



INDEPENDENT SCHOOL DISTRICT NO. 108
NORWOOD YOUNG AMERICA, MN 55368
AGENDA: Monday, November 22, 2021



6:00 PM Meeting
High School Media Center

A. PROCEDURAL ITEMS:

Board Chair

1. Call to order

Board Chair

call the meeting to order

2. Roll Call

Board Chair

3. Pledge of Allegiance

Board Chair

4. Approval of Agenda

Board Chair

Board members can amend the presented agenda by adding, removing or adjusting items to suit the needs of a particular meeting.

5. Consent Agenda

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Board Chair

a) Approval of Minutes

October 25, 2021 Regular Board Meeting Minutes

b) Payment of Invoices

c) Correspondence

d) Approve Field Trip(s)

~ 5th Grade overnight trip to Long Lake Conservation Center May 9-11, 2022

e) Human Resources Items:

1. Retirement

a).

2. Lane Change

a).

3. Resignations

a).

4. Non-Renewal

a).

5. New Hires

a).

6. Leave of Absence

f) Extra Curricular Assignments

~Jake Schrupp - MS girls basketball coach
~Jon Wroge - MS boys basketball coach
~Gary Lembcke - Girls Head basketball coach
~Kyle Evenski - 7th Grade boys basketball coach
~Wade Vanderlinde - Boys assistance basketball coach
~Kyle Strickfaden - Boys basketball head coach
~Alex Rome - 9th grade boys basketball coach
~ Keegan Oak - Assistant boys basketball coach
~Wade Degler - Assistant girls basketball coach
~Brian Clark - Assistant wrestling coach

g) Volunteer Coaches

6. Acceptance of Gifts

Board Chair

Board approves donations recieved

B. PUBLIC FORUM

Board Chair

During the Public Forum any person may address the School Board on a topic of interest or concern. Listed below are the procedures.

1. Public Forum will follow the Procedural Items on the agenda.
2. Public Forum will be open up to 30 minutes (3 minutes per speaker, 10 minutes per topic, and no more than 3 speakers per topic as a general rule). Comments should be brief, and repetition of public comments already expressed at the same meeting should be avoided.
3. Those wishing to address the Board should fill out the Public Forum Speaker Card and submit the card to the School Board clerk or other district official at the meeting
4. Questions may be asked on any topic, including those on the agenda.
5. School District policy and data privacy laws preclude the Board from publicly discussing personnel matters or data, including information, which, if discussed in a public meeting could violate law or policy. Under School Board Policy 206, complaints or concerns regarding individual school district employees should be presented in writing to school administration and signed by the person submitting the complaint or concern.
6. An attempt will be made to answer questions addressed to the Board. In those cases where an answer is not provided, a phone call from an appropriate school district official will be made as a follow-up.
7. A handout on the purpose of School Board meetings and the meeting process is available at each School Board meeting.
8. Citizens may be asked to address the school board on a particular subject during the discussion of that item.
9. The School Board chairperson will attempt to reasonably honor requests to speak, but shall also exercise discretion with regard to time constraints and therefore may limit the

number of requests to speak accordingly.

C. INFORMATIONAL ITEMS: MONTHLY REPORTS

Board Chair

1. Student Council
Board Chair
2. Student Representative
Board Chair
3. Superintendent
Board Chair
4. Board

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Board Chair

Minnesota State High School League
Representative: Strickfaden; Alt: Latzig

Community Education Board
Representatives: Evenski; Latzig

Southwest Metro Educational Coop
Representative: Schug Alt: Latzig

Technology Committee
Representatives: Lehrke, Erickson, Alt: Evenski

Community Development/County & City Liaison
Representative: Latzig; Alt: Eischens

Finance Committee
Representative: Strickfaden; Alt: Latzig

Policy Committee:
Representatives: Erickson, Evenski, Eischens

Negotiation Committees:

MN School Employees Association:
Representatives: Evenski, Strickfaden, Eischens

Teachers Association:
Representatives: Latzig, Lehrke, Schug

Superintendent:
Representatives: Erickson, Schug, Latzig

Principals/Administration:
Representatives Evenski, Lehrke, Eischens

Non-Union Support Staff, Technology Director, Community Ed. Director:

D. DISCUSSION ITEMS

Board Chair

1. Audit Report from Eide Bailey 33
2. Bond Recap and Process Moving Forward 153
3. 2022-23 District Calendar 154
4. Superintendent Goals

E. OPERATIONAL ITEMS

Board Chair

1. Consideration of the FY21 Audit 155
2. Consideration of the 2022-2025 Superintendent Contract 178
3. Resolution to Set Parameters for Bond Sale 184

