balances at June 30, 2022 are as follows:

Fund	Deficit
Nonmajor Governmental Funds	
Community Service	<u>\$ (383,426)</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.D. FUND BALANCE CLASSIFICATIONS (Continued)

Restricted for Student Activities - This amount represents resources available for extracurricular student activities, from funds raised by students.

Restricted for Staff Development - This amount represents available resources restricted for professional growth of instructional staff members during their service to the school district.

Restricted for Disabled Accessibility - This amount represents restricted resources for improving the accessibility of the school for disabled individuals.

Restricted for Learning and Development - This amount represents restricted resources for learning and development, which is mainly for reducing the pupil-to-staff ratio.

Restricted for Gifted and Talented - This amount represents the unspent portion of general education aid revenue at year end restricted for programs for the gifted and talented.

Restricted for Basic Skills Programs - This amount represents resources available for basic skills uses.

Restricted for Safe Schools Levy - This amount represents restricted resources for funding programs designed to increase school safety and awareness. Amount also represents resources restricted to pay for the salaries of student counselors, security, and other personnel employed for the purpose of providing early responses to problems. This restricted fund balance is allowed to be negative.

Restricted for Long-Term Facility Maintenance - This amount represents available resources for long-term facility maintenance stipulated by the District's long-term facility maintenance plan. This restricted fund balance is allowed to be negative.

Restricted for Medical Assistance - This amount represents the unspent resources available from medical assistance.

Restricted for Building Construction - This amount represents resources to be used for building construction.

Restricted for Food Service - This amount represents restricted resources for food service stipulated by constitution, external resource providers, or through enabling legislation.

Restricted for Early Childhood and Family Education (ECFE) - This amount represents available resources for ECFE classes. Revenues are derived from local tax levies and state aids and expenditures are for salaries, benefits, and supplies. Any deficits can be eliminated by future tax levies, state aids and program revenues.

Restricted for School Readiness - This amount represents the resources available to provide for services for school readiness programs, which includes aids, fees, grants and all other revenues received by the District for the program. Deficits can be eliminated through state aids and program revenues.

Restricted for Community Education - This amount represents available resources for community education classes. Revenues are derived from tax levies and state aids and expenditures are for salaries, benefits and supplies. Any deficits can be eliminated by future tax levies and state aids.

Assigned for Technology Repairs - This amount represents fund balance set aside for technology repairs.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (Continued)

2.E. INTERFUND TRANSACTIONS AND BALANCES

Interfund balances at June 30, 2022 are as follows:

Due To Fund	Due From Fund	Amount	Reason
General	Community Service	\$ 308,393	Eliminate negative cash balance
Governmental Fund Elimination		<u>(308,393)</u>	
Government-wide Internal Balances		<u>\$ -</u>	

The interfund balances above are to be repaid as cash flows become available in the Community Service Fund.

NOTE 3 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

Plan Description

The District operates a single-employer defined benefit healthcare plan (the Plan), through which the District provides postemployment benefits to eligible retirees and their families. As of the most recent valuation date, there are 144 active employees, 9 retirees and 1 spouse eligible to participate. The Plan does not issue a publicly available financial report.

Benefits Provided

The District offers continuing group health insurance coverage after retirement for qualifying District employees. Teachers and certain other District personnel who retire from active service may continue their single or family coverage, at their expense, through the District plan if they retire after reaching the age of 55 with at least 3 years of uninterrupted service in the District. Benefits and eligibility provisions have been established through negotiations between the District and the union representing the District’s teachers and are renegotiated every two-year bargaining period.

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

Contributions

The District has historically funded these liabilities on a pay-as-you-go basis, in amounts contractually required to satisfy the benefit terms discussed above. For the year ended June 30, 2022, the District contributed \$67,902, which includes an implicit subsidy of \$62,502 resulting from the arrangement described above.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Net OPEB Liabilities, OPEB Expense, and Deferred Outflows/Inflows of Resources

At June 30, 2022, the District reported a net OPEB liability of \$511,575 for the District’s plan. The net OPEB liability was measured as of July 1, 2021, as determined by an actuarial valuation as of that date.

For the year ended June 30, 2022, the District recognized OPEB expense of \$16,029. At June 30, 2022, 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
Changes in actuarial assumptions	\$ 22,010	\$ 2,889
Differences between projected and actual investment earnings	-	132,725
District contributions subsequent to the measurement date	67,902	-
Total Deferred Outflows/Inflows	\$ 89,912	\$ 135,614

Deferred outflows and inflows of resources related to the Plan will be recognized in the District’s OPEB expense as follows:

Year Ended June 30,	Annual OPEB Cost
2023	\$ (37,702)
2024	(37,702)
2025	(37,702)
2026	1,281
2027	(889)
2028	(890)

A total of \$67,902 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2023.

Changes in the Net OPEB Liability

The following table summarizes changes in the net OPEB liability for the year ended June 30, 2022:

Changes in Total OPEB Liability (TOL)	
Balance at July 1st	\$ 535,767
Service Cost	40,750
Interest Cost	12,981
Changes in Assumptions	15,551
Differences between Expected and Actual Experience	(21,778)
Benefit Payments	(71,696)
Net OPEB Liability - June 30th	\$ 511,575

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Actuarial Assumptions

The following is a summary of pertinent actuarial assumptions and methods utilized, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total Pension Liability

<u>Actuarial Information:</u>	
Valuation Date	July 1, 2021
Measurement Date	July 1, 2021
Actuarial Cost Method	Entry Age, level percentage of pay
<u>Actuarial Assumptions:</u>	
Discount Rate	2.10%
Inflation Rate	2.00%
Investment Rate of Return	2.10%
Healthcare Trend Rate	6.50% (grading to 5.00% over 6 years) and then to 4.00% over the next 48 years

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables with MP-2020 Generational Improvement Scale.

Changes in assumptions, benefit terms, and other inputs since the prior measurement date:

- The health care trend rates, mortality tables, salary increase rates for non-teachers, and withdrawal rates were updated.
- The rate of inflation was changed from 2.50 percent to 2.00 percent.
- The discount rate was changed from 2.40 percent to 2.10 percent.

Net OPEB Liability Sensitivity

The following presents the net OPEB liability, calculated using the discount rate disclosed in the preceding section, as well as what the District's net OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

<u>Sensitivity of Net OPEB Liability at Current Single Discount Rate</u>		
	<u>Rates</u>	<u>Amounts</u>
1% Increase in Discount Rate	3.10%	\$487,242
Current Discount Rate	2.10%	\$511,575
1% Decrease in Discount Rate	1.10%	\$536,418

The table on the following page presents the net OPEB liability, calculated using the healthcare cost trend rates disclosed in the preceding section, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

<u>Sensitivity of Net OPEB Liability at Current Healthcare Trend Rates</u>	
	<u>Amounts</u>
1% Increase in Healthcare Trend Rates	\$561,364
Current Healthcare Trend Rates	\$511,575
1% Decrease in Healthcare Trend Rates	\$469,924

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE

4.A. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

The District participates in the following cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan

The General Employees Retirement Plan covers certain full-time and part-time employees of the District. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

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.

General Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989 receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.20 percent for each of the first 10 years of service and 1.70 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.70 percent for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.50 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

Contributions

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the State Legislature.

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2022 and the District was required to contribute 7.50 percent for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2022 were \$133,048. The District's contributions were equal to the required contributions as set by State Statute.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

4.A. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

Pension Costs

General Employees Fund Pension Costs

At June 30, 2022, the District reported a liability of \$1,001,847 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 \$30,624.

The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.0235 percent at the end of the measurement period and 0.0230 percent for the beginning of the period.

District's proportionate share of the net pension liability:	\$1,001,847
State of Minnesota's proportionate share of the net pension liability associated with the District	<u>30,624</u>
Total	<u>\$1,032,471</u>

For the year ended June 30, 2022, the District recognized pension expense of \$91,062 for its proportionate share of the General Employees Plan's pension expense. In addition, the District recognized \$2,470 as grant revenue for its proportionate share of the State of Minnesota's pension expense for the annual \$16 million contribution.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 5,777	\$ 30,588
Changes in actuarial assumptions	611,707	21,426
Differences between projected and actual investment earnings	-	868,424
Changes in proportion	48,052	1,803
Contributions paid to PERA subsequent to the measurement date	<u>133,048</u>	<u>-</u>
Total Deferred Outflows/Inflows	<u>\$ 798,584</u>	<u>\$ 922,241</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

4.A. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

The \$133,048 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, 2023.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Pension Expense
2023	\$ (23,376)
2024	\$ 4,912
2025	\$ (1,590)
2026	\$ (236,651)

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	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	<u>25.0%</u>	5.90%
Total	<u>100%</u>	

Actuarial Methods and Assumptions

The total pension liability in the June 30, 2021, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.50 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.50 percent was deemed to be within that range of reasonableness for financial reporting purposes.

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

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

4.A. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Continued)

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions:

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

Changes in Plan Provisions:

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

Discount Rate

The discount rate used to measure the total pension liability in 2021 was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund 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.

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 one percentage point lower or one percentage point higher than the current discount rate:

Sensitivity Analysis		
Net Pension Liability (Asset) at Different Discount Rates		
	Rates	Amounts
1% Lower	5.50%	\$2,043,257
Current Discount Rate	6.50%	\$1,001,847
1% Higher	7.50%	\$147,307

Pension Plan Fiduciary Net Position

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

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

4.B. TEACHERS RETIREMENT ASSOCIATION

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 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 Plan (DCR) administered by the State of Minnesota.

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 five consecutive years of allowable service, age, and a formula multiplier based on years of credit at termination of service.

Two methods are used to compute benefits for 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

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

With these provisions:

- (a) Normal retirement age is 65 with less than 30 years of allowable service and age 62 with 30 or more years of allowable service.
- (b) 3 percent per year early retirement reduction factor for all years under normal retirement age.
- (c) Unreduced benefits for early retirement under a Rule-of-90 (age plus allowable service equals 90 or more).

or

Tier II Benefits

For years of service prior to July 1, 2006, a level formula of 1.70 percent per year for coordinated members and 2.70 percent per year for basic members is applied. For years of service July 1, 2006 and after, a level formula of 1.90 percent per year for coordinated members and 2.70 percent per year for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under Minnesota Statute. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

4.B. TEACHERS RETIREMENT ASSOCIATION (Continued)

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

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

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

Contribution Rate

Per *Minnesota Statutes*, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year ended June 30, 2020, June 30, 2021, and June 30, 2022 were:

	<u>June 30, 2020</u>		<u>June 30, 2021</u>		<u>June 30, 2022</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
Basic	11.00%	11.92%	11.00%	12.13%	11.00%	12.34%
Coordinated	7.50%	7.92%	7.50%	8.13%	7.50%	8.34%

The following is a reconciliation of employer contributions in TRA 's fiscal year 2021 ACFR "Statement of Changes in Fiduciary Net Position" to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations.

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

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

Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the actuarial assumptions on the following page, applied to all periods included in the measurement:

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

4.B. TEACHERS RETIREMENT ASSOCIATION (Continued)

Key Methods and Assumptions Used in Valuation of Total Pension Liability

Actuarial Information:

Valuation date	July 1, 2021
Measurement Date	June 30, 2021
Experience study	June 5, 2019 (demographic assumptions) November 6, 2017 (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	1.00% for January 2020 through January 2023, then increasing by 0.10% each year up to 1.50% annually

Mortality Assumptions:

Pre-retirement:	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.
Post-retirement:	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.
Post-disability:	RP-2014 disabled retiree mortality table, without adjustment.

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 (Geometric Mean)
Domestic Equity	35.5%	5.10%
International Equity	17.5%	5.30%
Private Markets	25.0%	5.90%
Fixed Income	20.0%	0.75%
Unallocated Cash	<u>2.0%</u>	0.00%
Total	<u>100%</u>	

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2016 is six years. The *Difference between Expected and Actual Experience*, *Changes of Assumptions*, and *Changes in Proportion* use the amortization period of six years in the schedule presented. The amortization period for *Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments* is five years as required by GASB 68.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

4.B. TEACHERS RETIREMENT ASSOCIATION (Continued)

Changes in actuarial assumptions since the 2020 valuation:

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

Discount Rate

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

Net Pension Liability

At June 30, 2022, the District reported a liability of \$3,010,894 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to 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 0.0688 percent at the end of the measurement period and 0.0691 percent for the beginning of the period.

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	\$3,010,894
State’s proportionate share of the net pension liability associated with the District	\$253,927

For the year ended June 30, 2022, the District recognized pension expense of negative \$42,373. It also recognized \$2,844 as an increase to pension expense for the support provided by direct aid.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
	_____	_____
Differences between expected and actual economic experience	\$ 81,880	\$ 82,283
Changes in actuarial assumptions	1,103,392	2,499,868
Differences between projected and actual investment earnings	-	2,517,528
Changes in proportion	281,354	33,896
Contributions paid to TRA subsequent to the measurement date	365,651	-
	_____	_____
Total Deferred Outflows/Inflows	<u>\$ 1,832,277</u>	<u>\$ 5,133,575</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 DEFINED BENEFIT PENSION PLANS – STATEWIDE (Continued)

4.B. TEACHERS RETIREMENT ASSOCIATION (Continued)

Deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended	Pension Expense
<u>June 30,</u>	<u></u>
2023	\$ (1,797,972)
2024	\$ (1,339,542)
2025	\$ (307,464)
2026	\$ (430,806)
2027	\$ 208,835

Pension Liability Sensitivity

The following presents the net pension liability of TRA calculated using the discount rate of 7.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate.

Sensitivity of Net Pension Liability (NPL) to changes in the discount rate

<u>1 percent decrease (6.00%)</u>	<u>Current (7.00%)</u>	<u>1 percent increase (8.00%)</u>
\$6,082,152	\$3,010,894	\$492,217

The District’s proportion of the net pension liability was based on the employer contributions to TRA in relation to TRA’s total employer contributions including direct aid contributions from the State of Minnesota, City of Minneapolis and Minneapolis School District.

Pension Plan Fiduciary Net Position

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

NOTE 5 OTHER INFORMATION

5.A. COMMITMENTS AND CONTINGENCIES

Federal and State Programs

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

Construction Contracts

The District has entered into contracts for construction and engineering services related to a building addition and remodeling project. Remaining commitments under these contracts at June 30, 2022, not including retainage accrued in these financial statements, total \$4,102,675.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 5 OTHER INFORMATION (Continued)

5.B. RISK MANAGEMENT

Claims and Judgements

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To manage these risks, the District purchases commercial insurance. The District retains risk for the deductible portions of the insurance. The amounts of these deductibles are considered immaterial to the financial statements. There were no significant reductions in insurance from the previous year settlements in excess of insurance for any of the past two years. The District is also self-insured for state reemployment compensation insurance.

5.C. OTHER EMPLOYEE BENEFITS

Health Insurance

The District has joined together with other school districts in Minnesota in the South Central - West Central Service Cooperative Gross Self-Insured Health Insurance Plan, a public entity risk pool currently operating as common risk management and insurance program for member districts. The District pays an annual premium to this plan for its health insurance coverage. These premiums are used to purchase reinsurance through commercial companies. The administrators of the plan believe assessment to participating districts for future losses sustained is extremely remote.

Defined Contribution Plan

The District provides eligible employees future retirement benefits through the District's 403(b) Plan (the Plan). The District has contracted with a private brokerage firm to establish the Plan, and plan assets are not held in a formal trust meeting the criteria defined by GASB No. 73, par 4. The District's Board of Education acts as the plan administrator, but the District is not involved with the investment decisions for plan assets. Contributions are invested in tax deferred annuities selected and owned by Plan participants. Employees of the District are eligible to participate in the Plan commencing on the date of their employment. Eligible employees may elect to have a percentage of their pay contributed to the Plan. Some employees are eligible to receive a District match of employee contributions up to the qualifying amounts set forth in their respective collective bargaining agreements. The District's contributions to the plan total \$88,132 for the year ended June 30, 2022.

5.D NEW ACCOUNTING STANDARDS

In May 2020, the Government Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. GASB Statement No. 96 (GASB 96) increases the usefulness of governmental financial statements by requiring recognition of right-to-use assets and liabilities for subscription-based information technology arrangements. GASB 96 will be effective for the District's fiscal year ended June 30, 2023. The effect on net position will likely be significant.

5.E SUBSEQUENT EVENTS

Subsequent to year end but prior to the issuance of these financial statements, the District approved the issuance of General Obligation School Building Bonds, Series 2022A, in the amount of \$725,000.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**INDEPENDENT SCHOOL DISTRICT NO. 2180
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	
REVENUES				
Local Property Tax Levies	\$ 1,577,884	\$ 1,588,888	\$ 1,626,309	\$ 37,421
Other Local and County Revenues	216,580	283,377	463,751	180,374
State Sources	7,667,104	7,995,619	8,099,028	103,409
Federal Sources	106,000	527,378	617,500	90,122
Sales and Other Conversions of Assets	<u>450</u>	<u>1,500</u>	<u>2,679</u>	<u>1,179</u>
TOTAL REVENUES	9,568,018	10,396,762	10,809,267	412,505
EXPENDITURES				
Current:				
Administration	676,152	678,564	712,345	33,781
District Support Services	295,037	319,968	318,965	(1,003)
Regular Instruction	3,751,190	4,402,490	4,548,028	145,538
Vocational Instruction	224,379	252,960	247,427	(5,533)
Exceptional Instruction	1,672,398	1,750,257	1,724,149	(26,108)
Instructional Support Services	485,984	405,200	453,000	47,800
Pupil Support Services	1,025,834	1,182,691	1,248,351	65,660
Sites and Buildings	826,238	1,005,881	1,083,613	77,732
Fiscal and Other Fixed Cost Programs	103,020	100,734	61,434	(39,300)
Capital Outlay	125,203	601,705	636,332	34,627
Debt Service:				
Principal	109,550	107,800	109,550	1,750
Interest and Other Charges	<u>30,628</u>	<u>32,396</u>	<u>30,626</u>	<u>(1,770)</u>
TOTAL EXPENDITURES	<u>9,325,613</u>	<u>10,840,646</u>	<u>11,173,820</u>	<u>333,174</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	242,405	(443,884)	(364,553)	79,331
OTHER FINANCING SOURCES (USES)				
Sale of Equipment	<u>-</u>	<u>-</u>	<u>6,360</u>	<u>6,360</u>
NET CHANGE IN FUND BALANCE	<u>\$ 242,405</u>	<u>\$ (443,884)</u>	(358,193)	<u>\$ 85,691</u>
FUND BALANCE - BEGINNING			<u>4,385,279</u>	
FUND BALANCE - ENDING			<u>\$ 4,027,086</u>	

INDEPENDENT SCHOOL DISTRICT NO. 2180
SCHEDULE OF CHANGES IN DISTRICT'S NET OPEB LIABILITY
LAST TEN YEARS (Presented Prospectively)

	<u>Measurement Period Ending June 30,</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Changes in Total OPEB Liability (TOL)					
Balance at July 1st	\$ 535,767	\$ 526,851	\$ 778,647	\$ 796,025	\$ 796,230
Service Cost	40,750	32,797	28,617	35,982	34,934
Interest Cost	12,981	16,527	26,221	26,935	27,208
Differences between Expected and Actual Experience	(21,778)	-	(228,117)	-	-
Changes in Actuarial Assumptions	15,551	13,021	(5,777)	-	-
Benefit Payments	<u>(71,696)</u>	<u>(53,429)</u>	<u>(72,740)</u>	<u>(80,295)</u>	<u>(62,347)</u>
Net OPEB Liability - June 30th	<u>\$ 511,575</u>	<u>\$ 535,767</u>	<u>\$ 526,851</u>	<u>\$ 778,647</u>	<u>\$ 796,025</u>
Covered Payroll for Active Members	<u>\$ 5,612,795</u>	<u>\$ 5,430,953</u>	<u>\$ 5,272,770</u>	<u>\$ 4,471,500</u>	<u>\$ 4,341,262</u>
Net OPEB Liability / Covered Payroll	9.1%	9.9%	10.0%	17.4%	18.3%