F. NEXT BOARD MEETING

Board Chair

Monday December 20, 2021 @ 6:00 PM @ CHS Media Center

G. ADJOURNMENT

Board Chair

October 25, 2021
Monday, October 25, 2021 6:00 PM Central

High School Media Center
531 Morse Street
Norwood Young America, MN 55368

A. PROCEDURAL ITEMS:

A.1. Call to order

A.2. Roll Call

A.3. Pledge of Allegiance

A.4. Approval of Agenda

Move to approve the agenda as presented/amended:. This motion, made by Sara Eischens and seconded by Sarah Lehrke, Carried.

Sara Eischens: Yea, Shelby Erickson: Yea, Nicole Evenski: Yea, Elroy Latzig: Yea,
Sarah Lehrke: Yea, Rich Schug: Yea, Kyle Strickfaden: Yea
Yea: 7, Nay: 0

A.5. Consent Agenda

Move to approve Consent agenda as presented. This motion, made by Nicole Evenski and seconded by Elroy Latzig, Carried.

Sara Eischens: Yea, Shelby Erickson: Yea, Nicole Evenski: Yea, Elroy Latzig: Yea,
Sarah Lehrke: Yea, Rich Schug: Yea, Kyle Strickfaden: Yea
Yea: 7, Nay: 0

A.6. Acceptance of Gifts

Move to approve gifts. This motion, made by Rich Schug and seconded by Sara Eischens, Carried.

Sara Eischens: Yea, Shelby Erickson: Yea, Nicole Evenski: Yea, Elroy Latzig: Yea,
Sarah Lehrke: Yea, Rich Schug: Yea, Kyle Strickfaden: Yea
Yea: 7, Nay: 0

B. PUBLIC FORUM

C. INFORMATIONAL ITEMS: MONTHLY REPORTS

C.1. Student Council

C.2. Student Representative

C.3. Superintendent

C.4. Board

D. DISCUSSION ITEMS

D.1. Community Education goals and activity updates

D.2. MN Department of Education: Review and Comment

D.3. Central Public Schools to become a member of the MN Rural Education Association (MrEA)

D.4. Canvassing Election Results: Thursday, Nov. 4 at 6pm in the District Office is the proposed date/time.

E. OPERATIONAL ITEMS

F. NEXT BOARD MEETING

G. ADJOURNMENT

Move to adjourn regular board meeting:. This motion, made by Shelby Erickson and seconded by Sara Eischens, Carried.

Sara Eischens: Yea, Shelby Erickson: Yea, Nicole Evenski: Yea, Elroy Latzig: Yea, Sarah Lehrke: Yea, Rich Schug: Yea, Kyle Strickfaden: Yea
Yea: 7, Nay: 0

Norwood-Young America School
November 2021 Payroll Taxes and Liabilities

Bank	Batch	Pmt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Tax Class	Pay/Void			Amount
										Print	Recon	Date	
GEN1	p20531	52958		Wire	1	04035		TEACHERS RETIREMENT ASSOC		No	No	No	33,959.16
GEN1	p20531	52959		Wire	1	05255		DEPARTMENT OF THE TREASURY		No	No	No	59,357.17
GEN1	p20531	52960		Wire	1	06027		COMMISSIONER OF REVENUE		No	No	No	9,821.72
GEN1	p20531	52961		Wire	1	3785		EDUCATORS FINANCIAL SERVICES		No	No	No	8,014.70
GEN1	p20532	52989		Wire	1	00150		BLUE CROSS & BLUE SHIELD		No	No	No	26,836.00
GEN1	p20532	52990		Wire	1	01780		MN CHILD SUPPORT PAYMENT CTR		No	No	No	439.00
GEN1	p20532	52991		Wire	1	04035		TEACHERS RETIREMENT ASSOC		No	No	No	34,286.74
GEN1	p20532	52992		Wire	1	05255		DEPARTMENT OF THE TREASURY		No	No	No	57,805.77
GEN1	p20532	52993		Wire	1	06027		COMMISSIONER OF REVENUE		No	No	No	9,554.67
GEN1	p20532	52994		Wire	1	2260		AFLAC		No	No	No	166.98
GEN1	p20532	52995		Wire	1	3785		EDUCATORS FINANCIAL SERVICES		No	No	No	8,056.40
GEN1	p20532	52996		Wire	1	3904		FURTHER-SELECT ACCOUNT		No	No	No	60.00
GEN1	p20532	52997		Wire	1	5699		MN PUBLIC EMPLOYEES INSURANCE PF		No	No	No	57,619.74
GEN1	p20531	52957	39223	Check	1	4323		RELIANCE STANDARD		Yes	No	No	1,078.00
GEN1	p20531	52956	39224	Check	1	04034		PERA		Yes	No	No	6,876.37
GEN1	p20532	52986	39237	Check	1	07999		C.E.A.		Yes	No	No	8,181.20
GEN1	p20532	52987	39238	Check	1	1439		DELTA DENTAL PLAN OF MN		Yes	No	No	4,791.92
GEN1	p20532	52983	39239	Check	1	01140		MADISON NAT'L LIFE INS CO INC.		Yes	No	No	38.91
GEN1	p20532	52985	39240	Check	1	06032		MINNESOTA SCHOOL EMP ASSOC		Yes	No	No	865.90
GEN1	p20532	52988	39241	Check	1	3796		NATIONAL INSURANCE SERVICES OF WI		Yes	No	No	366.60
GEN1	p20532	52982	39242	Check	1	00808		NCPERS Group Life Ins.		Yes	No	No	48.00
GEN1	p20532	52984	39243	Check	1	04034		PERA		Yes	No	No	6,128.96

Bank Total: \$334,353.91

Report Total: \$334,353.91

Norwood-Young America School

Detail Payment Register By Check

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	39248	6020		ADVANCED ELECTRICAL SERVICES, INC.		Check
				E 01	300 810 062 000 350 Fix Wire to HS Bleachers		\$575.00
	PO#: 22006	Voucher #:	74946	Invoice	Invoice No: 6256	11/22/2021	Paid Amt: \$575.00
							Check Amount: \$575.00
0108	GEN1	39249	5123		ANDERSON, STEVEN		Check
				E 01	100 630 000 000 320 October Cell Phone Reimbursement		\$80.00
	PO#: 21574	Voucher #:	74947	Invoice	Invoice No: CellPhone	11/22/2021	Paid Amt: \$80.00
							Check Amount: \$80.00
0108	GEN1	39250	6412		AVIBEN		Check
				E 01	005 110 000 000 305 Business Office Consulting Fees/Services		\$117.03
	PO#:	Voucher #:	74948	Invoice	Invoice No: 21146	11/22/2021	Paid Amt: \$117.03
							Check Amount: \$117.03
0108	GEN1	39251	5715		BNR IRRIGATION SERVICES INC.		Check
				E 01	300 810 061 000 350 Winterize football field irrigation system		\$185.00
	PO#: 22007	Voucher #:	74949	Invoice	Invoice No: 47432	11/22/2021	Paid Amt: \$185.00
							Check Amount: \$185.00
0108	GEN1	39252	00334		BOESCHE, DONNA		Check
				E 01	100 260 000 000 430 Liquids for Science Investigations		\$9.57
				E 01	100 260 000 000 430 Liquids for Science Investigations		\$10.94
	PO#: 21943	Voucher #:	74950	Invoice	Invoice No: classroom supplies	11/22/2021	Paid Amt: \$20.51
							Check Amount: \$20.51
0108	GEN1	39253	6435		BRICK & BREW PROPERTIES LLC		Check
				E 01	005 850 000 302 570 December 2021 Lease		\$1,849.71
	PO#: 21538	Voucher #:	74951	Invoice	Invoice No: December2021	11/22/2021	Paid Amt: \$1,849.71
							Check Amount: \$1,849.71
0108	GEN1	39254	4946		BSN SPORTS LLC		Check
				E 01	300 865 000 379 350 Replacement of pads on basketball hoops - bott		\$1,508.64
	PO#: 21907	Voucher #:	74952	Invoice	Invoice No: 914199143	11/22/2021	Paid Amt: \$1,508.64
							Check Amount: \$1,508.64
0108	GEN1	39255	00236		CARLSON, JOAN		Check
				E 01	005 110 000 000 329 Reimburse for postage for ballots and postcards		\$18.60
	PO#: 21984	Voucher #:	74953	Invoice	Invoice No: PostageReimbursement	11/22/2021	Paid Amt: \$18.60
							Check Amount: \$18.60
0108	GEN1	39256	00048		CARQUEST AUTO PARTS		Check
				E 01	300 301 501 830 433 5 quarts of motor oil		\$18.98
	PO#: 21974	Voucher #:	74954	Invoice	Invoice No: 5927-239838	11/22/2021	Paid Amt: \$18.98
				E 01	100 810 000 000 401 belt		\$30.76
	PO#: 22008	Voucher #:	74955	Invoice	Invoice No: 5927-239816	11/22/2021	Paid Amt: \$30.76
							Check Amount: \$49.74
0108	GEN1	39257	00061		CITY OF NORWOOD YOUNG AMERICA		Check
				E 01	100 810 000 000 331 Elem Water and Sewerage		\$1,379.16
	PO#:	Voucher #:	74956	Invoice	Invoice No: 561	11/22/2021	Paid Amt: \$1,379.16
				E 01	200 810 000 000 331		\$459.95
				E 01	300 810 000 000 331		\$689.92
	PO#:	Voucher #:	74957	Invoice	Invoice No: 560	11/22/2021	Paid Amt: \$1,149.87
							Check Amount: \$2,529.03
0108	GEN1	39258	2597		cmERDC		Check
				E 04	005 505 000 321 401 03038601 - Book Tape		\$22.62
	PO#: 21187	Voucher #:	74958	Invoice	Invoice No: 184871	11/22/2021	Paid Amt: \$22.62
							Check Amount: \$22.62
0108	GEN1	39259	6457		CONJUGUEMOS		Check
				E 01	300 230 000 000 430 Subscription to Conjuguemos.com		\$45.00
	PO#: 22023	Voucher #:	74959	Invoice	Invoice No: 43378	11/22/2021	Paid Amt: \$45.00
							Check Amount: \$45.00
0108	GEN1	39260	4292		CRISIS PREVENTION INSTITUTE, INC.		Check
				E 01	100 420 011 419 401 CPI Materials for staff training on Nov. 5th. PBLI		\$1,239.69
	PO#: 21927	Voucher #:	74960	Invoice	Invoice No: CUS0273438	11/22/2021	Paid Amt: \$1,239.69
							Check Amount: \$1,239.69
0108	GEN1	39261	4732		DAIKIN APPLIED		Check
				E 01	300 810 062 000 350 Service Call to Recove Refrigerent, disposed of		\$209.30
	PO#: 22009	Voucher #:	74961	Invoice	Invoice No: 3326006	11/22/2021	Paid Amt: \$209.30
				E 01	100 810 063 000 350 Elem Boiler Quarterly Inspection Oct - Dec 2021		\$1,190.00
	PO#: 22010	Voucher #:	74962	Invoice	Invoice No: 3323817	11/22/2021	Paid Amt: \$1,190.00
							Check Amount: \$1,399.30
0108	GEN1	39262	1442		DALCO		Check
				E 01	200 810 000 000 401 Can Liners		\$241.84
	PO#: 22011	Voucher #:	74963	Invoice	Invoice No: 3844866	11/22/2021	Paid Amt: \$241.84
				E 01	200 810 000 000 401 Bowl Cleaner		\$81.87
	PO#: 22011	Voucher #:	74964	Invoice	Invoice No: 3847194	11/22/2021	Paid Amt: \$81.87
				E 01	200 810 000 000 401 Hand Roll Towels		\$54.27
	PO#: 22011	Voucher #:	74965	Invoice	Invoice No: 3847147	11/22/2021	Paid Amt: \$54.27