Note: The schedule is provided prospectively beginning with the District's fiscal year ended June 30, 2018 (June 30, 2017 measurement date) and is intended to show a ten year trend. Additional years will be reported as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 2180
SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
LAST TEN YEARS (Presented Prospectively)

For the Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contribution as a Percentage of Covered Payroll
2022	\$ 67,902	\$ 67,902	\$ -	\$ 4,774,431	1.4%
2021	\$ 71,696	\$ 71,696	\$ -	\$ 4,427,092	1.6%
2020	\$ 53,429	\$ 53,429	\$ -	\$ 3,476,139	1.5%
2019	\$ 72,740	\$ 72,740	\$ -	\$ 3,831,780	1.9%
2018	\$ 148,440	\$ 148,440	\$ -	\$ 4,471,500	3.4%

Note: The schedule is provided prospectively beginning with the District's fiscal year ended June 30, 2018 and is intended to show a ten year trend. Additional years will be reported as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 2180
SCHEDULE OF DISTRICT'S PROPORTIONATE
SHARE OF NET PENSION LIABILITY
LAST TEN YEARS (Presented Prospectively)

For the Measurement Year Ended June 30	District's Proportion of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset) (a)	State's Proportionate Share of the Net Pension Liability Associated with the District (b)	District's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the District (a+b)	District's Covered Payroll (c)	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<i>Public Employees Retirement Association</i>							
2021	0.0235%	\$ 1,001,847	\$ 30,624	\$ 1,032,471	\$ 1,773,973	58.2%	87.0%
2020	0.0230%	\$ 1,378,356	\$ 42,505	\$ 1,420,861	\$ 1,690,480	84.1%	79.1%
2019	0.0220%	\$ 1,217,437	\$ 37,838	\$ 1,255,275	\$ 1,642,013	76.4%	80.2%
2018	0.0222%	\$ 1,228,791	\$ 40,302	\$ 1,269,093	\$ 1,549,613	81.9%	79.5%
2017	0.0200%	\$ 1,277,630	\$ 16,044	\$ 1,293,674	\$ 1,479,040	87.5%	75.9%
2016	0.0197%	\$ 1,602,072	\$ 20,840	\$ 1,622,912	\$ 1,276,880	127.1%	68.9%
2015	0.0198%	\$ 1,026,139	\$ -	\$ 1,026,139	\$ 1,182,803	86.8%	78.2%
2014	0.0208%	\$ 977,080	\$ -	\$ 977,080	\$ 1,169,792	83.5%	78.7%
<i>Teachers Retirement Association</i>							
2021	0.0688%	\$ 3,010,894	\$ 253,927	\$ 3,264,821	\$ 4,384,305	74.5%	86.6%
2020	0.0691%	\$ 5,103,723	\$ 427,883	\$ 5,531,606	\$ 4,161,771	132.9%	75.5%
2019	0.0663%	\$ 4,224,701	\$ 373,718	\$ 4,598,419	\$ 4,528,965	101.5%	78.2%
2018	0.0635%	\$ 3,986,482	\$ 374,325	\$ 4,360,807	\$ 3,815,850	114.3%	78.1%
2017	0.0624%	\$ 12,450,826	\$ 1,203,314	\$ 13,654,140	\$ 3,560,200	383.5%	51.6%
2016	0.0627%	\$ 14,966,994	\$ 1,502,418	\$ 16,469,412	\$ 3,398,600	484.6%	44.9%
2015	0.0637%	\$ 3,940,475	\$ 483,746	\$ 4,424,221	\$ 3,281,731	134.8%	76.8%
2014	0.0652%	\$ 3,004,369	\$ 211,135	\$ 3,215,504	\$ 3,245,051	99.1%	81.5%

Note: The schedule is provided prospectively with the District's fiscal year ended June 30, 2015 (June 30, 2014 measurement date) and is intended to show a ten year trend. Additional years will be reported as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 2180
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
LAST TEN YEARS (Presented Prospectively)

For the Fiscal Year Ended June 30	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
<i>Public Employees Retirement Association</i>					
2022	\$ 133,048	\$ 133,048	\$ -	\$ 1,773,973	7.5%
2021	\$ 126,786	\$ 126,786	\$ -	\$ 1,690,480	7.5%
2020	\$ 123,151	\$ 123,151	\$ -	\$ 1,642,013	7.5%
2019	\$ 116,221	\$ 116,221	\$ -	\$ 1,549,613	7.5%
2018	\$ 110,928	\$ 110,928	\$ -	\$ 1,479,040	7.5%
2017	\$ 95,766	\$ 95,766	\$ -	\$ 1,276,880	7.5%
2016	\$ 88,624	\$ 88,624	\$ -	\$ 1,182,803	7.5%
2015	\$ 86,523	\$ 86,523	\$ -	\$ 1,169,792	7.4%
<i>Teachers Retirement Association</i>					
2022	\$ 365,651	\$ 365,651	\$ -	\$ 4,384,305	8.3%
2021	\$ 338,352	\$ 338,352	\$ -	\$ 4,161,771	8.1%
2020	\$ 358,694	\$ 358,694	\$ -	\$ 4,528,965	7.9%
2019	\$ 294,202	\$ 294,202	\$ -	\$ 3,815,850	7.7%
2018	\$ 267,015	\$ 267,015	\$ -	\$ 3,560,200	7.5%
2017	\$ 254,895	\$ 254,895	\$ -	\$ 3,398,600	7.5%
2016	\$ 245,806	\$ 245,806	\$ -	\$ 3,281,731	7.5%
2015	\$ 243,379	\$ 243,379	\$ -	\$ 3,245,051	7.5%

Note: The schedule is provided prospectively beginning with the District's fiscal year ended June 30, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 PUBLIC EMPLOYEES RETIREMENT PLAN – GENERAL EMPLOYEES FUND

2021 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50 percent to 2.25 percent.
- The payroll growth assumption was decreased from 3.25 percent to 3.00 percent.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25 percent less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 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 percent Joint & Survivor option changed from 35 percent to 45 percent. The assumed number of married female new retirees electing the 100 percent Joint & Survivor option changed from 15 percent to 30 percent. 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 2.00 percent for the period July 1, 2020 through December 31, 2023 and 0.00 percent after. 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 \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 PUBLIC EMPLOYEES RETIREMENT PLAN – GENERAL EMPLOYEES FUND (Continued)

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 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- The Combined Service Annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and non-vested deferred members. The revised CSA loads are now 0.00 percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for non-vested deferred member liability.
- The assumed postretirement benefit increase rate was changed from 1.00 percent per year for all years to 1.00 percent per year through 2044 and 2.50 percent per year thereafter.

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

Changes in Plan Provisions

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

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 PUBLIC EMPLOYEES RETIREMENT PLAN – GENERAL EMPLOYEES FUND (Continued)

2015 Changes

Changes in Actuarial Assumptions

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

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 million, which meets the special funding situation definition, was due September 2015.

NOTE 2 TEACHERS RETIREMENT ASSOCIATION

2021 Changes

Changes in Actuarial Assumptions

- For GASB Valuation:
 - The investment return assumption was changed from 7.50 percent to 7.00 percent.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 2 TEACHERS RETIREMENT ASSOCIATION (Continued)

2018 Changes

Changes in Actuarial Assumptions

- The COLA was reduced from 2.00 percent each January 1 to 1.00 percent, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.10 percent each year until reaching the ultimate rate of 1.50 percent on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.50 percent if the funded ratio was at least 90 percent for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.00 percent to 3.00 percent, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.50 percent to 7.50 percent, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71 percent in 2018, 7.92 percent in 2019, 8.13 percent in 2020, 8.34 percent in 2021, 8.55 percent in 2022, and 8.75 percent in 2023). In addition, the employee contribution rate will increase from 7.50 percent to 7.75 percent on July 1, 2023. The State provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2017 Changes

Changes in Actuarial Assumptions

- The Cost of Living Adjustment (COLA) was assumed to increase from 2.00 percent annually to 2.50 percent annually on July 1, 2045.
- The COLA was not assumed to increase to 2.50 percent, but remain at 2.00 percent for all future years.
- Adjustments were made to the combined service annuity loads. The active load was reduced from 1.40 percent to 0.00 percent, the vested inactive load increased from 4.00 percent to 7.00 percent and the non-vested inactive load increased from 4.00 percent to 9.00 percent.
- The investment return assumption was changed from 8.00 percent to 7.50 percent.
- The price inflation assumption was lowered from 2.75 percent to 2.50 percent.
- The payroll growth assumption was lowered from 3.50 percent to 3.00 percent.
- The general wage growth assumption was lowered from 3.50 percent to 2.85 percent for ten years followed by 3.25 percent thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 2 TEACHERS RETIREMENT ASSOCIATION (Continued)

2016 Changes

Changes in Actuarial Assumptions

- The COLA was not assumed to increase for funding or the GASB calculation. It remained at 2.00 percent for all future years.
- The price inflation assumption was lowered from 3.00 percent to 2.75 percent.
- The general wage growth and payroll growth assumptions were lowered from 3.75 percent to 3.50 percent.
- Minor changes as some durations for the merit scale of the salary increase assumption.
- The pre-retirement mortality assumption was changed to the RP-2014 white collar employee table, male rates set back 6 years and female rates set back 5 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 3 years and female rates set back 3 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.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

NOTE 3 OTHER POSTEMPLOYMENT BENEFIT PLAN

2022 Changes

Changes in Actuarial Assumptions

- The health care trend rates, mortality tables, salary increase rates for non-teachers, and withdrawal rates were updated.
- The rate of inflation was changed from 2.50 percent to 2.00 percent.
- The discount rate was changed from 2.40 percent to 2.10 percent.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 3 OTHER POSTEMPLOYMENT BENEFIT PLAN (Continued)

2021 Changes

Changes in Actuarial Assumptions

- The discount rate was changed from 3.10 percent to 2.40 percent.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

- The health care trend rates, mortality tables, and salary increase rates were updated.
- The discount rate was changed from 3.40 percent to 3.10 percent.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018 Changes

Changes in Actuarial Assumptions

- The health care trend rates were changed to better anticipate short term and long term medical increases.
- The mortality table was updated from RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale to the RP-2014 White Collar Mortality Tables with MP-2016 Generational Improvement Scale.
- The discount rate was changed from 3.50 percent to 3.40 percent.

Changes in Plan Provisions

- A post-employment subsidized retirement benefit for Teachers hired prior to July 1, 1989 was added. The subsidy is a lump sum equal to years of service multiplied by \$200 paid to a HCSP.

NOTE 4 EXPENDITURES IN EXCESS OF BUDGET

Actual expenditures in the General Fund of \$11,173,820 exceeded the final budgeted expenditures by \$333,174 for the current year end. This is primarily due to unbudgeted COVID-19 related expenditures, most of which were reimbursed by Federal funding.

SUPPLEMENTARY INFORMATION

INDEPENDENT SCHOOL DISTRICT NO. 2180
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

	Special Revenue Funds		Total Nonmajor
	Food Service Fund	Community Service Fund	Governmental Funds
ASSETS			
Cash and Temporary Investments	\$ 168,277	\$ -	\$ 168,277
Property Taxes Receivable:			
Current	-	37,074	37,074
Delinquent	-	421	421
Due from Minnesota			
Department of Education	-	7,288	7,288
Due from Federal Government through Minnesota			
Department of Education	238	-	238
Inventory	11,993	-	11,993
	<u>\$ 180,508</u>	<u>\$ 44,783</u>	<u>\$ 225,291</u>
TOTAL ASSETS			
LIABILITIES			
Accounts Payable	\$ (125)	\$ 10,249	\$ 10,124
Salaries Payable	962	47,608	48,570
Due to Other Funds	-	308,393	308,393
Unearned Revenue	20,104	-	20,104
Total Liabilities	<u>20,941</u>	<u>366,250</u>	<u>387,191</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue:			
Delinquent Property Taxes	-	421	421
Property Taxes Levied for			
Subsequent Years	-	61,538	61,538
Total Deferred Inflows of Resources	<u>-</u>	<u>61,959</u>	<u>61,959</u>
FUND BALANCES			
Nonspendable:			
Inventory	11,993	-	11,993
Restricted for:			
Food Service	147,574	-	147,574
Early Childhood and Family Education	-	541	541
School Readiness	-	2,475	2,475
Unassigned	-	(386,442)	(386,442)
Total Fund Balances	<u>159,567</u>	<u>(383,426)</u>	<u>(223,859)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
	<u>\$ 180,508</u>	<u>\$ 44,783</u>	<u>\$ 225,291</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Special Revenue Funds		Total Nonmajor
	Food Service Fund	Community Service Fund	Governmental Funds
REVENUES			
Local Property Tax Levies	\$ -	\$ 48,155	\$ 48,155
Other Local and County Revenues	-	229,939	229,939
State Sources	17,367	39,617	56,984
Federal Sources	600,523	-	600,523
Sales and Other Conversions of Assets	42,151	-	42,151
TOTAL REVENUES	660,041	317,711	977,752
EXPENDITURES			
Current:			
Community Education and Services	-	531,787	531,787
Pupil Support Services	516,951	-	516,951
TOTAL EXPENDITURES	516,951	531,787	1,048,738
NET CHANGE IN FUND BALANCES	143,090	(214,076)	(70,986)
FUND BALANCES - BEGINNING	16,477	(169,350)	(152,873)
FUND BALANCES - ENDING	\$ 159,567	\$ (383,426)	\$ (223,859)

INDEPENDENT SCHOOL DISTRICT NO. 2180
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS
COMPLIANCE TABLE
FOR THE YEAR ENDED JUNE 30, 2022

<u>01 GENERAL FUND</u>	Audited	UFARS	Difference	<u>06 BUILDING CONSTRUCTION</u>	Audited	UFARS	Difference
Total Revenue	10,809,267	10,809,264	3	Total Revenue	211,115	211,115	-
Total Expenditures	11,173,820	11,173,818	2	Total Expenditures	26,454,057	26,454,057	-
Non Spendable:				Non Spendable:			
460 Non Spendable Fund Balance	38,834	38,834	-	460 Non Spendable Fund Balance	-	-	-
Restricted/Reserve:				Restricted/Reserve:			
401 Student Activities	133,692	133,692	-	407 Capital Projects Levy	-	-	-
402 Scholarships	-	-	-	413 Projects Funded by COP	-	-	-
403 Staff Development	132,766	132,766	-	467 LTFM	-	-	-
407 Capital Projects Levy	-	-	-	Restricted:			
408 Cooperative Revenue	-	-	-	464 Restricted Fund Balance	7,170,307	7,170,307	-
413 Project Funded by COP	-	-	-	Unassigned:			
414 Operating Debt	-	-	-	463 Unassigned Fund Balance	-	-	-
416 Levy Reduction	-	-	-	<u>07 DEBT SERVICE</u>			
417 Taconite Building Maint	-	-	-	Total Revenue	2,780,179	2,780,179	-
424 Operating Capital	-	-	-	Total Expenditures	2,702,381	2,702,382	(1)
426 \$25 Taconite	-	-	-	Non Spendable:			
427 Disabled Accessibility	2,273	2,273	-	460 Non Spendable Fund Balance	569,192	569,192	-
428 Learning & Development	1,189	1,189	-	Restricted/Reserve:			
434 Area Learning Center	-	-	-	425 Bond Refundings	-	-	-
435 Contracted Alt. Programs	-	-	-	433 Max Effort Loan	-	-	-
436 St. Approved Alt. Program	-	-	-	451 QZAB Payments	-	-	-
438 Gifted & Talented	131	131	-	467 LTFM	32,984	32,984	-
440 Teacher Development & Eval	-	-	-	Restricted:			
441 Basic Skills Programs	118,534	118,534	-	464 Restricted Fund Balance	-	-	-
448 Achievement & Integration	-	-	-	Unassigned:			
449 Safe Schools Levy	52,073	52,073	-	463 Unassigned Fund Balance	(246,960)	(246,960)	-
451 QZAB Payments	-	-	-	<u>08 TRUST</u>			
452 OPEB Liab Not in Trust	-	-	-	Total Revenue	-	-	-
453 Unfunded Sev. & Retirement	-	-	-	Total Expenditures	-	-	-
459 Basic Skills Ext Time	-	-	-	401 Student Activities	-	-	-
467 LTFM	255,669	255,669	-	402 Scholarships	-	-	-
472 Medical Assistance	700	700	-	422 Net Assets	-	-	-
473 PPP Loans	-	-	-	<u>18 CUSTODIAL FUND</u>			
474 EIDL Loans	-	-	-	Total Revenue	-	-	-
Restricted:				Total Expenditures	-	-	-
464 Restricted Fund Balance	-	-	-	401 Student Activities	-	-	-
475 Title VII - Impact Aid	-	-	-	402 Scholarships	-	-	-
476 PILT	-	-	-	448 Achievement & Integration	-	-	-
Committed:				464 Restricted Fund Balance	-	-	-
418 Committed for Separation	-	-	-	<u>20 INTERNAL SERVICE</u>			
461 Committed Fund Balance	-	-	-	Total Revenue	-	-	-
Assigned:				Total Expenditures	-	-	-
462 Assigned Fund Balance	25,990	25,990	-	422 Net Assets	-	-	-
Unassigned:				<u>25 OPEB REVOCABLE TRUST FUND</u>			
422 Unassigned Fund Balance	3,265,235	3,265,234	1	Total Revenue	-	-	-
<u>02 FOOD SERVICE</u>				Total Expenditures	-	-	-
Total Revenue	660,041	660,040	1	422 Net Assets	-	-	-
Total Expenditures	516,951	516,950	1	<u>45 OPEB IRREVOCABLE TRUST FUND</u>			
Non Spendable:				Total Revenue	-	-	-
460 Non Spendable Fund Balance	11,993	11,993	-	Total Expenditures	-	-	-
Restricted/Reserve:				422 Net Assets	-	-	-
452 OPEB Liab. Not in Trust	-	-	-	<u>47 OPEB DEBT SERVICE FUND</u>			
474 EIDL Loans	-	-	-	Total Revenue	-	-	-
Restricted:				Total Expenditures	-	-	-
464 Restricted Fund Balance	147,574	147,574	-	422 Net Assets	-	-	-
Unassigned:				<u>04 COMMUNITY SERVICE</u>			
463 Unassigned Fund Balance	-	-	-	Total Revenue	317,711	317,711	-
<u>04 COMMUNITY SERVICE</u>				Total Expenditures	531,787	531,787	-
Total Revenue	317,711	317,711	-	Non Spendable:			
Total Expenditures	531,787	531,787	-	460 Non Spendable Fund Balance	-	-	-
Non Spendable:				Restricted:			
460 Non Spendable Fund Balance	-	-	-	425 Bond Refundings	-	-	-
Restricted/Reserve:				464 Restricted Fund Balance	-	-	-
426 \$25 Taconite	-	-	-	Unassigned:			
431 Community Education	(124,801)	(124,801)	-	463 Unassigned Fund Balance	-	-	-
432 E.C.F.E.	541	541	-	<u>04 COMMUNITY SERVICE</u>			
440 Teacher Development & Eval	-	-	-	Total Revenue	317,711	317,711	-
444 School Readiness	2,475	2,475	-	Total Expenditures	531,787	531,787	-
447 Adult Basic Education	-	-	-	Non Spendable:			
452 OPEB Liab. Not in Trust	-	-	-	460 Non Spendable Fund Balance	-	-	-
473 PPP Loans	-	-	-	Restricted:			
474 EIDL Loans	-	-	-	425 Bond Refundings	-	-	-
Restricted:				464 Restricted Fund Balance	-	-	-
464 Restricted Fund Balance	-	-	-	Unassigned:			
Unassigned:				463 Unassigned Fund Balance	-	-	-
463 Unassigned Fund Balance	(261,641)	(261,642)	1				

**INDEPENDENT SCHOOL DISTRICT NO. 2180
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass Through Grantor/Program or Cluster Title	Federal ALN	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE		
Pass-through Programs from Minnesota Department of Education		
COVID-19 - Child Nutrition Cluster:		
School Breakfast Program	10.553	
Cash Assistance		\$ 195,229
National School Lunch Program	10.555	
Cash Assistance		366,645
Non-Cash Assistance (Commodities)		<u>38,160</u>
		404,805
Special Milk Program for Children	10.556	
Cash Assistance		179
Summer Food Service Program for Children	10.559	
Cash Assistance		<u>72</u>
		600,285
<i>Child Nutrition Cluster Subtotal - 10.553, 10.555, 10.556, 10.559</i>		
		<u>600,285</u>
Total U.S. DEPARTMENT OF AGRICULTURE		<u>\$ 600,285</u>
 U.S. DEPARTMENT OF EDUCATION		
Pass-through Programs from Minnesota Department of Education		
Title I, Part A - Grants to Local Educational Agencies	84.010	\$ 142,606
COVID-19 - Education Stabilization Fund:		
American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	371,405
Pass-through Programs from Southwest West Central Service Cooperative		
Special Education Cluster:		
Special Education - Grants to States (IDEA, Part B)	84.027	<u>41,000</u>
Total U.S. DEPARTMENT OF EDUCATION		<u>\$ 555,011</u>
 U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Pass-through Programs from Minnesota Department of Education		
COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	<u>\$ 40,000</u>
 U.S. DEPARTMENT OF THE TREASURY		
Pass-through Programs from Minnesota Department of Education		
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	<u>\$ 22,727</u>
TOTAL FEDERAL EXPENDITURES		<u>\$ 1,218,023</u>

INDEPENDENT SCHOOL DISTRICT NO. 2180
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Independent School District No. 2180 (the District) under programs of the federal government for the year ended June 30, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a select portion of the operations of Independent School District No. 2180, it is not intended to and does not present the financial position or changes in financial position of Independent School District No. 2180.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

The District did not use an indirect cost rate when calculating federal expenditures.