Norwood-Young America School

Detail Payment Register By Check

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	39262	1442		DALCO		Check
				E 01	200 810 000 000 401 Bacterial Enzyme		\$46.85
	PO#: 22011	Voucher #:	74966	Invoice	Invoice No: 3847719	11/22/2021	Paid Amt: \$46.85
				E 01	200 810 000 000 401 Disinfectant Restroom		\$129.85
	PO#: 22011	Voucher #:	74967	Invoice	Invoice No: 3850880	11/22/2021	Paid Amt: \$129.85
				E 01	200 810 000 000 401 Foaming Dispenser Soap		\$64.93
	PO#: 22011	Voucher #:	74968	Invoice	Invoice No: 3850854	11/22/2021	Paid Amt: \$64.93
				E 01	200 810 000 000 401 Ice Melter		\$846.32
	PO#: 22011	Voucher #:	74969	Invoice	Invoice No: 3851124	11/22/2021	Paid Amt: \$846.32
				E 01	200 810 000 000 401 Paper Towels		\$652.20
	PO#: 22011	Voucher #:	74970	Invoice	Invoice No: 3853761	11/22/2021	Paid Amt: \$652.20
				E 01	200 810 000 000 401 Paper Towels		\$38.54
	PO#: 22011	Voucher #:	74971	Invoice	Invoice No: 3854643	11/22/2021	Paid Amt: \$38.54
							Check Amount: \$2,156.67
0108	GEN1	39263	2721		DASHIR MANAGEMENT SERVICES INC		Check
				E 01	100 810 000 000 305 Elem. Maint Consulting/Serv		\$5,867.59
				E 01	200 810 000 000 305 MS Maint Consulting Fees/Serv		\$5,867.59
				E 01	300 810 000 000 305 HS Maint Consulting Fees/Serv		\$5,867.59
				E 02	005 770 000 701 305 Consulting Fees/Serv		\$1,029.87
				E 04	005 590 003 000 305 Consulting Fees/Serv		\$451.47
	PO#:	Voucher #:	74972	Invoice	Invoice No: 7248	11/22/2021	Paid Amt: \$19,084.11
				E 01	100 810 000 000 305 Elem. Maint Consulting/Serv		\$5,867.59
				E 01	200 810 000 000 305 MS Maint Consulting Fees/Serv		\$5,867.59
				E 01	300 810 000 000 305 HS Maint Consulting Fees/Serv		\$5,867.59
				E 02	005 770 000 701 305 Consulting Fees/Serv		\$1,029.87
				E 04	005 590 003 000 305 Preschool Consulting Fees/Serv		\$451.47
	PO#:	Voucher #:	74973	Invoice	Invoice No: 7228	11/22/2021	Paid Amt: \$19,084.11
							Check Amount: \$38,168.22
0108	GEN1	39264	00533		DRAMATIC PUBLISHING CO		Check
				E 01	300 291 111 000 305 Teen Court Scripts		\$109.50
				E 01	300 291 111 000 305 Royalty Fees		\$80.00
				E 01	300 291 111 000 305 Shipping		\$12.02
	PO#: 21960	Voucher #:	74975	Invoice	Invoice No: 100101202	11/22/2021	Paid Amt: \$201.52
							Check Amount: \$201.52
0108	GEN1	39265	4717		ECM PUBLISHERS, INC.		Check
				E 01	005 170 000 000 305 Nov 1 Optical Scan Voting Notice		\$34.02
	PO#:	Voucher #:	74976	Invoice	Invoice No: 860481	11/22/2021	Paid Amt: \$34.02
				E 01	005 170 000 000 305 Notice of Special Election		\$438.48
	PO#:	Voucher #:	74977	Invoice	Invoice No: 860479	11/22/2021	Paid Amt: \$438.48
				E 01	005 170 000 000 305 Ballot Count Location Notice		\$45.36
	PO#:	Voucher #:	74978	Invoice	Invoice No: 860480	11/22/2021	Paid Amt: \$45.36
							Check Amount: \$517.86
0108	GEN1	39266	00666		ECOLAB PEST ELIMINATION DIVISION		Check
				E 01	300 810 000 000 305 Pest Control		\$522.64
	PO#: 22015	Voucher #:	74981	Invoice	Invoice No: 5506574	11/22/2021	Paid Amt: \$522.64
							Check Amount: \$522.64
0108	GEN1	39267	4694		EDMENTUM		Check
				E 01	300 211 775 000 406 Edmentum Courseware License		\$5,225.00
	PO#: 21637	Voucher #:	74979	Invoice	Invoice No: INV162437	11/22/2021	Paid Amt: \$5,225.00
							Check Amount: \$5,225.00
0108	GEN1	39268	3992		ERNST, FAYE		Check
				E 01	005 105 000 000 305 Election Judge Nov 2		\$65.25
	PO#:	Voucher #:	74980	Invoice	Invoice No: Election Judge	11/22/2021	Paid Amt: \$65.25
							Check Amount: \$65.25
0108	GEN1	39269	00112		ERPENBACH, RON		Check
				E 01	100 050 000 000 320 October tech allowance		\$120.00
	PO#: 21588	Voucher #:	74982	Invoice	Invoice No: OctoberTechAllowance	11/22/2021	Paid Amt: \$120.00
				E 01	100 420 011 419 366 IEP Cologne 10-6		\$12.32
				E 01	100 420 011 419 366 IEP Hamburg 10-7		\$6.16
				E 01	300 292 000 000 366 Volleyball Gaylord		\$19.04
	PO#: 22025	Voucher #:	74983	Invoice	Invoice No: Mileage	11/22/2021	Paid Amt: \$37.52
							Check Amount: \$157.52
0108	GEN1	39270	5997		FOEDE, KAARIN		Check
				E 01	005 105 000 000 305 Election Judge		\$114.00
				E 01	005 105 000 000 305 Public Accuracy Testing		\$38.00
	PO#:	Voucher #:	74984	Invoice	Invoice No: Election Judge	11/22/2021	Paid Amt: \$152.00
							Check Amount: \$152.00
0108	GEN1	39271	4432		FORST, LAURA		Check
				E 01	100 258 000 000 430 Yoga Mats and Materials		\$213.00
	PO#: 21961	Voucher #:	74985	Invoice	Invoice No: ClassroomSupplies	11/22/2021	Paid Amt: \$213.00
				E 01	100 258 000 000 430 Amazon Order #1 for Winter Musical		\$86.74