NOTE 4 SUBRECIPIENTS

The District did not pass any federal funds to subrecipients during the year ended June 30, 2022.

NOTE 5 PASS-THROUGH IDENTIFIER

The District's pass-through identifying numbers assigned by each pass-through entity are unknown.

NOTE 6 INVENTORY

Nonmonetary assistance is reported in the Schedule at the fair market value of commodities received and disbursed for the USDA National School Lunch Program Commodities (ALN 10.555). Revenue and expenditures are recorded when commodities are received.

**OTHER REQUIRED
REPORTS**

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

Members of the Board of Education
Independent School District No. 2180
Clara City, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 2180 (the District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Independent School District No. 2180's basic financial statements and have issued our report thereon dated December 5, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Independent School District No. 2180's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 have not been identified. However, as described in the accompanying *Schedule of Findings and Questioned Costs*, we identified certain deficiencies in internal control that we consider to be material weaknesses and a significant deficiency.

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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying *Schedule of Findings and Questioned Costs* as items 2022-001 and 2022-003 to be material weaknesses.

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. We consider the deficiency described in the accompanying *Schedule of Findings and Questioned Costs* as item 2022-002 to be a significant deficiency.

Report on Compliance and Other Matters

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

Minnesota Legal Compliance

In connection with our audit, we noted that Independent School District No. 2180 failed to comply with the provisions of the contracting – bid laws section of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters as described in the *Schedule of Findings and Questioned Costs* as item 2022-004. Also, in connection with our audit, nothing came to our attention that caused us to believe that Independent School District No. 2180 failed to comply with the provisions of the depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, 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.

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Independent School District No. 2180's response to the findings identified in our audit and described in the accompanying *Schedule of Findings and Questioned Costs* and *Corrective Action Plans*. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.



SCHLENNER WENNER & CO.

St. Cloud, Minnesota

December 5, 2022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Members of the Board of Education
Independent School District No. 2180
Clara City, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Independent School District No. 2180's (the District) compliance with the types of compliance requirements as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying *Schedule of Findings and Questioned Costs*.

In our opinion, Independent School District No. 2180 complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of Independent School District No. 2180 and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Independent School District No. 2180's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Independent School District No. 2180's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Legal Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weakness, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Schlenner Wenner & Co.".

SCHLENNER WENNER & CO.

St. Cloud, Minnesota

December 5, 2022

**INDEPENDENT SCHOOL DISTRICT NO. 2180
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

SECTION I: SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified			
* Material weakness(es) identified?	<u> X </u>	Yes	<u> </u>	No
* Significant deficiencies identified that are not considered to be material weaknesses?	<u> X </u>	Yes	<u> </u>	No
Noncompliance material to financial statements noted?	<u> </u>	Yes	<u> X </u>	No

Federal Awards

Internal control over major programs:				
* Material weakness(es) identified?	<u> </u>	Yes	<u> X </u>	No
* Significant deficiencies identified that are not considered to be material weakness(es)?	<u> </u>	Yes	<u> X </u>	No

Type of auditor's report issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	<u> </u>	Yes	<u> X </u>	No

Identification of major programs:	
<u>ALN(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>10.553, 10.555, 10.556, 10.559</u>	<u>Child Nutrition Cluster</u>
<u>84.425</u>	<u>Education Stabilization Fund</u>

Dollar threshold used to distinguish between type A and type B programs:	<u>\$ 750,000</u>			
Auditee qualified as low-risk auditee?	<u> </u>	Yes	<u> X </u>	No

**INDEPENDENT SCHOOL DISTRICT NO. 2180
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

SECTION II: FINANCIAL STATEMENT FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Finding 2022-001 Limited Segregation of Duties

Condition: During our audit we reviewed procedures over cash receipts, cash disbursements, payroll and financial reporting and found the District to have limited segregation of duties over those transaction cycles.

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 financial statements requires adequate segregation of accounting duties. In other words, no one person had control over two or more of these responsibilities.

Cause: Limited number of staff members.

Effect: The existence of limited segregation of duties could adversely affect the District's ability to initiate, record, process and report financial data consistent with the assertions of management in the financial statements.

Recommendation: Although the number of staff members may not be large enough to eliminate this deficiency, we recommend that the District evaluate current procedures and segregate where possible and implement compensating controls. It is important that the Board is aware of this condition and monitor all financial information.

*Views of Responsible
Officials and Planned
Corrective Actions:*

Management agrees with our recommendation. See corresponding Corrective Action Plan.

Finding 2022-002 Financial Statement Preparation

Condition: Schlenner Wenner & Co. drafted the audited financial statements and related footnote disclosures for the District. It is management's responsibility to provide for the preparation of financial statements and the auditor's responsibility to determine the fairness of the presentation. This deficiency could result in a misstatement that could have been prevented or detected by management.

Criteria: Internal controls over financial reporting should be in place to provide for the preparation of financial statements on an annual basis.

Cause: The District's staff does not possess the expertise to prepare financial statements internally. This is not unusual for an organization of your size.

Effect: The inability to internally prepare the District's financial statements can result in undetected errors in financial reporting.

Recommendation: We recommend that management review a draft of the financial statements in detail for accuracy. During review we recommend a disclosure checklist be utilized to ensure all required disclosures are presented and the District should agree the financial statement numbers to their accounting software. The District may not have the ability to eliminate this finding.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

SECTION II: FINANCIAL STATEMENT FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Continued)

Finding 2022-002 Financial Statement Preparation (Continued)

*Views of Responsible
Officials and Planned
Corrective Actions:*

The District will continue to have the auditor assist in preparation of the financial statements. The District will continue to document an annual review of the audited financial statements by having the auditor meet with the District personnel to review the financial statements and related footnote disclosures.

Finding 2022-003 Material Audit Adjustments

Condition: Audit adjustments were required to correct material misstatements identified in the trial balance presented for the audit.

Criteria: The District is required to report financial information under the basis of accounting prescribed by Generally Accepted Accounting Principles.

Cause: The District failed to adjust various accounts to their proper year-end balances.

Effect: The misstatements in the trial balance presented for the audit resulted in the need to record audit adjustments to achieve fair financial statement presentation under accounting principles generally accepted in the United States of America.

Recommendation: We recommend management perform a thorough review of the trial balance prior to the audit and ensure all transactions and year-end balances have been properly recorded.

*Views of Responsible
Officials and Planned
Corrective Actions:*

Management agrees with the recommendation. See corresponding Corrective Action Plan.

SECTION III: FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

**INDEPENDENT SCHOOL DISTRICT NO. 2180
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2022**

SECTION IV: MINNESOTA LEGAL COMPLIANCE FINDINGS

Finding 2022-004 District Contract Compliance

Condition: The District did not properly obtain two or more quotations for a purchase exceeding \$25,000.

Criteria: In accordance with MN Statute 471.345, subdivision 4, the District is required to obtain at least two quotes for District contracts exceeding \$25,000.

Cause: The District contracted for the acquisition of equipment without soliciting more than one quote.

Effect: The failure to properly solicit competing quotes for contracts exceeding \$25,000 resulted in the District's noncompliance with Minnesota Statutes.

Recommendation: We recommend the District implement additional procurement policies and conduct training with District employees to ensure competing quotes or sealed bids are obtained as necessary for all future district contracts with costs exceeding the thresholds defined in MN Statute 471.345.

*Views of Responsible
Officials and Planned
Corrective Actions:* Management agrees with the recommendation. See corresponding Corrective Action Plan.



MACCRAY Public Schools

ISD 2180 *Maynard – Clara City - Raymond*

711 Wolverine Drive, Clara City, MN, 56222

<http://www.maccray.k12.mn.us/>

CORRECTIVE ACTION PLANS FOR THE YEAR ENDED JUNE 30, 2022

FINANCIAL STATEMENT FINDINGS

Finding 2022-001 Limited Segregation of Duties

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
The District currently has the following procedures in place:
 - The Board of Education reviews the monthly invoices and approves the expenditures.
 - A Region accountant assists the business manager with journal entries and the coding of receipts and disbursements.The District will review current procedures and implement additional controls where possible.
3. Official Responsible
Sherri Broderius, Superintendent, is the official responsible for ensuring corrective action.
4. Planned Completion Date
The Corrective Action Plan will be reviewed on an ongoing basis with no anticipated completion date.
5. Plan to Monitor Completion
The Board of Education will be monitoring this Corrective Action Plan.

Finding 2022-002 Financial Statement Preparation

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
The District will continue to have the auditor prepare the financial statements; however, the District will document the annual review of the financial statements and related footnote disclosures.
3. Official Responsible
Sherri Broderius, Superintendent, is the official responsible for ensuring corrective action.
4. Planned Completion Date
The Corrective Action Plan will be reviewed on an ongoing basis with no anticipated completion date.
5. Plan to Monitor Completion
The Board of Education will be monitoring this Corrective Action Plan.



MACCRAY Public Schools

ISD 2180 Maynard – Clara City - Raymond

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CORRECTIVE ACTION PLANS FOR THE YEAR ENDED JUNE 30, 2022

FINANCIAL STATEMENT FINDINGS (Continued)

Finding 2022-003 Material Audit Adjustments

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
The District will perform a thorough review of the trial balance and year-end adjustments to ensure their accuracy and completeness prior to the audit.
3. Official Responsible
Sherri Broderius, Superintendent, is the official responsible for ensuring corrective action.
4. Planned Completion Date
June 30, 2023.
5. Plan to Monitor Completion
The Board of Education will be monitoring this Corrective Action Plan.

MINNESOTA LEGAL COMPLIANCE FINDINGS

Finding 2022-004 District Contract Compliance

1. Explanation of Disagreement with Audit Finding
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding
The District will review current procedures and implement additional controls over contract compliance where possible.
3. Official Responsible
Sherri Broderius, Superintendent, is the official responsible for ensuring corrective action.
4. Planned Completion Date
June 30, 2023.
5. Plan to Monitor Completion
The Board of Education will be monitoring this Corrective Action Plan.



MACCRAY Public Schools

ISD 2180 *Maynard – Clara City - Raymond*

711 Wolverine Drive, Clara City, MN, 56222

<http://www.maccray.k12.mn.us/>

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2022

Finding 2021-001 Internal Controls Over Cash Management

Condition: Independent School District No. 2180 failed to obtain a signature on the Minnesota Department of Education daily meal count forms required under the Seamless Summer Option of the Child Nutrition program.

Recommendation: We recommend the District assess internal controls related to the Child Nutrition program and implement signatures on all required forms to assure submitted information is complete and accurate.

Current Status: During the year ended June 30, 2022, the District was utilizing its point of sale system to track all meals. Because of this, daily meal count forms were no longer needed, causing a correction to the above control issue.

Financial statement findings in accordance with *Government Auditing Standards* that were reported in the prior year have been reported again in the current year as findings 2022-001, 2022-002, and 2022-003.

RESOLUTION ESTABLISHING COMBINED POLLING PLACES
FOR MULTIPLE PRECINCTS AND
DESIGNATING HOURS DURING WHICH THE POLLING
PLACES WILL REMAIN OPEN FOR VOTING
FOR SCHOOL DISTRICT ELECTIONS NOT HELD
ON THE DAY OF A STATEWIDE ELECTION

BE IT RESOLVED by the School Board of Independent School District No.2180, State of Minnesota, as follows:

1. Pursuant to Minnesota Statutes, Section 205A.11, the precincts and polling places for school district elections are those precincts or parts of precincts located within the boundaries of the school district which have been established by the cities or towns located in whole or in part within the school district. The board hereby confirms those precincts and polling places so established by those municipalities.

2. Pursuant to Minnesota Statutes, Section 205A.11, the board may establish a combined polling place for several precincts for school district elections not held on the day of a statewide election. **Each combined polling place must be a polling place that has been designated by a county or municipality.** The following combined polling places are established to serve the precincts specified for all school district special and general elections not held on the same day as a statewide election:

Combined Polling Place: Maynard Community Center, 321 Mabel Street, Maynard, MN 56260

"This combined polling place serves all territory in Independent School District No. 2180, located in the City of Maynard, Crate Township, Havelock Township, Leenthrop Township, Grace Township, Louriston Township, Granite Falls Township, Stoneham Township and Wang Township, in Chippewa or Renville County, Minnesota."

Combined Polling Place: Raymond Community Center, 314 Spicer Avenue, Raymond, MN 56282.

"This combined polling place serves all territory in Independent School District No. 2180 located in City of Raymond, St. Johns Township, Edwards Township, Holland Township, Willmar Township, Whitefield Township, City of Willmar, in Chippewa or Kandiyohi County, Minnesota."

Combined Polling Place: MACCRAY High School, 711 Wolverine Drive, Clara City, MN 56222

"This combined polling place serves all territory in Independent School District No.2180, located in the City of Clara City, Woods Township, Lonetree Township, and Rheiderland Township, of Chippewa County, Minnesota."

*3. Pursuant to Minnesota Statutes, Section 205A.09, the polling places will remain open for voting for school district elections not held on the same day as a statewide election between the hours of 2 o'clock p.m. and 8:00 o'clock p.m.

Note: See Section 3.6 of the Election Manual regarding certain restrictions on voting hours.

4. The clerk is directed to file a certified copy of this resolution with the county auditors of each of the counties in which the school district is located, in whole or in part, within thirty (30) days after its adoption.

5. As required by Minnesota Statutes, Section 204B.16, Subdivision 1a, the clerk is hereby authorized and directed to give written notice of new polling place locations to each affected household with at least one registered voter in the school district whose school district polling place location has been changed. The notice must be a nonforwardable notice mailed at least twenty-five (25) days before the date of the first election to which it will apply. A notice that is returned as undeliverable must be forwarded immediately to the appropriate county auditor, who shall change the registrant's status to "challenged" in the statewide registration system.

(If a combined polling place is changed, the change must be adopted at least ninety (90) days prior to the first election where it will be used unless that polling place has become unavailable for use.)

Note: A resolution similar to this model resolution must be adopted by December 31 of each year, and the combined polling places specified shall be the combined polling places for the following calendar year.

MACCRAY School Board Clerk



**EXECUTIVE SEARCH SERVICES
FOR
MACCRAY PUBLIC SCHOOLS**

November 21, 2022





Where Minnesota School Boards Learn to Lead

November 21, 2022

Julie Alsum
School Board Chair
MACCRAY Public Schools
711 Wolverine Drive
Clara City, MN 56222

Dear Chair Alsum and Members of the MACCRAY Public School Board:

On behalf of the Minnesota School Boards Association, thank you for the opportunity to present this proposal to assist MACCRAY Public Schools in the search for its next superintendent. One of the School Board's most important responsibilities is to hire and oversee your district's superintendent, and MSBA looks forward to the opportunity to assist you in doing so.

As MACCRAY Public Schools seeks its next leader, MSBA will assist the School Board with crafting the district's leadership profile, discussing stakeholder involvement, interview processes and procedures, and guiding the Board through understanding the impact of Minnesota's Open Meeting Law, Government Data Practices Act, and data requests on search activities. MSBA's role as a guide to Minnesota school boards substantially deepened throughout the pandemic, and as districts ease back toward a sense of normalcy we believe our experience, qualifications, and steady hand will provide the assistance MACCRAY Public Schools needs to successfully conduct the District's upcoming search.

Thank you for your consideration of MSBA's Executive Search services. We would be honored to assist the Board with your superintendent search, so please let me know if you have any questions regarding this proposal, or if you need further clarification on MSBA's search services, staff qualifications, fees, or references.

Sincerely,

Barb Dorn
MSBA Director of Leadership Development and Executive Search

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GARY LEE	23
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Search Team — MSBA Service Providers

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PRESENTED BY

Minnesota School Boards Association Executive Search Service

1900 West Jefferson Ave.
St. Peter, MN 56082

Phone: 800-324-4459

Fax: 507-931-1515

[www.mnmsba.org/
ExecutiveSearchService](http://www.mnmsba.org/ExecutiveSearchService)

Prepared for

Julie Alsum
School Board Chair

Prepared by

Barb Dorn
MSBA Executive Search
507-508-5501 (cell)
bdorn@mnmsba.org



INTRODUCTION

One of the most important decisions a school board will ever make is to choose a new superintendent. As the school district's chief executive officer, the superintendent is responsible for providing district-wide leadership, implementing the school board's policies, and ensuring the school board's priorities are met. Effective superintendents ensure that all students are learning at high levels. Ultimately, hiring the right superintendent — someone who possesses the skills and attributes needed to help achieve your school district's vision and strategic priorities — requires time, thoughtful planning, and sound recruitment and employment processes and procedures.

The Minnesota School Boards Association (MSBA) is pleased to present the School Board of MACCRAY Public Schools with a proposal for executive search services. MSBA has been serving Minnesota school boards for over 100 years, and as a result brings a strong school board perspective to the search and has a vested interest in helping your School Board find and hire the best person for its superintendent.

MSBA-led searches are based on one clear premise: all searches are conducted through the lens of School Board leadership. Throughout the search the MSBA search team will professionally handle all details and guide the School Board through the process. The MSBA search team will customize the search to meet the needs of the school district and community, allowing the School Board to concentrate on the most important aspects of the search — interviewing the most qualified candidates and selecting the next superintendent.

TESTIMONIALS FOR MSBA EXECUTIVE SEARCH SERVICES

"MSBA far surpassed our expectations. They are the perfect guide to help school boards navigate the superintendent search process, and I would absolutely recommend MSBA because of their depth of expertise and ability to empower boards to make informed decisions. Also -- and this is no small thing -- the candidates they brought forward were exceptional. I cannot imagine how we could have navigated this experience without them."

- Dr. Jean Marvin, Board Chair, Rochester Public Schools

"In hiring our next superintendent we needed an extremely transparent process that heavily involved the community and staff, along with strong facilitation to keep us on task. MSBA gave us this and more. I highly endorse their executive search services and believe MSBA's leadership also helped move our school board into a more collaborative, respectful way of working together."

- Nancy Denzer, Board Chair, Winona Area Public Schools

"We had a great experience utilizing MSBA for our district's search. They helped us focus on what we wanted in a superintendent, and their process brought clarity and harmony to the board table. Throughout the process we relied heavily on MSBA's understanding of our board's needs and expectations, and as a result they helped us find the best possible fit. Our board would unanimously recommend using MSBA for your district's search."

- Dean Anderson, Board Chair, Alexandria Public Schools

"As our school board's advocacy group, MSBA has a vested interest in our success. They also shared all candidate applications with the board, not just a select few, and provided a process that was efficient and timely. We couldn't be happier with the result."