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	39271	4432		FORST, LAURA		Check
				E 01 100 258 000 000 430	Amazon Order #2 for Winter Musical	\$40.09	
				E 01 100 258 000 000 430	Five Below Activity Dice	\$32.50	
	PO#: 21992	Voucher #:	74986	Invoice	Invoice No: ClassroomSupplies	11/22/2021	Paid Amt: \$159.33
							Check Amount: \$372.33
0108	GEN1	39272	3535		FOUR POINT 0 SCHOOL SERVICES		Check
				E 01 005 760 000 720 360	Transp Contract w/Priv or Pub Carriers	\$42,173.46	
				E 01 005 760 000 723 360	SpEd Trans Contr. w/Pub or Priv Car	\$24,230.16	
				E 04 005 590 003 733 360	Preschool Transportation	\$3,384.16	
	PO#:	Voucher #:	74987	Invoice	Invoice No: 11.2021	11/22/2021	Paid Amt: \$69,787.78
				E 01 300 294 050 733 360	Football Transportation	\$1,766.50	
				E 01 300 296 051 733 360	Volleyball Transportation	\$1,099.70	
				E 01 300 292 053 733 360	Cross Country Transportation	\$979.00	
				E 01 200 292 049 733 360	MS Athletics Trans Contracts Pc	\$579.90	
				E 01 200 291 066 733 360	MS Know Bowl Transportation	\$250.30	
				E 01 300 292 045 733 360	Girls/Boys Soccer Trans Contracts Pc	\$669.68	
				E 01 300 301 501 733 360	Trades Tour	\$80.00	
				E 01 300 212 000 733 360	Art Field Trip - VanGogh Exhibit	\$162.30	
				E 01 005 760 000 733 360	Elementary Field Trips	\$454.60	
	PO#:	Voucher #:	74988	Invoice	Invoice No: Oct-21	11/22/2021	Paid Amt: \$6,041.98
							Check Amount: \$75,829.76
0108	GEN1	39273	3639		FOX, DARRIN		Check
				E 01 005 760 000 723 360	Elementary DAPE - Sept/Oct	\$12.50	
	PO#:	Voucher #:	74989	Invoice	Invoice No: ElemDAPE	11/22/2021	Paid Amt: \$12.50
							Check Amount: \$12.50
0108	GEN1	39274	5265		FRANCK, ANDREA		Check
				E 01 005 020 000 000 366	Mileage related to Referendum	\$70.56	
	PO#:	Voucher #:	74990	Invoice	Invoice No: Mileage	11/22/2021	Paid Amt: \$70.56
							Check Amount: \$70.56
0108	GEN1	39275	1382		HASSE, GILBERT		Check
				E 01 005 105 000 000 305	Election Judge	\$65.25	
	PO#:	Voucher #:	74991	Invoice	Invoice No: Election Judge	11/22/2021	Paid Amt: \$65.25
							Check Amount: \$65.25
0108	GEN1	39276	09024		HILGERS PLUMBING & HEATING INC		Check
				E 01 200 810 062 000 350	Water Cooler Leak	\$200.00	
	PO#: 22016	Voucher #:	74992	Invoice	Invoice No: 14626	11/22/2021	Paid Amt: \$200.00
							Check Amount: \$200.00
0108	GEN1	39277	09658		J W PEPPER & SON INC		Check
				E 01 300 258 259 000 430	363732442 - Epic Venture Music	\$60.00	
	PO#: 21993	Voucher #:	74993	Invoice	Invoice No: 363732442	11/22/2021	Paid Amt: \$60.00
				E 01 300 258 259 000 430	363694344 - Night Fury/Festive Fanfare	\$100.00	
	PO#: 21993	Voucher #:	74994	Invoice	Invoice No: 363694344	11/22/2021	Paid Amt: \$100.00
				E 01 300 258 259 000 430	Little Brown Jug	\$45.00	
	PO#: 21993	Voucher #:	74995	Invoice	Invoice No: 363762368	11/22/2021	Paid Amt: \$45.00
							Check Amount: \$205.00
0108	GEN1	39278	4194		JO VOLLEYBALL		Check
				E 04 005 560 017 321 305	Volleyball Clinic	\$3,086.00	
	PO#:	Voucher #:	74996	Invoice	Invoice No: ComEdVolleyballClini	11/22/2021	Paid Amt: \$3,086.00
							Check Amount: \$3,086.00
0108	GEN1	39279	4363		KAMPS, KAREN		Check
				E 01 005 105 000 000 305	Elction Judge	\$83.25	
	PO#:	Voucher #:	74997	Invoice	Invoice No: Elction Judge	11/22/2021	Paid Amt: \$83.25
							Check Amount: \$83.25
0108	GEN1	39280	3979		KASEL, LORI		Check
				E 01 005 105 000 000 305	Head Election Judge	\$73.63	
	PO#:	Voucher #:	74998	Invoice	Invoice No: HeadElectionJudge	11/22/2021	Paid Amt: \$73.63
							Check Amount: \$73.63
0108	GEN1	39281	6650		LACEY, BONITA		Check