- Mike Reynolds, Board Chair, Willmar Public Schools



PLANNING THE SEARCH AND HIRING CRITERIA

Initial Planning Meeting

An MSBA search begins with an initial planning meeting between the School Board and the search team. At the planning meeting, a search team member will work with the School Board to establish the search timeline, discuss hiring criteria and leadership profile, determine methods of stakeholder involvement, identify the district's position in the marketplace, select advertising venues, and finalize all processes and procedures for conducting the search.

Some school boards also choose to begin their search by participating in MSBA's "Hiring the Right Superintendent" workshop. This workshop is often utilized as a kick-off to the planning meeting, providing board members with a solid foundation of what to expect during the entire search process. The accompanying booklet has also proven to be a valuable resource and useful tool, particularly for school boards unfamiliar with the search process. This workshop is included in all MSBA searches, but is optional depending upon the needs and circumstances of each individual district.

Determining Hiring Criteria and Leadership Profile

An important initial step in the search process is to identify the personal and professional skills and attributes the School Board most desires in a superintendent, which, in turn, will provide the basis for the position leadership profile and hiring criteria. Stakeholder input will also be heavily considered in developing and finalizing the leadership profile, as will the District's Strategic Plan and Mission.

Early in the process MSBA's search team will lead the School Board through crafting the leadership profile, and will also ensure stakeholder voices are included in its development. This profile will then be used throughout the duration of the search as a guideline for selecting finalists, crafting interview questions, and evaluating superintendent candidates to find the best fit for MACCRAY Public Schools. In other words, the leadership profile serves as a beacon to help guide the School Board in its search from beginning to end.



STAKEHOLDER INPUT

Stakeholder Input

Several stakeholder involvement-related opportunities are included in the search package. These opportunities include:

- an online **survey**, open to all staff, parents, students, community members, and district stakeholders
 - ◇ This survey will include gathering quantitative information regarding stakeholder priorities for candidate background, skill set, experience, and personal characteristics.
 - ◇ It will also include gathering qualitative information through several open-ended questions regarding the opportunities and challenges facing MACCRAY Public Schools, and what type of individual could most effectively lead the District.
 - ◇ This survey will be offered in multiple languages per the District's request, as well as hard copies to ensure access for those unable or uninterested in taking the survey electronically.
- an **informational Q&A session** for staff and community members regarding the superintendent search process. This session is hosted virtually by MSBA, and is recorded to ensure all district stakeholders have access to accurate information regarding search processes and expectations. The recording will then be made available on the District website throughout the duration of the search. Launched at the beginning of this search season, these **Q&A with MSBA** sessions have proven to be one of the most effective tools a district can utilize to increase both the credibility and transparency of their search. Through leveraging the power of sharing information, these unique and proprietary Q&A sessions have solidified MSBA's reputation as a provider of clear, accessible, and stakeholder-inclusive superintendent search services.
- finally, stakeholder **Input Forums** with finalists may be offered in conjunction with the second round of interviews. Several options regarding the structure of Input Forums will be provided to the Board for consideration, along with a review of the opportunities and pitfalls tied to involving stakeholders in the interview process. If selected as an option, MSBA will also train Input Forum participants to ensure adherence to all legal requirements involved in the superintendent search process.

A la carte Option

Another option for the School Board to consider in gathering stakeholder input is through conducting **Focus Groups** across stakeholder constituencies. Focus groups are a traditional methodology still utilized by some search firms as their primary source of stakeholder input. MSBA will conduct focus groups if requested, in addition to the services outlined above. However, an important lesson learned from the pandemic is the value of 24/7 stakeholder access to the survey as the initial (and sole) early feedback opportunity. The availability and anonymity of this survey contrasts significantly with the tendency of focus groups to amplify some voices over others, and the inequities which can result from stakeholder access (or lack thereof) to participate. The decision of why and how to conduct focus groups should be carefully considered by the School Board before initiating a search, and MSBA will guide this conversation at the planning meeting to ensure the best possible decision is made regarding stakeholder input for your District's superintendent search process.

NOTE: If requested, MSBA's a la carte fee to conduct focus groups is \$1,295 per day or \$300 per group.



ADVERTISING AND RECRUITING

A national search is often desired by districts interested in casting the widest net possible for potential candidates. At MSBA, all of our searches are “national” through the National Affiliation of Superintendent Searchers (NASS). The NASS is comprised of more than 100 superintendent search consultants representing thirty-nine (39) state school boards associations who assist their peers in other states by providing access to nationwide job postings through Revelus (a proprietary, nationwide application database), as well as vital reference and work-history verification concerning out-of-state applicants. Ultimately, when a school board hires MSBA to conduct its superintendent search, the school district taps into NASS — one of the most experienced, qualified networks of search consultants across the United States.

As part of MSBA’s recruiting efforts, we will also work with the School Board to develop a color brochure to advertise the position. This brochure is known as a vacancy announcement, and it will be made available to the district in electronic format to facilitate posting on the district’s website or affiliated sites. MSBA will also post this announcement on the following job opportunity sites:

- Minnesota School Boards Association (MSBA). NOTE: our superintendent job openings page receives more than 6,000 hits per month during search season, including many from out-of-state applicants
- Minnesota Association of School Administrators (MASA)
- Minnesota EdPost (hosted by St. Cloud State University)

In addition, the search team will directly contact Superintendents, Assistant Superintendents, Service Cooperative Directors, Charter School Directors, Principals, Assistant Principals, and Cabinet Members throughout Minnesota to inform them of the vacancy and application procedures. Emails are sent directly to these individuals at regular intervals throughout the search to sustain and heighten interest in your position.

Finally, at the direction of the School Board, other advertising sites such as those listed below may be utilized to promote the position and recruit applicants. In that case, any additional advertising costs must be approved by the School Board and borne by the school district. These additional sites may include:

- Top School Jobs (EdWeek)
- American Association of School Administrators (AASA)
- National Alliance of Black School Educators (NABSE)
- Association of Latino Administrators and Superintendents (ALAS)
- Other sites as requested by the School Board



In conclusion, facilitating the complexities of the advertising, recruitment, and application process is one of the MSBA search team’s greatest strengths. Not only will we develop all application procedures, handle applicants’ calls and correspondences concerning the vacancy, collect and review applicants’ files, and develop a recommended pool of applicants for School Board consideration, but through our extensive statewide and national contacts MSBA will aggressively market the opportunity to secure a diversified pool of high-quality individuals interested in the unique opportunity to lead MACCRAY Public Schools as its next Superintendent.



INTERVIEW PREPARATION

Interview Training and Preparation

Prior to the application deadline, the search team will meet with the School Board to help it prepare for and conduct the first and second rounds of interviews, reference checks, and site visits (if needed). Interview training will include information to help School Board members conduct interviews in open sessions as required by state law, as well as abide by all requirements of the Data Practices Act.

The search team will also help the School Board develop interview questions that fit the leadership profile and hiring criteria, that do not violate the law either directly or indirectly, and that standardize the interview process to ensure a level playing field for all candidates. In addition, the search team will assist the School Board with planning second interviews, additional reference checks, and site visit questions (if needed).

Because hiring the superintendent is the School Board's role, MSBA recommends that only its members participate in the finalists' interviews with the Board. If the School Board decides to involve non-school board members in the interview process, however, the search team will help the School Board develop an **Input Forum** process that makes clear the advisory nature of the non-school board members' roles. As discussed earlier in this proposal, the search team will also provide guidelines and training for the non-school board members, and review all questions submitted by Input Forum members. By following these recommendations, the School Board is able to standardize the interview questions and format, provide more control over the selection process, and reduce the school district's risk of liability.

Without question, interview training and preparation is key to a successful superintendent search. MSBA's long-standing reputation for high-quality training programs carries over to our executive search services, and in addition to providing a firm foundation for search decision-making, many boards have found MSBA's training and guidance throughout the process to have strengthened their board relationships as well. This result has become an unexpected bonus for those districts striving to become a more high-functioning school board, as the consensus-building aspects of MSBA's search process helps them become a stronger and more unified team. And for those boards already working well together, MSBA's process has proven to strengthen and solidify the board team's existing working relationships.



SCREENING, MSBA VETTING, AND FINALISTS SELECTION

Screen Applications, Vet Candidates, and Select Finalists

After the application deadline has passed, MSBA’s search team will review applicant files in relationship to the position leadership profile established by the School Board in order to identify the applicants who best meet the School Board’s hiring criteria. The search team will then conduct preliminary verification of references and pre-interviews of the applicants who best meet the School Board’s identified profile. This vetting process involves MSBA staff as well as former superintendents serving as MSBA service providers during the executive search process.

IMPORTANT: All completed applications will be made available to School Board members to review prior to the candidate selection meeting. A foundational belief of MSBA’s executive search service is that it is crucial for Board members, as the District’s hiring authority, to have the opportunity to review all applications in order to make the most informed decision possible. This information is confidential and must be treated in accordance with Minnesota’s Data Practices Act, and MSBA’s training services during the search will outline all Board responsibilities regarding data privacy issues.

Once the screening, preliminary verification of references, pre-interviews, and vetting have been completed by MSBA, the search team will meet with the School Board to recommend the candidates MSBA feels best fit your District’s leadership profile and assist the School Board in selecting those to be interviewed. The next page in this proposal outlines MSBA’s vetting process in greater detail.

Following the School Board’s selection of finalists, the search team will prepare a communications piece to send to the media, school district staff, and community including the names of those to be interviewed, as well as the schedule of remaining search-related activities.



MSBA'S APPLICANT VETTING PROCESS

After the application deadline has passed, a team of MSBA service providers and staff review all completed applications. MSBA will look at their licensure, references and recommendations, and work and educational history. We then align each applicant's background, experience and application information with the district's hiring criteria, leadership profile, and feedback gathered from district stakeholders on the next superintendent's desirable skills, traits, and experience.

After reviewing all completed applications, each member of the vetting team rates all applicants on a 5-point scale and an aggregate rating is compiled.

Next the team meets to discuss the ratings and evaluate which applicants have risen to the top and why. Following a lengthy discussion, consensus is reached on which applicants to consider presenting to the Board due to their alignment with the hiring criteria and the district's needs.

This results in the team conducting additional vetting on 6-10 applicants. This vetting includes team members conducting a phone interview with each applicant, holding conversations with at least three of their listed references, and a closer look into each applicant's qualifications. The result is the final list of applicants MSBA recommends be presented to the Board for interview consideration.

At the candidate presentation meeting with the Board, MSBA will share our recommendations. After hearing short verbal presentations on each applicant, the Board will then discuss the applicant pool (by alphabet identifier only to abide by data privacy laws) and request clarification from MSBA as needed (recognizing our responses will also be somewhat limited due to privacy laws). The Board then has three options:

- Accept the recommendations made by MSBA for first round interviews as presented.
- Accept some applicants recommended by MSBA but replace others with candidates identified by the Board.
- Forfeit all candidates recommended by MSBA and select an entirely new slate of applicants identified by the Board.

A motion will then be made, seconded, and passed (again, using alphabet identifiers only). Once this motion has passed, the Board Chair or MSBA will read aloud the names of those selected for first round interviews. These names will be in no particular order and not tied to their alphabet identifiers.

MSBA will then call these applicants to congratulate them, confirm their interest in the position, and inform them they will receive an email from MSBA's application software (Revelus) to schedule their interview. Once all interviews are scheduled, MSBA will send each interviewee an email containing final information for their interview. Finally, applicants not selected for interviews will receive an email thanking them for their interest in the position, and notifying them that the Board has chosen to proceed with other candidates who more closely align with the district's hiring criteria.



CONTRACT AND FOLLOW-UP SERVICES

Decisions, Contract, and Announcement

The search team will guide the School Board through the process of contacting the lone finalist to offer the position. MSBA recommends the School Board use the MSBA/MASA Model Superintendent Contract as the basis for negotiating the superintendent's contract, and will provide comparative superintendent salary and benefit information to assist the district in negotiating an appropriate compensation package. MSBA's search team will not negotiate the contract for the School Board, however, as it is the Board's responsibility to set and negotiate all hiring parameters for the new superintendent. The search team will draft a communications piece for the media, school district staff, and community announcing the new superintendent, if requested.

The search team will also personally contact the non-selected finalists.

Transition Plan and Follow-up Services

Once the search is concluded and the parties have a signed contract, the search team will continue to provide support for the School Board and superintendent. Past clients have found MSBA's search services follow-through to be invaluable in setting expectations and ensuring success for the new Board-Superintendent team.

For example, to strengthen the School Board and superintendent's working relationship, and to provide support to the new superintendent, the search team will:

- assist in developing a transition plan for the new superintendent;
- facilitate a post-hiring workshop to develop goals and/or performance expectations for the School Board and superintendent after the new superintendent begins work in the school district;
- visit the new superintendent during their first year of school district employment; and
- be available to answer the new superintendent's and the School Board's questions during the transition and beyond via phone, email, workshop, etc.

NOTE: There is no additional charge for any of the above transition services.



SUMMARY OF SEARCH SERVICES

The proposed search for MACCRAY Public Schools includes the services outlined below.

The MSBA Search Team will:

- Conduct an initial planning meeting with the School Board to establish the search timeline, discuss hiring criteria and stakeholder involvement, identify the district's position in the marketplace, determine advertising venues, and finalize all processes and procedures for conducting the search. *
- Collect stakeholder input through an online qualifications and quantitative data survey (in multiple languages, if requested). Results will be summarized for the School Board by MSBA.
- Host an online informational **Q&A with MSBA** session for staff and community members regarding the superintendent search process, and provide the recording for placement on the District's website. **
- Develop a two-sided color vacancy announcement and post on both statewide and national job sites.
- Directly contact Superintendents, Assistant Superintendents, Service Cooperative Directors, Charter School Directors, Principals, Assistant Principals, and Cabinet Members across the state to inform them of the vacancy and application procedures. Also post in Revelus through the national NASS network.
- Develop all application procedures, handle applicants' calls and correspondence, collect and review applicants' files, and receive applicants' credentials.
- Screen the applicant pool against the School Board's established hiring criteria and leadership profile.
- Conduct preliminary verification of references and pre-interviews and vetting of applicants who best meet the School Board's hiring criteria as determined by MSBA's screening team.
- Conduct a meeting with the School Board for purposes of interview training, developing interview questions, clarifying interview schedules. **
- Conduct a meeting with the School Board for purposes of presenting candidate recommendations so the School Board can select finalists for interviews, and clarifying remaining steps of the search process. **
- Coordinate with finalists and be present during the first and second rounds of interviews. *
- Prepare a communications piece for the district to send to the media, school district staff, and community that includes the names of the finalists who will be interviewed.
- Facilitate Audience Input Forums in conjunction with the second round of interviews, if requested. *
- Prepare a communications piece for the district to send to the media, school district staff, and community introducing the new superintendent
- Assist in developing a transition plan for the new superintendent.
- Visit the new superintendent during their first year of employment. *
- Facilitate a post-hiring workshop to develop goals and/or expectations for the School Board and superintendent after the new superintendent begins work in the school district. **

* Designates in-district meetings, if possible.

** Designates virtual meetings; however, at the Board's request in-district meetings may be substituted for an additional \$300 per meeting.



ESTIMATED FEE FOR SERVICE

The estimated professional fee for this search proposal shall not exceed **\$7,900**, which includes the search team's time and all expenses. Additional fees the school district may incur above the professional fee include advertising beyond the venues noted on Page 3 (see below), school board member stipends, expenses associated with finalists' interviews, and School Board members' site visits (if needed). The level of services and fee included in this proposal are negotiable based on the School Board's needs.

NOTE: Hiring the Right Superintendent workshop

As outlined earlier in this proposal, if the School Board chooses to include MSBA's superintendent search workshop in the process, either before or as part of the planning meeting, there will be **no additional charge** (workshop value is \$1,395). Information regarding workshop content is included on the following page.

ADDITIONAL FEES: A LA CARTE OPTIONS

NATIONAL ADVERTISING SITES: As referenced on Page 3, additional advertising is available on the following sites at no additional mark-up:

- American Association of School Administrators (AASA) - 30 days @ \$559; 60 days \$799
- National Alliance of Black School Educators (NABSE) - 30 days @ \$250
- Association of Latino Administrators and Superintendents (ALAS) - 6 weeks @ \$250
- Top School Jobs (EdWeek) - 30 days @ \$495
- National Indian Education Association (NIED) - 8 weeks @ \$80
- Other sites as requested by the School Board

BACKGROUND CHECKS: Criminal background checks, as well as verification of employment, educational credentials, and professional licensure are also available for final candidates at a cost of \$395 per person.

Satisfaction Guarantee

MSBA will conduct the MACCRAY Public Schools' superintendent search from a strong school board perspective, and with impartiality and professionalism while focusing on the School Board's identified hiring criteria. If, at any time during the first year of the new superintendent's contract the School Board releases the superintendent, MSBA will conduct a second superintendent search for no additional fee. However, the School Board would be responsible for new direct expenses, if any, incurred by MSBA for the second search.



HIRING THE RIGHT SUPERINTENDENT - WORKSHOP

One of the most important decisions a school board will ever make is to choose a new superintendent. As part of MSBA's commitment to board leadership, we offer a **Hiring the Right Superintendent** workshop to help school boards learn about the process for conducting a successful superintendent search. Workshop topics include:

- Whether to use a consultant
- How to work with a consultant
- Setting a timeline
- Developing qualifications and selection criteria
- Involving stakeholders and the media
- Dealing with internal candidates
- Legal pitfalls
- Interviewing Do's and Don'ts
- Deliberating in public
- Q & A re: superintendent search options and best practices

Each board member receives a booklet with sample vacancy announcement, application form, interview questions, reference check form, and other material board members can adapt for their district's specific needs.

The foundational knowledge this workshop provides helps school boards feel confident in the board's decision-making process regarding the superintendent search, as well as fully prepared to take their next steps. Cost is \$1,395 in-district (\$1,095 virtual) and includes all time and materials. This workshop is available only to MSBA members.

For more information please contact Barb Dorn, Director of Leadership Development and Executive Search, at 507-508-5501 (cell), or bdorn@mnmsba.org.



WHY MSBA?

MSBA believes the following distinguishing features truly differentiate our services from other firms in both the philosophy and implementation of executive search services.

1. LENS OF SCHOOL BOARD LEADERSHIP

MSBA's process is school-board driven, and every step is viewed through the lens of board leadership. We understand not only best practices of conducting an executive search, but also the myriad of challenges and opportunities facing school boards today. In addition we understand how to balance Minnesota's Open Meeting Law with our state's Data Practices Act, the increasing pressure on public education to provide an equitable education to each and every student, the impact of data requests on board work, and the vital leadership role a school board must fill in finding its next superintendent. MSBA is your association, and as a result we place the interests of school boards at the forefront of everything we do.

2. TRANSPARENCY AND COMMUNICATION

Every facet of a superintendent search depends upon clear and open communications amongst the school board, search firm, and the public. To help ensure success, MSBA sets expectations early in the process through our *Q&A with MSBA* session. We also believe in sharing all applications with the school board to assist you in making the most informed decisions possible. Because this is *your* search, as the hiring authority you are entitled to review every application for your district's superintendent position. MSBA understands the additional work this creates for the district's search firm, but in the interest of transparency we are committed to taking the steps necessary to ensure you have access to the entire applicant pool. In sum, our ability to conduct the labor-intensive search legwork, yet guide the process clearly and appropriately, empowers school boards to confidently take ownership of finding the best superintendent candidate to lead their district.

3. NO HIDDEN FEES

Search costs quickly escalate when firms charge for consultant travel, multi-language surveys, attendance at finalist interviews, transition services, workshops, etc. MSBA stands behind all fee options as outlined in this proposal so your board can rest assured that total search costs will not exceed your expectations.

4. POST-HIRING SUPPORT

A new superintendent's first year can feel overwhelming due to volume of workload coupled with a steep and intense learning curve. MSBA firmly believes that our transition and follow-up services provided to the new Board-Superintendent Team make a significant difference in ensuring a successful first year. We offer a post-hiring workshop to the Team to discuss expectations, clarify goals, and lay the groundwork for that year's superintendent performance evaluation process. We also provide a transition plan outline, visit the new superintendent during their first year, and remain fully available by phone, text, email, or workshop to continue building trust and collaboration among board members and their new superintendent. Together all of these MSBA commitments help a superintendent's first year both start and stay strong.



WHY MSBA? (FROM OUR CLIENTS)

A bonus to working with MSBA is the expertise provided in the search process AND the expertise they have in school board law and process.

- Board Chair, Rochester Public Schools

MSBA was both easy to work with and made a daunting process manageable and enjoyable. I believe it also helped draw our board closer.

- Board member, Byron Public Schools

The process was clear from the beginning and the information supporting the process was extremely organized. There were no extraneous steps or information that complicated the process, so the Board and the community could all be on the same page at all times.

- Board member, Rochester Public Schools

MSBA was invaluable in guiding our district's search process. Their training and guidance were exemplary as they helped the board navigate the decisions we needed to make – reminding us that this was our process.

- Board member, Bloomington Public Schools

MSBA's work allowed the board to focus on the candidates' applications, their strengths and weaknesses, and their letters of support. MSBA's experience provided much-needed guidance while remaining neutral, allowing the board to make all of the decisions.

- Board member, Cook County ISD 166

The training and support throughout the entire process was spot-on! MSBA was always available with expert, professional advice.

- Board member, Intermediate School District 917

MSBA assisted with every step in the process and provided guidance to ensure we held a fair and equitable search. As a board member, it was reassuring to know they were there to help us select the best candidate while also following all of the rules and ethical standards required of us. I would recommend MSBA to any school district having to hire for these critical positions.

- Board member, Houston Public Schools

The search process was very professional and straightforward, and I always felt we were ultimately in charge of the process.

- Board member, Austin Public Schools

The process was very organized and as chair of the board I always felt comfortable working with MSBA. I trusted their advice, appreciated their insights, and felt validated and respected. I can only say good things about the process.

- Board Chair, Bloomington Public Schools



TENTATIVE TIMELINE

Early January 2023 to Mid-February 2023

- School Board holds initial planning meeting with MSBA search team to establish the search timeline, review hiring criteria, identify district's position in the marketplace, determine advertising venues, discuss stakeholder involvement, and finalize all processes and procedures for conducting the search.
- School Board approves all advertising materials, including hiring criteria and vacancy brochure.
- MSBA search team finalizes application procedures and advertises the vacancy.
- MSBA hosts an informational Q&A session regarding superintendent search process.
- MSBA's search team collects stakeholder input through qualitative and quantitative data survey.
- MSBA prepares a summary of stakeholder input for Board to review and integrate into the search process.

Mid-February 2023 to Mid-March 2023

- MSBA search team continues to receive applications.
- MSBA search team conducts initial screening of applicants.
- MSBA search team conducts preliminary verification of references, pre-interviews, and vetting of applicants.

Mid-March 2023 to Late March 2023

- MSBA's search team meets with the School Board to conduct interview training, develop interview questions, clarify interview procedures, and facilitate applicant screening conducted by the School Board to select finalists for interviews.

Late March 2023 to Early April 2023

- School Board conducts first round of interviews.
- School Board conducts reference checks.
- School Board conducts second round of interviews, and invites stakeholder feedback through Input Forums, if desired.
- School Board selects lone finalist.

Mid-April 2023

- School Board negotiates terms and conditions of superintendent's contract.
- School Board meets to approve the superintendent's employment contract.

July 1, 2023

- Superintendent reports to work.

NOTE: This timeline provides a starting point for considering and adopting a superintendent search timeline. Specific dates and times will be determined at the initial planning meeting.



2021-2022 MSBA-LED SEARCHES

- ACGC Public Schools
- Albert Lea Area Schools
- Bemidji Area Schools
- Cass Lake-Bena Public Schools
- Clinton-Graceville-Beardsley Schools
- Dover-Eyota Public Schools
- Fosston Public Schools
- Greenway Public Schools (Limited)
- Kingsland Public Schools (Limited)
- La Crescent-Hokah Public Schools
- Long Prairie-Grey Eagle Public Schools
- Menahga School District
- Mid-State Education District (Limited)
- New London-Spicer School District
- Ortonville Public Schools
- Pequot Lakes Public Schools
- Plainview-Elgin-Millville Community Schools
- Proctor Public Schools
- Red Lake Schools
- ROCORI School District
- South St. Paul Public Schools
- Stillwater Area Public Schools
- Swanville School District (Limited)
- Thief River Falls Public Schools
- Tri-City United Public Schools
- Tri-County / Greenbush-Middle River Schools
- Ulen-Hitterdal Public Schools
- Underwood School District (Underwood)
- Verndale Public School (Limited)
- Waconia Public Schools
- Waterville-Elysian-Morristown Public Schools
- West Central Area School District
- Windom Area Schools

MSBA 2021-2022 SEARCH SERVICE REFERENCES *

* MORE AVAILABLE UPON REQUEST

1. Neal Skaar, School Board Chair, **Albert Lea Area Schools**, neal.skaar@alschools.org
2. Carol Johnson, School Board Chair, **Bemidji Area Schools**, Carol_Johnson@isd31.net
3. Eric Morken, School Board Chair, **La Crescent-Hokah Schools**, eric.morken@isd300.k12.mn.us
4. Kim Bolz-Andolshek, School Board Chair, **Pequot Lakes Public Schools**, kbolz@isd186.org
5. Jennifer McDonald, School Board Chair, **Proctor Public Schools**, jennmcd777@gmail.com
6. Alison Sherman, School Board Chair, **Stillwater Area Schools**, shermana@stillwaterschools.org
7. Dana Geller, School Board Chair, **Waconia Public Schools**, dgeller@isd110.org
8. Gary Michael, School Board Chair, **W-E-M Public Schools**, sba.email@yahoo.com



2020-2021 MSBA-LED SEARCHES

- Austin Public Schools
- Bloomington Public Schools (Limited)
- Byron Public Schools
- Clinton-Graceville-Beardsley Schools
- Cook County ISD 166
- Dilworth-Glyndon-Felton Public Schools
- Greenway Public Schools
- Houston Public Schools
- Intermediate School District 917
- La Crescent-Hokah Public Schools
- Lac qui Parle Valley School District
- Lake Park Audubon School District
- Lynd Public School (Limited)
- Montevideo Public Schools
- Rochester Public Schools
- Royalton Public Schools
- Tri-County Schools
- Ulen-Hitterdal Public Schools

Member districts:

Bloomington, Burnsville-Eagan Savage, Farmington, Hastings, Inver Grove Heights, Lakeville, Randolph, South St. Paul, and West St. Paul-Mendota Heights-Eagan

MSBA EXECUTIVE SEARCH SERVICE REFERENCES 2020-2021 SEARCHES (MORE AVAILABLE UPON REQUEST)

1. Kathy Green, School Board Chair, **Austin Public Schools**, kathy.green@austin.k12.mn.us
2. Nelly Korman, School Board Chair, **Bloomington Public Schools**, nkorman@isd271.org
3. Harvey Bergh, School Board Chair, **Byron Public Schools**, harvey.bergh@byron.k12.mn.us
4. Lindsey Leach, School Board Chair, **DGF Public Schools**, lleach@dgf.k12.mn.us
5. Dr. DeeDee Currier, School Board Chair, **Intermediate School District 917**, dcurrier@isd191.org
6. Kelly Snell, School Board Member, **Montevideo Public Schools**, ksnell@montevideoschools.org
7. Dr. Jean Marvin, School Board Chair, **Rochester Public Schools**, jemarvin@rochesterschools.org



2019-2020 MSBA-LED SEARCHES

- Adrian Public Schools
- Alexandria Public Schools
- Browns Valley Public School (Interim)
- Carlton Public Schools (Interim)
- Detroit Lakes Public Schools
- Hastings Public Schools (Interim)
- Hastings Public Schools
- Hermantown Community Schools
- Kenyon-Wanamingo Public Schools
- LeRoy-Ostrander Public Schools
- Lewiston-Altura Public School District
- McGregor Public Schools
- Mora Public Schools
- Ortonville Public Schools
- Pine River-Backus Schools
- St. Clair Public School
- St. James Public Schools
- St. Peter Public Schools
- Thief River Falls Public Schools
- Tri-City United Public Schools
- Warren-Alvarado-Oslo School District

MSBA EXECUTIVE SEARCH SERVICE REFERENCES 2019-2020 SEARCHES (MORE AVAILABLE UPON REQUEST)

1. Kelsey Waits, School Board Chair, **Hastings Public Schools**, kwaits@hastings.k12.mn.us
2. Ben Leonard, School Board Chair, **St. Peter Public Schools**, ben.leonard@stpeterschools.org
3. Dean Anderson, School Board Chair, **Alexandria Public Schools**, dadds7@gmail.com
4. Dianne Mathews, School Board Chair, **Hermantown Community Schools**, dmathews@isd700.org
5. Marsha Franek, School Board Chair, **Tri-City United Public Schools**, MFranek@tcu2905.us
6. Jack May, School Board Chair, **St. Clair Public School**, jmay@stclaircyclones.org
7. Chris Cunningham, **Pine River-Backus Schools**, ccunningham@prbschools.org



2018-2019 MSBA-LED SEARCHES

- Badger Independent School District
- Bagley School District
- Barnesville Public Schools
- Buffalo Lake-Hector-Stewart Schools
- Cannon Falls Area Schools
- Central Public Schools
- Fosston School District
- Greenbush Middle River School District
- Jackson County Central School District
- Kaleidoscope Charter School
- Lake Park Audubon Schools
- Lester Prairie Schools
- Lynd Public Schools
- Morris Area Schools
- Red Rock Central Public School District
- Roseau Community Schools
- Warroad Public Schools
- West Central Area School District
- Winona Area Public Schools

OTHER MSBA-LED SEARCHES

- Annandale Independent School District
- Atwater-Cosmos-Grove City Public Schools
- Blackduck Independent School District
- Brooklyn Center Community Schools
- Butterfield-Odin Public School
- Canby Public Schools
- Clinton-Graceville-Beardsley Public Schools
- Cook County Schools
- Crookston Public Schools
- Forest Lake Area Schools
- Grand Rapids School District
- Hermantown Community Schools
- Hibbing Public Schools
- La Crescent-Hokah Public Schools
- Lac qui Parle Valley Area Schools
- Monticello School District
- Moose Lake Community Schools
- Moorhead Area Public Schools
- Nashwauk-Keewatin Schools
- Northland Community Schools
- Odyssey Academy Charter School
- Pelican Rapids School District
- Pillager School District
- Pine River-Backus Schools
- Red Lake School District
- Russell-Tyler-Ruthton (RTR) School District
- South Koochiching-Rainy River School District
- St. Louis County Public Schools
- Tri-County Public Schools
- Ulen-Hitterdal Public School District
- Underwood School District
- Willmar Public Schools
- Winona Area Public Schools
- Wright Technical Center
- Yellow Medicine East Schools



SEARCH TEAM — MSBA STAFF

MSBA's search team is comprised of experienced MSBA staff and service providers. Search team members understand that selecting a superintendent is one of the Board's most important duties and have a vested interest in the success of your search. Below are brief résumés of MSBA's search team.

▪ **BARB DORN**

Barb has more than 30 years of experience in nonprofit leadership, marketing and communications, consulting, and process facilitation. She has worked across public, private, and nonprofit sectors to build collaborative and viable partnerships, deliver high-impact workshops, and produce outcomes based on common goals and shared decision-making processes. Barb has also served on the Boards of Directors for Greater Mankato's City Center Partnership and the area chapter of Leave a Legacy. She joined MSBA in 2019 and is a member of the National Affiliation of Superintendent Searchers.

WORK HISTORY

- Minnesota School Boards Association (MSBA): Director of Leadership Development and Executive Search
- YWCA Mankato: Executive Director
- March of Dimes: Division Director
- Minnesota State University Mankato: Adjunct Professor
- Pathways Marketing: Owner / Marketing Consultant
- DLR Group: Business Development / Referendum Consultant

RELEVANT WORK EXPERIENCE

- Individual school board in-services: Superintendent Search, Mutual Expectations, and Superintendent Evaluation
- Presenter — MSBA workshops, seminars, and conferences:
 - o Superintendent Evaluation
 - o Superintendent Search
 - o Various other topics
- Program and Brand Management, Marketing, and Public Relations
- Daily telephone/email responses to MSBA school board member questions
- Contributor to The MSBA *Leader* newsletter
- Presenter at other professional workshops and conferences:
 - o Leadership Development Series including:
 - Collaboration and Teamwork
 - Diversity, Equity, and Inclusion
 - Conflict Management
 - Resiliency
 - Communication and Team-Building
 - o Community Relations
 - o Strategy and Visioning



SEARCH TEAM — MSBA STAFF

▪ JOHN WARD, JD, Ph.D

John holds more than three decades of experience working in Minnesota public education, with his last 25 years spent working for the Mounds View Public School District. There he served in a variety of leadership roles including General Counsel, Director of Secondary Schools and Director of H.R. and Operations. He finished his career in Mounds View as District Assistant Superintendent. John has also served on the Board for the Minnesota Association of School Administrators. He holds a bachelor's degree in political science from St. John's University, his Juris Doctorate from William Mitchell College of Law, and a Ph.D in Organizational Leadership from the University of Minnesota. John recently joined MSBA to provide Executive Search services to MSBA members, and below is a summary of his work history and relevant work experience.

WORK HISTORY

- Minnesota School Boards Association (MSBA): Associate Director of Strategic Governance
- Mounds View Public Schools
 - ◊ Assistant Superintendent
 - ◊ Director of H.R. and Operations
 - ◊ Director of Secondary Schools
 - ◊ General Counsel/Assistant to the Superintendent
 - ◊ Associate Principal/Activities Director Mounds View High School
- St. Louis Park Public Schools: Social Studies Instructor
- St. John the Baptist School Savage: Middle School Social Studies Instructor
- McGraw and Ward P.A., Hutchinson: Attorney
- Peterson, Engberg and Peterson, Minneapolis: Law Clerk

RELEVANT WORK EXPERIENCE

- Active leadership team participant in school district strategic planning, implementation and assessment initiatives
- Negotiation of over twenty labor contracts with teachers and other bargaining groups
- Leadership of multiple district/community task force groups in areas such as facilities, community education and athletics
- Cooperative working relationships with school district governance boards
- Led district safe school initiatives and response preparation
- Managed student behavior issues and advised and managed district policy and legal issues
- Engagement and assistance with the leadership of several successful referendum campaigns
- District liaison to local municipalities and law enforcement agencies
- Presenter — MSBA workshops, seminars, and conferences
- Daily telephone/email responses to MSBA school board member questions
- Contributor to The MSBA *Leader* newsletter



SEARCH TEAM — MSBA STAFF

■ AMY JORDAN

With 25 years of leadership experience primarily in the nonprofit sector, Amy is a collaborative leader committed to serving the public, with a focus on youth. She has experience in recruitment, training, creating partnerships, policy and compliance, and program management and evaluation. As an empathetic partner, Amy is skilled at finding commonalities and consensus amongst diverse groups. The development of her action plan led her team's work to receive national recognition for exceeding key performance indicators in diversity and inclusion while working for a national nonprofit. With strengths in execution and relationship building, she is a natural cultivator of the potential in others and strives for continuous improvement. Amy is goal-oriented, ethical, deliberative, and possesses basic language skills in both Spanish and ASL (American Sign Language).

WORK HISTORY

- Minnesota School Boards Association – Executive Search Specialist
- Miracle League of North Mankato – Executive Director
- YWCA Mankato – Director of Programs for Women and Girls
- Girls on the Run of Greater Mankato – Council Director
- The Artisan Gallery - Manager

RELEVANT WORK EXPERIENCE

- Leadership of and engagement with multiple community groups
- Collaborator with cooperative working relationships with multiple stakeholder groups
- Leadership of multiple community programs for women, girls, immigrant and refugee women and their families, and people with disabilities
- Policy development and compliance
- Evaluation management
- Plan development to put best practices into action
- Brand management and communications
- Facilitated the national training for hundreds of leaders on:
 - Inclusive language and conversations
 - Facilitation
 - Context
 - Conflict resolution
 - Relationship-building/Teambuilding
 - Mastery experiences for self-efficacy
- Presenter — MSBA workshops, seminars, and conferences
- Daily telephone/email responses to MSBA school board member questions
- Contributor to The MSBA *Leader* newsletter



SEARCH TEAM — MSBA STAFF

■ AMY FULLENKAMP-TAYLOR, S.P.H.R., SHRM-SCP

Amy has more than 20 years of experience in human resources including recruitment, total rewards, employee relations, employment and labor law compliance, and employee training. She has worked for a variety of industries including Nonprofit, Gaming, Retail, Telecommunications, and Manufacturing. Amy has also achieved the designations of Senior Professional in Human Resources from the Human Resource Certification Institute and SHRM Senior Certified Professional from the Society for Human Resource Management. Amy joined MSBA in 2007, and below is a summary of her work history and relevant work experience.

WORK HISTORY

- Minnesota School Boards Association (MSBA): Director of Management Services
- Jones Metal Products: Director of Human Resources
- Midwest Wireless: Human Resources Specialist
- Sears Roebuck & Company: Human Resources Specialist
- Argosy V Belle of Sioux City: Director of Human Resources

RELEVANT WORK EXPERIENCE

- Individual school board in-services: Superintendent Search
- Presenter — MSBA workshops, seminars, and conferences:
 - o Superintendent Evaluation
 - o Negotiations
 - o Leadership Foundations—School Finance and Management: Phase II
 - o Various Other Topics
- Analyze superintendent employment contracts and licensed and non-licensed master agreements
- Contributor to The MSBA *Leader* newsletter
- Daily telephone/email responses to MSBA school board member questions
- Presenter at other professional workshops and conferences
 - o Americans with Disabilities Act
 - o Family and Medical Leave Act
 - o Collective Bargaining
 - o Unrequested Leaves of Absence
- Created employee handbooks
- Superintendent Search



SEARCH TEAM — MSBA STAFF

▪ GARY LEE

Gary has 30+ years of experience in private business — both in a large corporate setting and as an owner/president of small rural businesses. Gary is a former member of the Fertile-Beltrami School Board. Gary also served on the MSBA Board of Directors, the Northwest Service Cooperative Board of Directors, the Minnesota Service Cooperatives Board of Directors, the MSBA Insurance Trust Board of Directors, and the Big Three working group. Gary joined MSBA in 2009.

WORK HISTORY

- Minnesota School Boards Association (MSBA): Deputy Executive Director
- Lee Nursery, Inc.: Owner and President
- Lee Nursery Supplies, Inc.: Owner and President
- Sondreli Business Services: Owner
- UNISYS (formerly Sperry) Defense Systems: IT Manager

RELEVANT WORK EXPERIENCE

- Individual school board in-services: Superintendent Search and School Board-Superintendent Relationship
- Presenter — MSBA workshops, seminars, and conferences:
 - o Superintendent Evaluation
 - o Teacher Development and Evaluation
 - o Area Negotiations
 - o Board Treasurers
 - o Strategic Planning
 - o Various Other Financial and Data Trainings
- Analyze superintendent employment contracts and licensed and non-licensed master agreements
- Contributor to The MSBA *Leader* newsletter
- Daily telephone/email responses to MSBA school board member questions



SEARCH TEAM — MSBA STAFF

▪ **SHELBY HERRERA**

Shelby has more than 20 years of experience in education — as a classroom teacher, a paraprofessional, and a teaching assistant at the university level. Shelby joined MSBA in 2019.

WORK HISTORY

- Minnesota School Boards Association (MSBA): Administrative Assistant to Strategic Governance
- Mankato Public Schools: Science Teacher
- Mankato Public Schools: Paraprofessional
- Minnesota State University, Mankato: Teaching assistant

RELEVANT WORK EXPERIENCE

- Conduct research and compile data
- Handle information requests
- Interact with a wide range of staff, business partners, and members
- Prepare reports, memos, letters, and other documents, using word processing, spreadsheet, database, etc.
- Assist applicants and board members with Revelus, MSBA's proprietary application platform

▪ **BRUCE LOMBARD**

Bruce has more than 10 years of experience providing a full range of administrative support services. Bruce joined MSBA in 2008.