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	39284	01027		LAKESHORE LEARNING MATERIALS		Check
				E 04 005 590 003 000 430	LC1597 LC1597 - Lakeshore Easy-Stack Cot - S	\$1,017.00	
	PO#: 21742	Voucher #:	75002	Invoice	Invoice No: 543910110921	11/22/2021	Paid Amt: \$1,017.00
				E 04 005 590 003 000 430	PP188 PP188 - Cot Clips - Set of 5	\$43.96	
				E 04 005 590 003 000 430	AA993YE AA993YE - Kids Colors™ Easy-S	\$1,356.00	
				E 04 005 590 003 000 430	Freight	\$209.99	
	PO#: 21889	Voucher #:	75003	Invoice	Invoice No: 236711101721	11/22/2021	Paid Amt: \$1,609.95
							Check Amount: \$2,626.95
0108	GEN1	39285	6564		LARAWAY ROOFING		Check
				E 01 100 810 062 000 350	Repair Leaks at HS and Elementary School	\$786.00	
	PO#: 22018	Voucher #:	75004	Invoice	Invoice No: 1-03676	11/22/2021	Paid Amt: \$786.00
							Check Amount: \$786.00
0108	GEN1	39286	5404		LEARNING WITHOUT TEARS		Check
				E 04 703 590 000 351 460	Zion Textbooks/Workbooks	\$19.98	
	PO#:	Voucher #:	75005	Invoice	Invoice No: INV127560	11/22/2021	Paid Amt: \$19.98
							Check Amount: \$19.98
0108	GEN1	39287	6652		LEONARD, JENNA		Check
				E 01 300 291 065 000 401	Costume Reimbursement	\$136.11	
	PO#: 21994	Voucher #:	75006	Invoice	Invoice No: MusicalCostumes	11/22/2021	Paid Amt: \$136.11
				E 01 300 291 065 000 401	Make-Up High School Musical	\$76.79	
	PO#: 22040	Voucher #:	75007	Invoice	Invoice No: Muscial Make-up	11/22/2021	Paid Amt: \$76.79
							Check Amount: \$212.90
0108	GEN1	39288	4653		LUTHERAN SPECIAL EDUCATION MINISTRIES		Check
				E 01 702 216 011 401 303	St. John's Title I FedSubAwards up to \$25,000	\$2,124.43	
				E 01 702 216 000 401 303	St.John's Title I FedSubAwards up to \$25,000	\$4,735.57	
	PO#:	Voucher #:	75008	Invoice	Invoice No: 102621	11/22/2021	Paid Amt: \$6,860.00
							Check Amount: \$6,860.00
0108	GEN1	39289	3185		MARCO TECHNOLOGIES, LLC		Check
				E 01 005 108 000 795 305	Professional Services - Configure, Test and Impl	\$835.00	
	PO#: 21586	Voucher #:	75009	Invoice	Invoice No: INV9284296	11/22/2021	Paid Amt: \$835.00
							Check Amount: \$835.00
0108	GEN1	39290	4316		MCDOWELL AGENCY, INC.		Check
				E 04 005 505 000 321 305	Consulting Fees/Serv	\$126.00	
				E 01 005 110 000 000 305	Business Office Consulting Fees/Services	\$106.00	
	PO#:	Voucher #:	75010	Invoice	Invoice No: 133914	11/22/2021	Paid Amt: \$232.00
							Check Amount: \$232.00
0108	GEN1	39291	05234		MCGRAW-HILL SCHOOL EDUCATION HOLDINGS, LLC.		Check
				E 04 703 590 000 351 460	Zion Textbooks/Workbooks	\$105.77	
	PO#:	Voucher #:	75011	Invoice	Invoice No: 120121836001	11/22/2021	Paid Amt: \$105.77
							Check Amount: \$105.77
0108	GEN1	39292	5990		McNEIL, MARY PAT		Check
				E 01 005 105 000 000 305	Gen Admin Support-Consulting Fees/Serv.	\$1,000.00	
	PO#:	Voucher #:	75012	Invoice	Invoice No: OctCommunications	11/22/2021	Paid Amt: \$1,000.00
				E 04 005 505 000 321 305	Adding CE to new district logo	\$450.00	
	PO#: 22033	Voucher #:	75013	Invoice	Invoice No: Com Ed Logo Mark	11/22/2021	Paid Amt: \$450.00
				E 01 005 105 000 000 305	T-Shirt order #2	\$1,405.95	
				E 01 005 105 000 000 305	Freight charges	\$46.87	
	PO#: 22004	Voucher #:	75014	Invoice	Invoice No: T-Shirt Reorder	11/22/2021	Paid Amt: \$1,452.82
							Check Amount: \$2,902.82
0108	GEN1	39293	05062		MID-COUNTY CO-OP OIL ASSN.		Check
				E 01 005 760 000 720 442	Transp Fuel for Vehicles	\$3,772.83	
	PO#:	Voucher #:	75015	Invoice	Invoice No: 692828	11/22/2021	Paid Amt: \$3,772.83
							Check Amount: \$3,772.83
0108	GEN1	39294	1982		MN CLAY USA		Check
				E 01 300 212 000 000 430	TP-15 GRAY PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	TP-53 PIG PINK PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	TP-30 CARAMEL PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	TP-56 SCARLET PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	TP-64 CARROT PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	TP-40 MINT GREEN PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	TP-65 PUMPKIN PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	TP-60 LEMON PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	TP-11 COTTON PINT AMACO GLAZE	\$26.78	
				E 01 300 212 000 000 430	TP-1 COAL BLACK PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	TP-24 MEDIUM BLUE PINT AMACO GLAZE	\$13.39	
				E 01 300 212 000 000 430	WHITE EARTHENWARE CONE 06-2-WET 200lb	\$121.00	
	PO#: 21996	Voucher #:	75016	Invoice	Invoice No: 124036	11/22/2021	Paid Amt: \$281.68
							Check Amount: \$281.68