WORK HISTORY

- Minnesota School Boards Association (MSBA): Associate Director of Communications and Marketing
- Mankato Free Press: Copy Editor
- Washington Unified School District (West Sacramento, California): Substitute Teacher
- Sogon University Language Program (Seoul, South Korea): English Language Instructor

RELEVANT WORK EXPERIENCE

- Answer and direct phone calls to appropriate parties
- Handle information requests
- Interact with a wide range of staff, business partners, and members
- Prepare search proposal and advertising materials



SEARCH TEAM — MSBA STAFF

▪ MARIA SHINABARGER, JD

Juris Doctor and educator with over 10 years' experience as a community servant. Maria joined MSBA in 2018.

WORK HISTORY

- Minnesota School Boards Association (MSBA): Associate Director of Management Services and Charter School Liaison
- Marshall Brennan Constitutional Literacy Project Fellow
- Law Clerk at Hennepin County Attorney's Office
- Cambridge Academy East (Mesa, Arizona): Fifth/Sixth Grade English Teacher
- Milan C-2 School District (Milan, Missouri) Fifth/Sixth Grade Reading Teacher

RELEVANT WORK EXPERIENCE

- Facilitate community, staff, and student input sessions
- Ensure compliance with data privacy statutes by redacting resumes
- Consolidate staff and community responses to surveys and interviews
- Help members interpret state and federal statutes regarding human resources, data practices and contracts

▪ JOEL STENCEL, CPA

Joel has more than 20 years of accounting and auditing experience providing a full range of support services. Joel joined MSBA in 2017.

WORK HISTORY

- Minnesota School Boards Association (MSBA): Director of Association Finance
- Eide Bailly LLP: Audit Manager

RELEVANT WORK EXPERIENCE

- School District Auditor
- Answer and direct phone calls to appropriate parties
- Interact with a wide range of staff, business partners, and members
- Gathers salary information for Districts selected.
- Assists with EMD analysis submitted by school board members.



SEARCH TEAM — MSBA SERVICE PROVIDERS

▪ LEE WARNE, Ed. S.

Lee has 48 years of experience in education, including serving as a high school principal, superintendent, service cooperative executive director, Minnesota Rural Education Association executive director, and Association of Educational Service Agencies executive director. Lee has served at all levels of leadership in local, state, and national organizations. Lee has also received numerous awards at the regional, state, and national levels.

WORK HISTORY

- Greenway Public Schools: Interim Superintendent
- RTR (Russell-Tyler-Ruthton) Schools: Interim Superintendent
- Association of Educational Service Agencies: Executive Director
- MN Rural Education Association: Executive Director
- Lake Benton School: Interim Superintendent
- SW/WC Service Cooperative: Executive Director
- West Central Area Schools: Superintendent
- Norman County West: High School Principal
- Halstad Public School: High School Principal

RELEVANT WORK EXPERIENCE

- Facilitated numerous superintendent searches and school district strategic planning sessions
- Provided assistance to school boards and superintendents in various aspects of leadership and training

▪ TERRY QUIST, Ph.D.

Terry has more than 40 years of experience in education including serving as superintendent (Alexandria Public Schools, 2006-2012), assistant superintendent (Alexandria Public Schools, 1999-2006), director of teaching and learning (Alexandria Public Schools, 1987-1999), and administrative assistant (Apple Valley H.S., 1983-1987).

WORK HISTORY

- Alexandria Public Schools: Superintendent
- Alexandria Public Schools: Assistant Superintendent
- Alexandria Public Schools: Director of Teaching and Learning
- Apple Valley High School: Administrative Assistant
- Hastings High School: Teacher/Coach
- Dodge Center Public Schools: Teacher/Coach

RELEVANT WORK EXPERIENCE

- Facilitated strategic planning processes in several Minnesota school districts
- Led and implemented district's long-range facility plan, including the construction of a new elementary school, a new high school, and several building renovations and air quality upgrades



SEARCH TEAM — MSBA SERVICE PROVIDERS

▪ JEFF OLSON, Ph.D.

Jeff has over 45 years of experience in education, including serving as a Curriculum Director, High School Principal, Superintendent of Schools, consultant to the Minnesota School Boards Association and as an educational consultant to Minnesota school districts. Jeff has received numerous regional and state leadership awards, including being named as the 2013 Minnesota Superintendent of the Year and receiving the 2020 MASA Polaris Leadership Award.

WORK HISTORY

- Minnesota Valley Education District: Interim Executive Director (2020-2021)
- Saint Peter Public Schools: Interim Superintendent (2019-2020)
- Saint Peter Public Schools: Superintendent of Schools (2003-2014)
- Saint Peter Public Schools: High School Principal (1993-2003)
- Saint Peter Public Schools: Curriculum Director (1988-2003)
- Saint Peter Public Schools: Teacher/Coach (1975-1988)

RELEVANT WORK EXPERIENCE

- Facilitated strategic planning sessions and superintendent search services in numerous Minnesota districts
- Led school district facilities planning and construction projects in several Minnesota school districts
- Served as a mentor to new superintendents at both a regional and state level

▪ DAVE THOMPSON, Ed.D.

Dave has more than 40 years of experience in education including serving as superintendent (Stewartville Public Schools, 2000-2017), director of secondary education and middle school principal (Farmington Public Schools, 1993-2000), high school principal (Stewartville Public Schools, 1986-1993), high school principal (Goodhue Public Schools, 1984-1986), athletic director, teacher, and coach (Elgin-Millville Public Schools, 1977-1984). Dave has served on several local and regional organization committees.

WORK HISTORY

- Stewartville Public Schools: Superintendent
- Farmington Public Schools: Director of Secondary Education & Middle School Principal
- Stewartville Public Schools: High School Principal
- Goodhue Public Schools: High School Principal
- Elgin-Millville Public Schools: Athletic Director/ Teacher / Coach

RELEVANT WORK EXPERIENCE

- Led four successful operating levy campaigns and two successful bond levy campaigns.
- Led and implemented district's long-range facility plan
- Coordinated and participated as a mentor in the SEMASA Superintendent's Mentor/Mentee program



SEARCH TEAM — MSBA SERVICE PROVIDERS

▪ CONNIE HAYES

Connie has 40 years of experience in education, including 23 years as a superintendent. She retired from Northeast Metro 916 after 15 years. During her educational career, Connie also served in coordinator positions and as a school psychologist. While working in the private sector she advised districts on public financing.

WORK HISTORY

- Northeast Metro 916 Intermediate School District: Superintendent
- Springsted: Vice-President
- La Crescent-Hokah Public Schools: Superintendent
- McGregor Independent School District #4: Superintendent
- Lynd Public School District and Marshall Public Schools: Superintendent and Curriculum Coordinator
- SW/WC ECSU: Coordinator and School Psychologist
- Crookston Regional Interdistrict Council: School Psychologist

RELEVANT WORK EXPERIENCE

- Provided leadership in district strategic planning and goal-setting processes
- Built consensus across participating school districts in a long-range facility planning, financing, and construction of three specialized facilities for unique learners
- Facilitated construction of a major addition to a secondary building
- Led improvements in district financial affairs

▪ PAUL CARLSON

Paul has 37 years of experience in education as a teacher, principal, and 20 years as a superintendent. He is committed to delivering effective guidance for educational excellence to ensure optimal education opportunities for all students.

WORK HISTORY

- ACGC Public Schools: Interim Superintendent
- Hancock Public Schools: Part-time Superintendent (3 Years)
- New London-Spicer Schools: Superintendent (17 years)
- New London-Spicer Schools: High School Principal
- Sleepy Eye Public Schools: High School Principal
- Sleepy Eye Public Schools: Business Education Teacher

RELEVANT WORK EXPERIENCE

- Implemented long-range planning and goal-setting processes gathering community input and student achievement data resulting in facilities maintenance and energy project.



SEARCH TEAM — MSBA SERVICE PROVIDERS

▪ GARY KUPHAL

Gary has 42 years of experience in education, all but four years in Minnesota. He has served as a high school principal in Henderson, assistant high school principal and middle school principal in La Crescent, and superintendent in Southland, LeRoy-Ostrander, Plainview-Elgin-Millville, and Mabel-Canton.

WORK HISTORY

- Southland School District: Superintendent
- LeRoy-Ostrander School District: Superintendent
- Plainview-Elgin-Millville Community Schools: Superintendent
- Mabel-Canton Schools: Superintendent
- La Crescent-Hokah Public Schools: Middle School Principal
- Henderson School District: High School Principal
- Henderson School District: Counselor
- Cleveland School District: Counselor
- Union-Whitten School District (Iowa): Teacher

RELEVANT WORK EXPERIENCE

- Facilitated superintendent searches, board development, and school district strategic planning sessions
- Facilitated community task force on facilities planning

▪ STEVE NIKLAUS

Steve Niklaus brings 43 years of experience in education including serving as superintendent (Annandale Public Schools, 1992-2017) and principal (Annandale High School, 1986-1992, and Atwater-Grove City High Schools, 1980-1986). Steve has served on several state and regional professional boards and committees. Steve has worked in both Minnesota and North Dakota school districts.

WORK HISTORY

- Annandale Public Schools: Superintendent
- Annandale Public Schools: Principal
- Atwater-Grove City High Schools: Principal
- Welcome High School: Principal
- Oakes High School, Oakes, North Dakota: High School Teacher

RELEVANT WORK EXPERIENCE

- Led six successful operating levy elections and four successful building bond elections
- Experience facilitating with superintendent searches



SEARCH TEAM — MSBA SERVICE PROVIDERS

▪ SANDI NOVAK, Ed. S.

Sandi has 40 years of experience as a teacher, principal, curriculum director, assistant superintendent, acting superintendent, education consultant, and author. Specifically, she served as the acting superintendent in Butterfield-Odin School District (February-June 2016), as assistant superintendent in the Burnsville-Eagan-Savage Schools (2004-2010), and has served on the Board of Minnesota ASCD.

WORK HISTORY

- Butterfield-Odin Schools: Acting Superintendent
- Burnsville-Eagan-Savage Schools: Assistant Superintendent
- Burnsville-Eagan-Savage Schools: Curriculum/Professional Development Director
- Burnsville-Eagan-Savage Schools: Principal
- Owatonna Schools: Interim Principal
- Burnsville-Eagan-Savage Schools: Teacher/Coach
- Mazeppa Elementary School: Teacher

RELEVANT WORK EXPERIENCE

- Presenter at NSBA, MSBA, ASCD and other national conferences
- Coached leadership teams across the country on effective literacy instructional practices

▪ BILL TOMHAVE, Ph.D.

Bill has more than 45 years of extensive experience in education starting as a high school mathematics teacher and including 40 years in higher education involved with teacher preparation. Bill was elected to the Moorhead Area Schools Board of Directors in 2001, serving through 2018.

WORK HISTORY

- Concordia College, Moorhead, Minnesota: Assistant/Associate/Professor, Mathematics
- University of Minnesota, Morris, Minnesota: Assistant Professor, Mathematics
- Iowa State University, Ames, Iowa: Instructor, Mathematics
- Oregon Consolidated Schools, Oregon: Teacher, High School Mathematics

RELEVANT WORK EXPERIENCE

- Director of Moorhead Area School Board 2002-2018, held positions of Chair, Vice-Chair, and Treasurer
- Board of Directors for Lakes Country Service Cooperative 2007-2018
- Experience assisting with community discussions and candidate screenings and interviews
- Ambassador, Minnesota School Boards Association (MSBA), 2006—2009
- Region 1 Joint Powers Board, 2010—2018; Vice Chair 2012—2018



SEARCH TEAM — MSBA SERVICE PROVIDERS

▪ **RENAE TOSTENSON, Ed.S.**

Rena has nearly 40 years of experience in education. She has served as superintendent (Lac qui Parle Valley Schools, 2011-2017), principal (Appleton Elementary School, 2007-2011), teacher coach (Lac qui Parle Valley Schools, 2005-2007), and as an elementary school teacher.

WORK HISTORY

- Lac qui Parle Valley Schools: Superintendent
- Lac qui Parle Valley Schools: Principal
- Lac qui Parle Valley Schools: Teacher coach

RELEVANT WORK EXPERIENCE

- Presenter at MASA and MSBA conferences and workshops
- Facilitated superintendent searches

▪ **BRUCE KLAEHN**

Bruce has recently retired from 41 years as a Minnesota educator, serving as a teacher, coach, principal, and superintendent, as well as an adjunct college instructor in educational administration. He has extensive experience in financial budgeting, school construction projects, administrative mentoring, and contract negotiations.

WORK HISTORY

- Southeast Service Cooperative: Educational Consultant
- Winona State University: Adjunct Instructor
- Dover-Eyota Public School District: Superintendent
- Grand Meadow Public Schools: Superintendent
- Granada-Huntley-East Chain School District: Principal
- Madelia Public Schools: Teacher and Coach

RELEVANT WORK EXPERIENCE

- Experience facilitating superintendent searches
- Mentor of new superintendents in southeast Minnesota



NATIONAL AFFILIATE OF SUPERINTENDENT SEARCHERS



August 2022

Dear School Board Members:

You are preparing to start a process that will culminate in your board making one of the most significant decisions of your school board tenure – selecting a superintendent. No other staff member is likely to have more long-term impact in your district. Choosing, not only the most highly qualified individual, but one who also represents the ideal fit in your community will be critical. For this and many other reasons, we believe your state school board association’s superintendent search service is best qualified to facilitate your superintendent search.

The members of the National Affiliation of Superintendent Searchers (NASS) – which includes the search consultant(s) from your state school board association – stand ready, as the most experienced network of search professionals in the United States, to execute a national campaign to find your district’s next superintendent. NASS consultants are located in 39 states and include more than 100 professional superintendent search consultants who exclusively represent the best interests of school boards throughout the country. Supported by the National School Boards Association (NSBA), NASS harnesses the skills and experiences of many search professionals with proven track records of accomplishment, characterized by integrity, passion, and focus. Your state school board association’s search professional and NASS member *knows your state and local laws, knows your district, and understands* that each search is unique. They know your school board wants a customized search to meet your community’s specific needs. They also understand the importance of maintaining a successful, long-term relationship between your board and your state school board association.

NASS members serve school boards every day. As chairperson of NASS, I can promise you will receive individual, customized attention and a commitment from your NASS professionals to assist in a dedicated and confidential manner, as state laws permit. The successful executive search begins with a strong team of professional search consultants and ends with a solid, long-term relationship between the school district and its top administrative leaders. The NASS mission is *finding top executive leadership for school districts throughout the United States through our core values – ethics, integrity, leadership, and teamwork*. If retaining a successful, long-term leader is a priority for your district, relying on a member of your local NASS team is your first step toward realizing that goal!

Sincerely,

Michael Adamson

Michael T. Adamson, Ed.D. (IN)
NASS Chairperson





National Affiliation of Superintendent Searchers (NASS)

Alabama	Nebraska
Alaska	New Hampshire
Arizona	New Jersey
Colorado	New Mexico
Connecticut	North Carolina
Florida	North Dakota
Georgia	Ohio
Idaho	Oklahoma
Illinois	Oregon
Indiana	Pennsylvania
Kansas	South Carolina
Kentucky	Tennessee
Maine	Texas
Maryland	Utah
Massachusetts	Vermont
Michigan	Virginia
Minnesota	West Virginia
Mississippi	Wisconsin
Missouri	Wyoming
Montana	

Adopted: _____

MSBA/MASA Model Policy 534

Orig. 2017

Revised: _____

Rev. 2022~~1~~

534 SCHOOL MEALS POLICY

[Note: In 2021, the Minnesota legislature amended Minnesota Statutes section 124D.111, that now states that Minnesota school districts that participate in the national school lunch program must adopt a school meals policy].

[Note: This MSBA/MASA model policy is drafted to be consistent for all grade levels. However, local school districts may vary the meal charge policy for elementary, middle, and high schools.]

[Note: School districts must follow appropriate debt collection practices when attempting to recover unpaid meal charges.]

I. PURPOSE

The purpose of this policy is to ensure that students receive healthy and nutritious meals through the school district's nutrition program and that school district employees, families, and students have a shared understanding of expectations regarding meal charges. The policy of the school district is to provide meals to students in a respectful manner and to maintain the dignity of students by prohibiting lunch shaming or otherwise ostracizing the student. The policy seeks to allow students to receive the nutrition they need to stay focused during the school day and minimize identification of students with insufficient funds to pay for school meals as well as to maintain the financial integrity of the school nutrition program.

II. PAYMENT OF MEALS

[Note: Payment systems and procedures will likely vary from school district to school district. The school district should select one of the following options and delete the remaining options.]

A. ~~[OPTION 1: All meal purchases are to be prepaid before meal service begins. [Insert description for how families may add money to students' accounts (e.g., electronic payment options, pay at the school office, etc.).] A student who does not have sufficient funds will not be allowed to charge meals or a la carte items until additional money is deposited in the student's account.]~~

~~———— [OPTION 2: Students have use of a meal account. When the balance reaches zero, a student may charge no more than \$[insert amount] or [insert number of meals] to this account]. When an account reaches this limit, a student shall not be allowed to charge further meals or a la carte items until the negative account balance is paid. [Insert description for how families may add money to students' accounts (e.g., electronic payment options, pay at the school office, etc.).]]~~

~~[OPTION 3: *Insert a school district specific process for payment of meals.*] Students have use of a meal account. When the balance reaches zero, a student may still charge for their breakfast and lunch but not ala carte or second meals. Students are not denied a meal.~~

B. If the school district receives school lunch aid under Minnesota Statutes section 124D.111, it must make lunch available without charge to all participating students who qualify for free or reduced-price meals regardless of account balance.

C. ~~A student with an outstanding meal charge debt will be allowed to purchase a meal if the student pays for the meal when it is received.~~

- D. A student who has been determined to be eligible for free and reduced-price lunch always must be served a reimbursable meal even if the student has an outstanding debt.
- E. Once a meal has been placed on a student's tray or otherwise served to a student, the meal may not be subsequently withdrawn from the student by the cashier or other school official, whether or not the student has an outstanding meals balance.
- ~~F. The school district may provide an alternate meal that meets federal and state requirements to a student who does not have sufficient funds in the student's account or cannot pay cash for a meal. The school district will accommodate special dietary needs with respect to alternate meals. The cost of the alternative meal (~~insert amount~~) will be charged to the student's account or otherwise charged to the student.~~
- FG. When a student has a negative account balance, the student will not be allowed to charge a snack item.
- GH. If a parent or guardian chooses to send in one payment that is to be divided between sibling accounts, the parent or guardian must specify how the funds are to be distributed to the students' accounts. Funds may not be transferred between sibling accounts unless written permission or verbal permission via phone call is received from the parent or guardian.

III. LOW OR NEGATIVE ACCOUNT BALANCES – NOTIFICATION

- A. The school district will make reasonable efforts to notify families when meal account balances are low or fall below zero.
- B. Families will be notified of an outstanding negative balance once the negative balance reaches ~~-\$5insert amount~~ or ~~insert number of meals~~. Families will be notified by ~~insert the method used to notify families (e.g., automated calling system, email, letters sent home)~~. email weekly and paper bills monthly. The Application for Educational Benefits (free/reduced form) is included with monthly bills for families that have not applied previously.
- C. Reminders for payment of outstanding student meal balances will not demean or stigmatize any student participating in the school lunch program, including, but not limited to, dumping meals, withdrawing a meal that has been served, announcing or listing students' names publicly, or affixing stickers, stamps, or pins.

IV. UNPAID MEAL CHARGES

- A. The school district will make reasonable efforts to communicate with families to resolve the matter of unpaid charges. Where appropriate, families may be encouraged to apply for free and reduced-price meals for their children.
- B. The school district will make reasonable efforts to collect unpaid meal charges classified as delinquent debt. Unpaid meal charges are designated as delinquent debt when payment is overdue, the debt is considered collectable, and efforts are being made to collect it.
- C. Negative balances of more than ~~insert amount~~, 100 not paid prior to ~~enter time period (e.g., end of the month, end of the semester, end of the school year)~~, will be turned over to the superintendent or superintendent's designee for collection. In some instances, the school district does use a collection agency to collect unpaid school meal debts after reasonable efforts first have been made by the school district to collect the debt. Collection options may include, but are not limited to, use of collection agencies, claims in the conciliation court, or any other legal method permitted by law.
- D. The school district may not enlist the assistance of non-school district employees, such as volunteers, to engage in debt collection efforts.

- E. The school district will not impose any other restriction prohibited under Minnesota Statutes section 123B.37 due to unpaid student meal balances. The school district will not limit a student's participation in any school activities, graduation ceremonies, field trips, athletics, activity clubs, or other extracurricular activities or access to materials, technology, or other items provided to students due to an unpaid student meal balance.

V. COMMUNICATION OF POLICY

- A. This policy and any pertinent supporting information shall be provided in writing (i.e., mail, email, back-to-school packet, student handbook, etc.) to:
 - 1. all households at or before the start of each school year;
 - 2. students and families who transfer into the school district, at the time of enrollment; and
 - 3. all school district personnel who are responsible for enforcing this policy.
- B. The school district will post this policy on the school district's website, or the website of the organization where the meal is served, in addition to providing the required written notification described above.
- C. If the school district contracts with a third party for its meal services, it will provide the vendor with its school meals policy. The school district will ensure that any third-party provider with whom the school district enters into either an original or modified contract after July 1, 2021, adheres to the school district's school meals policy.

Legal References: Minn. Stat. § 123B.37 (Prohibited Fees)
Minn. Stat. § 124D.111 (School Meals Policies; Lunch Aid; Food Service Accounting)
42 U.S.C. § 1751 *et seq.* (Healthy and Hunger-Free Kids Act)
7 C.F.R. § 210 *et seq.* (School Lunch Program Regulations)
7 C.F.R. § 220.8 (School Breakfast Program Regulations)
USDA Policy Memorandum SP 46-2016, Unpaid Meal Charges: Local Meal Charge Policies (2016)
USDA Policy Memorandum SP 47-2016, Unpaid Meal Charges: Clarification on Collection of Delinquent Meal Payments (2016)
USDA Policy Memorandum SP 23-2017, Unpaid Meal Charges: Guidance and Q&A

Cross References: None

525 VIOLENCE PREVENTION [APPLICABLE TO STUDENTS AND STAFF]

I. PURPOSE

The purpose of this policy is to recognize that violence has increased and to identify measures that the school district will take in an attempt to maintain a learning and working environment that is free from violent and disruptive behavior.

The school board is committed to promoting healthy human relationships and learning environments that are physically and psychologically safe for all members of the school community. It further believes that students are the first priority and they should be protected from physical or emotional harm during school activities and on school grounds, buses, or field trips while under school district supervision.

II. GENERAL STATEMENT OF POLICY

- A. The policy of the school district is to strictly enforce its weapons policy (Policy 501).
- B. The policy of the school district is to act promptly in investigating all acts, or formal or informal complaints, of violence and take appropriate disciplinary action against any student or staff member who is found to have violated this policy or any related policy.
- C. The administration will periodically review discipline policies and procedures, prepare revisions if necessary, and submit them to the school board for review and adoption.
- D. The school district will implement approved violence prevention strategies to promote safe and secure learning environments, to diminish violence in our schools, and to aid in the protection of children whose health or welfare may be jeopardized through acts of violence.

III. IMPLEMENTATION OF POLICY

- A. The school board will review and approve policies to prevent and address violence in our schools. The superintendent or designee will develop procedures to effectively implement the school weapons and violence prevention policies. It shall be incumbent on all students and staff to observe all policies and report violations to the school administration.
- B. The school board and administration will inform staff and students annually of policies and procedures related to violence prevention and weapons.
- C. The school district will act promptly to investigate all acts and formal and informal complaints of violence and take appropriate disciplinary action against any student or staff member who is found to have violated this policy or any related policy.
- D. The consequences set forth in the school weapons policy (Policy 501) will be imposed upon any student or nonstudent who possesses, uses or distributes a weapon when in a school location.
- E. The consequences set forth in the school hazing policy (Policy 526) will be imposed upon any student or staff member who commits an act against a student or staff member; or coerces a student or staff member into committing an act, that creates a substantial risk of harm to a person in order for the student or staff member to be initiated into or affiliated with an organization, or for any other purpose.

- F. Students who engage in assault or violent behavior will be removed from the classroom immediately and for a period of time deemed appropriate by the principal, in consultation with the teacher, pursuant to the student discipline policy (Policy 506).
- G. Students with disabilities may be expelled for behavior unrelated to their disabilities, subject to the procedural safeguards required by the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973, and the Pupil Fair Dismissal Act.
- H. Procedures will be developed for the referral of any person in violation of this policy or the weapons policy to the local law enforcement agency in accordance with [Minnesota Statutes section Minn. Stat. § 121A.05](#).
- I. Students who wear objectionable emblems, signs, words, objects, or pictures on clothing communicating a message that is racist, sexist, or otherwise derogatory to a protected minority group or which connotes gang membership or that approves, advances, or provokes any form of religious, racial, or sexual harassment or violence against other individuals as defined in the harassment and violence policy (Policy 413) will be subject to the procedures set forth in the student dress and appearance policy (Policy 504). "Gang" as used in this policy means any ongoing organization, association, or group of three or more persons, whether formal or informal, having as one of its primary activities the commission of one or more criminal acts, which has an identifiable name or identifying sign or symbol, and whose members individually or collectively engage in or whose members engaged in a pattern of criminal gang activity. A "pattern of gang activity" means the commission, attempt to commit, conspiring to commit, or solicitation of two or more criminal acts, provided the criminal acts were committed on separate dates or by two or more persons who are members of or belong to the same criminal street gang.
- J. This policy is not intended to abridge the rights of students to express political, religious, philosophical, or similar opinions by wearing apparel on which such messages are stated. Such messages are acceptable as long as they are not lewd, vulgar, obscene, defamatory, profane, denote gang affiliation, advocate harassment or violence against others, are likely to disrupt the education process, or cause others to react in a violent or illegal manner (Policy 504).

IV. PREVENTION STRATEGIES

The school district has adopted and will implement the following prevention strategies to promote safe and secure learning environments, to diminish violence in our schools, and to aid in the protection of children whose health or welfare may be jeopardized through acts of violence.

[Note: The school board can adopt any of the prevention strategies that it intends to implement in its schools, including some or all of the following sample strategies.]

- A. Adopt a district crisis management policy to address potential violent crisis situations in the district.
- B. Provide training in recognition, prevention, and safe responses to violence and development of a positive school climate.
- C. Coordinate a local school security review committee or task force comprised of school officials, law enforcement, parents, students, and other youth service providers to advise on policy implementation.
- D. In-service training for personnel in aspects of reporting, visibility, and supervision as deterrents to violence.
- E. In-service training for personnel and school board members by experts familiar with

sexual abuse, domestic violence, and personal safety issues on the following: helping students identify violence in the family and the community so that students may learn to resolve conflicts in effective, nonviolent ways; responding to a disclosure of child sexual abuse in a supportive, appropriate manner; and/or complying with mandatory reporting requirements under the Maltreatment of Minors Reporting Act.

- F. Promote student safety responsibility by encouraging the reporting of suspicious individuals and unusual activities on school grounds.
- G. Establish a curriculum committee that explores ways of teaching –students violence prevention strategies, law-related education, and character/values education (universal values, e.g., honesty, personal responsibility, self-discipline, cooperation, and respect for others).
- H. Establish clear school rules that prevent and deter violence.
- I. Develop cross-cultural awareness programs to unify students of all cultures and backgrounds, to develop mutual respect and understanding of shared experiences and values among students, and to promote the message of inclusion.
- J. Establish conflict resolution training, conflict management, or peer mediation programs for staff and students to teach conservative approaches to settling disputes.
- K. Develop curriculum that teaches social skills such as maintaining self-control, building communications skills, forming friendships, resisting peer pressure, being appropriately assertive, forming positive relationships with adults, and resolving conflict in nonviolent ways.
- L. Develop curriculum that teaches critical viewing and listening skills in analyzing mass media to recognize stereotypes, distinguish fact from fantasy, and identify differences in behavior and values that conflict with their own.
- M. Develop student safety forums that both inform and elicit students’ ideas about particular safety problems in the building.
- N. Develop a student photo or name identification system for quick identification of the student in case of emergency.
- O. Develop a staff photo or name identification system using identification badges for quick identification of unauthorized people on campus.
- P. Require all visitors to check-in the main office upon their arrival and state their business at the school. A visitor badge may be issued for easy identification that the visitor is authorized to be present in the school building.
- Q. Develop curriculum on character education including, but not limited to, character qualities such as attentiveness, truthfulness, respect for authority, diligence, gratefulness, self-discipline, patience, forgiveness, respect for others, peacemaking, and resourcefulness.
- R. Develop curriculum on child sexual abuse prevention for students, including age-appropriate instruction on recognizing sexual abuse and assault, boundary violations, and ways offenders groom or desensitize victims, as well as strategies to promote disclosure, reduce self-blame, and mobilize bystanders. The curriculum may be created in consultation with federal, state, and local agencies and community-based organizations, including the [Child Welfare Information Gateway](#) website maintained by the United States Department of Health and Human Services, to identify research-based tools, curricula, and programs to prevent child sexual abuse.
- S. Provide training to all school personnel on recognizing and preventing sexual abuse

and sexual violence which may include training on mandatory reporting requirements provided on the Department of Education's website and reviewing the Code of Ethics for Minnesota Teachers.

V. STUDENT SUPPORT

- A. Students will have access to school-based student service professionals, when available, including counselors, nurses, social workers, and psychologists who are knowledgeable in methods to assist students with violence prevention and intervention.
- B. Students will be apprised of school board policies designed to protect their personal safety.
- C. Students will be provided with information as to school district and building rules regarding weapons and violence.
- D. Students will be informed of resources for violence prevention and proper reporting.

VI. PERSONNEL

- A. School district personnel shall comply with the school weapons policy (Policy 501) and the school hazing policy (Policy 526).
- B. School district personnel shall be knowledgeable of violence prevention policies and report any violation to school administration immediately. School district personnel will be informed annually as to school district and building rules regarding weapons and violence prevention.
- C. School district personnel or agents of the school district shall not engage in emotionally abusive acts including malicious shouting, ridicule, and/or threats or other forms of corporal punishment (Policy 507).

Legal References: Minn. Stat. § 13.43, Subd. 16 ~~-(School District or Charter School Disclosure of Violence or Inappropriate Sexual Contact Personnel Data)~~
Minn. Stat. § 120B.22 (Violence Prevention Education)
Minn. Stat. § 120B.232 (Character Development Education)
Minn. Stat. § 120B.234 (Child Sexual Abuse Prevention Education)
Minn. Stat. § 121A.035 (Crisis Management Policy)
Minn. Stat. § 121A.05 (Policy to Refer Firearms Possessor)
Minn. Stat. §§ 121A.40-121A.56 (Pupil Fair Dismissal Act)
Minn. Stat. § 121A.44 (Expulsion for Possession of Firearm)
Minn. Stat. § 121A.61 (Discipline and Removal of Students from Class)
Minn. Stat. § 121A.64 (Notification)
Minn. Stat. § 121A.69 (Hazing Policy)
Minn. Stat. § 181.967, Subd. 5 (School District Disclosure of Violence or Inappropriate Sexual Contact)

18 U.S.C. § 921 (Definition of Firearm)
20 U.S.C. § 1400 ~~et seq.~~ (Individuals with Disabilities Education Improvement Act of 2004)
29 U.S.C. § 794 *et seq.* (Rehabilitation Act of 1973, § 504)
Tinker v. Des Moines Indep. Sch. Dist., 393 U.S. 503, 89 S.Ct. 733, 21 L.Ed.2d 731 (1969)
Stephenson v. Davenport Cmty. Sch. Dist., 110 F.3d 1303 (8th Cir. 1997)
McIntire v. Bethel School, 804 F.Supp. 1415, 78 Educ. L.Rep. 828 (W.D. Okla. 1992)
Olesen v. Board of Educ. of Sch. Dist. No. 228, 676 F.Supp. 820, 44 Educ. L.Rep. 205 (N.D. Ill. 1987)

Cross References:

MSBA/MASA Model Policy 413 (Harassment and Violence)
MSBA/MASA Model Policy 501 (School Weapons Policy)
MSBA/MASA Model Policy 504 (Student Dress and Appearance)
MSBA/MASA Model Policy 506 (Student Discipline)
MSBA/MASA Model Policy 507 (Corporal Punishment)
MSBA/MASA Model Policy 514 (Bullying Prohibition Policy)
MSBA/MASA Model Policy 526 (Hazing Prohibition)
MSBA/MASA Model Policy 529 (Staff Notification of Violent Behavior by Students)

Adopted: _____

MSBA/MASA Model Policy 501

Orig. 1995

Revised: _____

Rev. ~~2014~~2021

501 SCHOOL WEAPONS POLICY

[Note: School districts are required by statute to have a policy addressing these issues. ATTENTION: This policy incorporates certain provisions of the Minnesota Citizens' Personal Protection Act (often referred to as the "conceal and carry" law).]

I. PURPOSE

The purpose of this policy is to assure a safe school environment for students, staff and the public.

II. GENERAL STATEMENT OF POLICY

No student or nonstudent, including adults and visitors, shall possess, use, or distribute a weapon when in a school location except as provided in this policy. The school district will act to enforce this policy and to discipline or take appropriate action against any student, teacher, administrator, school employee, volunteer, or member of the public who violates this policy.

III. DEFINITIONS

A. "Weapon"

1. A "weapon" means any object, device or instrument designed as a weapon or through its use is capable of threatening or producing bodily harm or which may be used to inflict self-injury including, but not limited to, any firearm, whether loaded or unloaded; airguns; pellet guns; BB guns; all knives; blades; clubs; metal knuckles; numchucks; throwing stars; explosives; fireworks; mace and other propellants; stunguns; ammunition; poisons; chains; arrows; and objects that have been modified to serve as a weapon.
2. No person shall possess, use, or distribute any object, device or instrument having the appearance of a weapon and such objects, devices or instruments shall be treated as weapons including, but not limited to, weapons listed above which are broken or non-functional, look-alike guns; toy guns; and any object that is a facsimile of a real weapon.
3. No person shall use articles designed for other purposes (i.e., lasers or laser pointers, belts, combs, pencils, files, scissors, etc.), to inflict bodily harm and/or intimidate and such use will be treated as the possession and use of a weapon.

B. "School Location" includes any school building or grounds, whether leased, rented, owned or controlled by the school, locations of school activities or trips, bus stops, school buses or school vehicles, school-contracted vehicles, the area of entrance or departure from school premises or events, all locations where school-related functions are conducted, and anywhere students are under the jurisdiction of the school district.

C. "Possession" means having a weapon on one's person or in an area subject to one's control in a school location.

D. "Dangerous Weapon" means any firearm, whether loaded or unloaded, or any device

designed as a weapon and capable of producing death or great bodily harm, any combustible or flammable liquid or other device or instrumentality that, in the manner it is used or intended to be used, is calculated or likely to produce death or great bodily harm, or any fire that is used to produce death or great bodily harm. As used in this definition, "flammable liquid" means any liquid having a flash point below 100 degrees Fahrenheit and having a vapor pressure not exceeding 40 pounds per square inch (absolute) at 100 degrees Fahrenheit but does not include intoxicating liquor. As used in this subdivision, "combustible liquid" is a liquid having a flash point at or above 100 degrees Fahrenheit.

IV. EXCEPTIONS

- A. A student who finds a weapon on the way to school or in a school location, or a student who discovers that he or she accidentally has a weapon in his or her possession, and takes the weapon immediately to the principal's office shall not be considered to possess a weapon. If it would be impractical or dangerous to take the weapon to the principal's office, a student shall not be considered to possess a weapon if he or she immediately turns the weapon over to an administrator, teacher or head coach or immediately notifies an administrator, teacher or head coach of the weapon's location.
- B. It shall not be a violation of this policy if a nonstudent (or student where specified) falls within one of the following categories:
1. active licensed peace officers;
 2. military personnel, or students or nonstudents participating in military training, who are on duty performing official duties;
 3. persons authorized to carry a pistol under ~~Minnesota Statutes~~ Section 624.714 while in a motor vehicle or outside of a motor vehicle for the purpose of directly placing a firearm in, or retrieving it from, the trunk or rear area of the vehicle;
 4. persons who keep or store in a motor vehicle pistols in accordance with ~~Minnesota Statutes~~ §§Section 624.714 or 624.715 or other firearms in accordance with §Minnesota Statutes section 97B.045;
 - a. Section 624.714 specifies procedures and standards for obtaining pistol permits and penalties for the failure to do so. Section 624.715 defines an exception to the pistol permit requirements for "antique firearms which are carried or possessed as curiosities or for their historical significance or value."
 - b. Section 97B.045 generally provides that a firearm may not be transported in a motor vehicle unless it is (1) unloaded and in a gun case without any portion of the firearm exposed; (2) unloaded and in the closed trunk; or (3) a handgun carried in compliance with §§Sections 624.714 and 624.715.
 5. firearm safety or marksmanship courses or activities for students or nonstudents conducted on school property;
 6. possession of dangerous weapons, BB guns, or replica firearms by a ceremonial color guard;
 7. a gun or knife show held on school property;

8. possession of dangerous weapons, BB guns, or replica firearms with written permission of the principal or other person having general control and supervision of the school or the director of a child care center; or
9. persons who are on unimproved property owned or leased by a child care center, school or school district unless the person knows that a student is currently present on the land for a school-related activity.

[Note: Nothing prevents a school district from being more stringent in its weapons policy with respect to students and school district employees than the criminal law, except that the school district may not prohibit the lawful carry or possession of firearms in a parking facility or parking area. Although some school districts may choose to incorporate all of the exceptions to the criminal law, other school districts may choose either not to incorporate some or all of the exceptions or to further limit them. For example, a school district may choose to require written permission from the superintendent, not just a principal, for someone to possess a dangerous weapon in a school location. This would impose a more stringent requirement than the exceptions to the general prohibition of having a weapon on school grounds set forth in (7) to Minnesota Statutes Section 609.66, Subdivision 1d (f) listed in Section IV.B. above. However, a school district may not regulate firearms, ammunition, or their respective components, when possessed or carried by nonstudents or nonemployees, in a manner that is inconsistent with Minnesota Statutes Section 609.66, Subdivision 1d.]

C. Policy Application to Instructional Equipment/Tools

While the school district does not allow the possession, use, or distribution of weapons by students or nonstudents, such a position is not meant to interfere with instruction or the use of appropriate equipment and tools by students or nonstudents. Such equipment and tools, when properly possessed, used, and stored, shall not be considered in violation of the rule against the possession, use, or distribution of weapons. However, when authorized instructional and work equipment and tools are used in a potentially dangerous or threatening manner, such possession and use will be treated as the possession and use of a weapon.

D. Firearms in School Parking Lots and Parking Facilities

A school district may not prohibit the lawful carry or possession of firearms in a school parking lot or parking facility. For purposes of this policy, the "lawful" carry or possession of a firearm in a school parking lot or parking facility is specifically limited to nonstudent permit-holders authorized under Minnesota Statutes Section 624.714 to carry a pistol in the interior of a vehicle or outside the motor vehicle for the purpose of directly placing a firearm in, or retrieving it from, the trunk or rear area of the vehicle. Any possession or carry of a firearm beyond the immediate vicinity of a permit-holder's vehicle shall constitute a violation of this policy.

V. CONSEQUENCES FOR STUDENT WEAPON POSSESSION/USE/ DISTRIBUTION

- A. The school district does not allow the possession, use, or distribution of weapons by students. Consequently, the minimum consequence for students willfully possessing, using, or distributing weapons shall include:
 1. immediate out-of-school suspension;

2. confiscation of the weapon;
 3. immediate notification of police;
 4. parent or guardian notification; and
 5. recommendation to the superintendent of dismissal for a period of time not to exceed one year.
- B. Pursuant to Minnesota law, a student who brings a firearm, as defined by federal law, to school will be expelled for at least one year. The school board may modify this requirement on a case-by-case basis.

~~C. The appropriate school official/building principal shall, as soon as practicable, refer to the criminal justice or juvenile delinquency system, as appropriate, a student who brings a firearm to school unlawfully.~~

ED. Administrative Discretion

While the school district does not allow the possession, use, or distribution of weapons by students, the superintendent may use discretion in determining whether, under the circumstances, a course of action other than the minimum consequences specified above is warranted. If so, other appropriate action may be taken, including consideration of a recommendation for lesser discipline.

VI. CONSEQUENCES FOR WEAPON POSSESSION/USE/DISTRIBUTION BY NONSTUDENTS

A. Employees

1. An employee who violates the terms of this policy is subject to disciplinary action, including nonrenewal, suspension, or discharge as deemed appropriate by the school board.
2. Sanctions against employees, including nonrenewal, suspension, or discharge shall be pursuant to and in accordance with applicable statutory authority, collective bargaining agreements, and school district policies.
3. When an employee violates the weapons policy, law enforcement may be notified, as appropriate.

[Note: An employer may establish policies that restrict the carry or possession of firearms by its employees while acting in the course and scope of employment. Employment-related sanctions may be invoked for a violation. Thus, for example, reasonable limitations may be imposed on the method of storing firearms by permit-holding employees while at work or performing employment-related duties. Reasonable limitations may include requiring firearms to have trigger locks and to be stored in a locked container or locked compartment of the vehicle.]

B. Other Nonstudents

1. Any member of the public who violates this policy shall be informed of the policy and asked to leave the school location. Depending on the circumstances, the person may be barred from future entry to school locations. In addition, if the person is a student in another school district, that school district may be contacted concerning the policy violation.

2. If appropriate, law enforcement will be notified of the policy violation by the member of the public and may be asked to provide an escort to remove the member of the public from the school location.

VII. REPORTS OF DANGEROUS WEAPON INCIDENTS IN SCHOOL ZONES

A. The school district must electronically report to the Minnesota Commissioner of Education incidents involving the use or possession of a dangerous weapon in school zones, as required under Minnesota Statutes section 121A.06.

Legal References: Minn. Stat. § 97B.045 (~~Transportation of~~ Firearms)
Minn. Stat. § 121A.05 (~~Policy to Refer Firearms Possessor~~Referral to Police)
Minn. Stat. § 121A.06 (Reports of Dangerous Weapon Incidents in School Zones)
Minn. Stat. §§ 121A.40-121A.56 (Pupil Fair Dismissal Act)
Minn. Stat. § 121A.44 (Expulsion for Possession of Firearm)
Minn. Stat. § 152.01, subd. 14(a) (Definition of a School Zone)
Minn. Stat. § 609.02, ~~S~~subd. 6 (Definition of Dangerous Weapon)
Minn. Stat. § 609.605 (Trespass)
Minn. Stat. § 609.66 (Dangerous Weapons)
Minn. Stat. § 624.714 (Carrying of Weapons without Permit; Penalties)
Minn. Stat. § 624.715 (Exemptions; Antiques and Ornaments)
18 U.S.C. § 921 (Definition of Firearm)
In re C.R.M., 611 N.W.2d 802 (Minn. 2000)
In re A.D., 883 N.W.2d 251 (Minn. 2016)

Cross References: MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)
MSBA/MASA Model Policy 506 (Student Discipline)
MSBA/MASA Model Policy 525 (Violence Prevention)
MSBA/MASA Model Policy 903 (Visitors to School District Buildings and Sites)

INDEPENDENT SCHOOL DISTRICT NO. 2180

STUDENT DISABILITY DISCRIMINATION GRIEVANCE REPORT FORM

General Statement of Policy Prohibiting Disability Discrimination

Independent School District No.2180 maintains a firm policy prohibiting all forms of discrimination on the basis of a disability. All persons are to be treated with respect and dignity. Discrimination on the basis of a disability will not be tolerated under any circumstances.

Complainant: _____

Home Address: _____

Work Address: _____

Home Phone: _____ Work Phone: _____

I have been discriminated against based on (choose one or more):

[my disability] / [a record of my disability] / [being regarded as having a disability]

because _____

Date of alleged incident(s): _____

Name of person you believe discriminated against you or another person: _____

If the alleged discrimination was toward another person, identify that person: _____

Describe the incident(s) as clearly as possible, including such things as: any verbal statements; what, if any, physical contact was involved; etc. (attach additional pages if necessary): _____

Location of the incident(s): _____

List any witnesses that were present: _____

This complaint is filed based on my honest belief that _____ has discriminated against me or another person based on a disability. I hereby certify that the information I have provided in this complaint is true, correct, and complete to the best of my knowledge and belief.

(Complainant Signature) (Date)

Received by: _____
(Date)

Adopted: _____

MSBA/MASA Model Policy 521

Orig. 1995

Revised: _____

Rev. 2022~~13~~

521 STUDENT DISABILITY NONDISCRIMINATION

[Note: School districts are required by statute to have a policy addressing these issues.]

I. PURPOSE

The purpose of this policy is to protect ~~disabled~~ students with disabilities from discrimination on the basis of disability and to identify and evaluate learners who, within the intent of Section 504 of the Rehabilitation Act of 1973 (Section 504), need services, accommodations, or programs in order that such learners may receive a free appropriate public education.

II. GENERAL STATEMENT OF POLICY

A. ~~Disabled~~ Students with disabilities who meet the criteria of Paragraph C. below are protected from discrimination on the basis of a disability.

B. The responsibility of the school district is to identify and evaluate learners who, within the intent of Section 504, need services, accommodations, or programs in order that such learners may receive a free appropriate public education.

C. For this policy, a learner who is protected under Section 504 is one who:

1. has a physical or mental impairment that substantially limits one or more of such person's major life activities; or
2. has a record of such an impairment; or
3. is regarded as having such an impairment.

D. Learners may be protected from disability discrimination and be eligible for services, accommodations, or programs under the provisions of Section 504 even though they are not eligible for special education pursuant to the Individuals with Disabilities Education Act.

III. COORDINATOR

Persons who have questions or comments should contact _____ (title, name, office address, and telephone number). This person is the school district's Americans with Disabilities Act/Section 504 coordinator. Persons who wish to make a complaint regarding a disability discrimination matter may use the accompanying Student Disability Discrimination Grievance Report Form. The form should be given to the ADA/Section 504 coordinator.

Legal References: ~~Pub. L. 110-325, 122 Stat. 3553 (ADA Amendments Act of 2008, § 7)~~
42 U.S.C. Ch. 126 (Equal Opportunity for Individuals with Disabilities)
29 U.S.C. § 794 *et seq.* (Rehabilitation Act of 1973, § 504)
34 C.F.R. Part 104 (Section 504 Implementing Regulations)

Cross References: MSBA/MASA Model Policy 402 (Disability Nondiscrimination)

Adopted: _____

MSBA/MASA Model Policy 526

Revised: _____

Orig. 1997
Rev. ~~2010~~ 2014

526 HAZING PROHIBITION

[Note: School districts are required by statute to have a policy addressing these issues. The Minnesota Department of Education (MDE) will maintain and make available a model policy on student and staff hazing in accordance with Minnesota Statutes section Minn. Stat. § 121A.69. The MDE model policy differs from the MSBA/MASA model policy as it incorporates state and federal requirements related to harassment and discrimination which extends beyond the mandate of Minnesota Statutes section Minn. Stat. § 121A.69. Topics of harassment and discrimination are addressed in other MSBA/MASA policies. While school districts are required to adopt a policy governing student and staff hazing, school districts are not required to adopt any particular policy. MSBA recommends this policy.]

I. PURPOSE

The purpose of this policy is to maintain a safe learning environment for students and staff that is free from hazing. Hazing activities of any type are inconsistent with the educational goals of the school district and are prohibited at all times.

II. GENERAL STATEMENT OF POLICY

- A. No student, teacher, administrator, volunteer, contractor, or other employee of the school district shall plan, direct, encourage, aid, or engage in hazing.
- B. No teacher, administrator, volunteer, contractor, or other employee of the school district shall permit, condone, or tolerate hazing.
- C. Apparent permission or consent by a person being hazed does not lessen the prohibitions contained in this policy.
- D. Retaliation against a victim, good faith reporter, or a witness of hazing is prohibited.
- E. False accusations or reports of hazing against a student, teacher, administrator, volunteer, contractor, or other employee are prohibited.
- F. A person who engages in an act of hazing, reprisal, retaliation, or false reporting of hazing or permits, condones, or tolerates hazing shall be subject to discipline or other remedial responses for that act in accordance with the school district's policies and procedures.

Consequences for students who commit, tolerate, or are a party to prohibited acts of hazing may range from remedial responses or positive behavioral interventions up to and including suspension and/or expulsion.

Consequences for employees who permit, condone, or tolerate hazing or engage in an act of reprisal or intentional false reporting of hazing may result in disciplinary action up to and including termination or discharge.

Consequences for other individuals engaging in prohibited acts of hazing may include, but not be limited to, exclusion from school district property and events and/or termination of services and/or contracts.

~~D G.~~ This policy applies to ~~behavior~~ hazing that occurs during and after school hours, on or off school premises or property, at school functions or activities, or on school transportation ~~and during and after school hours.~~

~~E H.~~ A person who engages in an act that violates school policy or law in order to be initiated into or affiliated with a student organization shall be subject to discipline for that act.

~~F I.~~ The school district will act to investigate all complaints of hazing and will discipline or take appropriate action against any student, teacher, administrator, volunteer, contractor, or other employee of the school district who is found to have violated this policy.

III. DEFINITIONS

A. "Hazing" means committing an act against a student, or coercing a student into committing an act, that creates a substantial risk of harm to a person, in order for the student to be initiated into or affiliated with a student organization, or for any other school-related purpose. The term hazing includes, but is not limited to:

1. Any type of physical brutality such as whipping, beating, striking, branding, electronic shocking, or placing a harmful substance on the body.
2. Any type of physical activity such as sleep deprivation, exposure to weather, confinement in a restricted area, calisthenics, or other activity that subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student.
3. Any activity involving the consumption of any alcoholic beverage, drug, tobacco product, or any other food, liquid, or substance that subjects the student to an unreasonable risk of harm or that adversely affects the mental or physical health or safety of the student.
4. Any activity that intimidates or threatens the student with ostracism, that subjects a student to extreme mental stress, embarrassment, shame, or humiliation, that adversely affects the mental health or dignity of the student or discourages the student from remaining in school.
5. Any activity that causes or requires the student to perform a task that

involves violation of state or federal law or of school district policies or regulations.

- B. "Immediately" means as soon as possible but in no event longer than 24 hours.
- C. "On school premises or school district property, or at school functions or activities, or on school transportation" means all school district buildings, school grounds, and school property or property immediately adjacent to school grounds, school bus stops, school buses, school vehicles, school contracted vehicles, or any other vehicles approved for school district purposes, the area of entrance or departure from school grounds, premises, or events, and all school-related functions, school-sponsored activities, events, or trips. School district property also may mean a student's walking route to or from school for purposes of attending school or school-related functions, activities, or events. While prohibiting hazing at these locations and events, the school district does not represent that it will provide supervision or assume liability at these locations and events.
- D. "Remedial response" means a measure to stop and correct hazing, prevent hazing from recurring, and protect, support, and intervene on behalf of a student who is the target or victim of hazing.
- E. "Student" means a student enrolled in a public school or a charter school.
- B E. "Student organization" means a group, club, or organization having students as its primary members or participants. It includes grade levels, classes, teams, activities, or particular school events. A student organization does not have to be an official school organization to come within the terms of this definition.

IV. REPORTING PROCEDURES

- A. Any person who believes he or she has been the target or victim of hazing or any person with knowledge or belief of conduct which may constitute hazing shall report the alleged acts immediately to an appropriate school district official designated by this policy. A person may report hazing anonymously. However, the school district may not rely solely on an anonymous report to determine discipline or other remedial responses.
- B. The school district encourages the reporting party to use the report form available from the principal or building supervisor of each building or available from the school district office, but oral reports shall be considered complaints as well.

The building principal, the principal's designee, or the building supervisor (hereinafter the "building report taker") is the person responsible for receiving reports of hazing at the building level. Any adult school district personnel who receives a report of hazing prohibited by this policy shall inform the building report taker immediately. Any person may report hazing directly to a school district human rights officer or to the superintendent. If the complaint involves

the building report taker, the complaint shall be made or filed directly with the superintendent or the school district human rights officer by the reporting party or complainant.

The building report taker shall ensure that this policy and its procedures, practices, consequences, and sanctions are fairly and fully implemented and shall serve as a primary contact on policy and procedural matters.

- C. ~~Teachers, administrators, volunteers, contractors, and other employees of the school district~~ A teacher, administrator, volunteer, contractor, and other school employees shall be particularly alert to possible situations, circumstances, or events which might include hazing. Any such person who witnesses, observes, receives a report of, ~~observes,~~ or has other knowledge or belief of conduct which may constitute hazing shall make reasonable efforts to address and resolve the hazing and shall inform the building report taker immediately. School district personnel who fail to inform the building report taker of conduct that may constitute hazing or who fail to make reasonable efforts to address and resolve the hazing in a timely manner may be subject to disciplinary action.
- D. Submission of a good faith complaint or report of hazing will not affect the complainant or reporter's future employment, grades, ~~or~~ work assignments, or educational or work environment.
- E. Reports of hazing are classified as private educational and/or personnel data and/or confidential investigative data and will not be disclosed except as permitted by law. The building report taker, in conjunction with the responsible authority, shall be responsible for keeping and regulating access to any report of hazing and the record of any resulting investigation.
- F. The school district will respect the privacy of the complainant(s), the individual(s) against whom the complaint is filed, and the witnesses as much as possible, consistent with the school district's legal obligations to investigate, to take appropriate action, and to comply with any discovery or disclosure obligations.

V. SCHOOL DISTRICT ACTION

- A. ~~Upon~~ Within three (3) days of the receipt of a complaint or report of hazing, the school district shall undertake or authorize an investigation by school district officials or a third party designated by the school district.
- B. The building report taker or other appropriate school district officials may take immediate steps, at ~~its~~their discretion, to protect the target or victim of the hazing, the complainant, the reporter, and students, or others pending completion of an investigation of alleged hazing prohibited by this policy.
- C. The alleged perpetrator of the hazing shall be allowed the opportunity to present a defense during the investigation or prior to the imposition of discipline or other remedial responses.

~~C~~ D. Upon completion of ~~the an~~ investigation that determines hazing has occurred, the school district will take appropriate action. Such action may include, but is not limited to, warning, suspension, exclusion, expulsion, transfer, remediation, termination, or discharge. Disciplinary consequences will be sufficiently severe to try to deter violations and to appropriately discipline prohibited behavior. School district action taken for violation of this policy will be consistent with the requirements of applicable collective bargaining agreements~~;~~ applicable statutory authority, including the Minnesota Pupil Fair Dismissal Act~~;~~ and applicable school district policies~~;~~ and regulations.

~~D~~ E. The school district is not authorized to disclose to a victim private educational or personnel data regarding an alleged perpetrator who is a student or employee of the school district. School officials will notify the parent(s) or guardian(s) of students involved in a hazing incident and who are targets or victims of hazing and the parent(s) or guardian(s) of alleged perpetrators of hazing who have been involved in a reported and confirmed hazing incident of the remedial or disciplinary action taken, to the extent permitted by law~~, based on a confirmed report.~~

F. In order to prevent or to respond to hazing committed by or directed against a child with a disability, the school district shall, where determined appropriate by the child's individualized education program (IEP) team or Section 504 team, allow the child's IEP or Section 504 plan to be drafted to address the skills and proficiencies the child needs as a result of the child's disability to allow the child to respond to or not to engage in hazing.

VI. RETALIATION OR REPRISAL

The school district will discipline or take appropriate action against any student, teacher, administrator, volunteer, contractor, or other employee of the school district who commits an act of reprisal or who retaliates against any person who asserts, alleges, or makes a good faith report of alleged hazing~~, or against any person who provides information about hazing,~~ who testifies, assists, or participates in an investigation of alleged hazing, or ~~against any person~~ who testifies, assists, or participates in a proceeding or hearing relating to such hazing. Retaliation includes, but is not limited to, any form of intimidation, reprisal, harassment, or intentional disparate treatment. Disciplinary consequences will be sufficiently severe to deter violations and to appropriately discipline the individual(s) who engaged in the prohibited conduct. Remedial responses to the prohibited conduct shall be tailored to the particular incident and nature of the conduct.

VII. DISSEMINATION OF POLICY

[Note: Proper reference should be made to the appropriate handbooks in each school district.]

A. This policy shall appear in each school's student handbook and in each school's

building and staff handbooks.

- B. The school district will develop a method of discussing this policy with students and employees.

Legal References: Minn. Stat. § ~~121A.0695~~ 121A.031 (School Student Bullying Policy Board Policy; Prohibiting Intimidation and Bullying)
Minn. Stat. § 121A.0311 (Notice of the Rights and Responsibilities of Students and Parents Under the Safe and Supportive Minnesota Schools Act)
Minn. Stat. § 121A.40-121A.56 (Pupil Fair Dismissal Act)
Minn. Stat. § 121A.69 (Hazing Policy)

Cross References: MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)
MSBA/MASA Model Policy 413 (Harassment and Violence)
MSBA/MASA Model Policy 506 (Student Discipline)
MSBA/MASA Model Policy 514 (Bullying Prohibition Policy)
MSBA/MASA Model Policy 525 (Violence Prevention [Applicable to Students and Staff])



Teacher Contract

The School Board of Independent School District 2180 of the State of Minnesota, Clara City, Minnesota, enters into this agreement, pursuant to M.S. 125.12 as amended, with Calla-Sjea Anderson a legally qualified and licensed teacher who agrees to teach in the public schools of said district as Physical Education for the school year 2022-2023.

The following provisions shall apply and are a part of this contract:

- 1. Basic Services: Said teacher shall faithfully perform the services prescribed by the school board or its designated representative, whether or not such services are specifically described in this contract, abide by the rule and regulations as established by the school board and State Board of Education, and any additions or amendments thereto, for the annual salary indicated below, and agrees to teach for the school district as assigned in such grades or subjects for which the teacher has the necessary license.
2. Duration: This contract is subject to the provision of M.S. 125.12 as amended and to all laws, rules and regulations of the State of Minnesota relevant to qualification, licensure, employment, termination and discharge for cause of teachers.
3. Duty Year: The teacher's duty year and vacation days shall be as adopted by the school board, and the teacher agrees to teach on those legal holidays on which the school board is authorized to conduct school if the school board so determines.
4. Additional Services: The school board, or its designated representative, may assign the teacher to extracurricular, co-curricular, or other assignments, subject to established compensation for such services which exceed the services authorized in paragraph 1.
5. Reference: This contract shall be subject to the agreement between the school district and the exclusive representative if any, and the provisions of the Public Employment Labor Relations Act as amended.
6. Special Provision: (Insert here any other contractual provisions).

In addition, said teacher agrees to perform the following additional services for the additional salary indicated.

Table with 2 columns: Additional Service, Additional Compensation. Row 1: 1. _____ \$ _____

7. In Consideration thereof, the school board agrees to pay said teacher the following annual salary:

\$ 27,142 For Basic Services: BA Yr 0 (Tier 1) (102.4 out of 159.4 days ~ 64%)
\$ For Additional Services as set forth in paragraph 6
\$ 27,142 Total salary, exclusive of fringe benefits.

Such salary shall be paid as authorized and in such installments during the terms of the year as may be determined by appropriate school board regulation. This contract shall be effective only after it has been authorized by the school board in appropriate action, recorded in its minutes, and executed by the parties.

IN WITNESS THEREOF I have subscribed my signature this 29th day of November, 2022

Teacher: [Signature]

IN WITNESS THEREOF we have subscribed our signatures this _____ day of _____,

Independent School District No. 2180
Clerk: _____
Chairperson: _____