Norwood-Young America School

Detail Payment Register By Check

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	39323	6659		NYA FIRE DEPARTMENT		Check
				E 01	300 294 050 000 305 Medical Standby at playoff HS FB game		\$200.00
	PO#: 22047	Voucher #:	75063	Invoice	Invoice No: CEN11152021	11/22/2021	Paid Amt: \$200.00
							Check Amount: \$200.00
0108	GEN1	39324	4571		SOUTHWEST MN STATE UNIVERSITY		Check
				E 01	300 211 000 000 394 College Courses - SW State MN		\$14,190.00
	PO#: 22039	Voucher #:	75064	Invoice	Invoice No: 00234988	11/22/2021	Paid Amt: \$14,190.00
							Check Amount: \$14,190.00
0108	GEN1	39325	6660		UNITED LABORATORIES INC.		Check
				E 01	300 810 000 000 401 School Supplies		\$606.61
	PO#: 22059	Voucher #:	75065	Invoice	Invoice No: INV333632	11/22/2021	Paid Amt: \$606.61
							Check Amount: \$606.61
0108	GEN1	39326	6606		VOSEN, KELLY		Check
				E 04	005 505 000 321 401 Coffee and hot chocolate for Craft Fair		\$34.96
	PO#: 22044	Voucher #:	75066	Invoice	Invoice No: CraftFairSupplies	11/22/2021	Paid Amt: \$34.96
							Check Amount: \$34.96
							Report Total: \$249,298.99

Norwood-Young America School
Detail Payment Register By Check
Fund Summary

Fund Description		Total
01	General Fund	\$189,641.81
02	Food Service	\$48,456.35
04	Community Services	\$11,200.83
Report Total		\$249,298.99

November 5-2021 PAYROLL

GROSS PAY	\$272,495.37
FEDERAL TAX	(20,199.03)
MN STATE TAX	(9,821.72)
OASDI	(15,868.00)
MEDICARE	(3,711.07)
PERA	(3,192.61)
TRA	(16,079.17)
ANNUITIES	(4,743.87)
FLEX	(16,559.52)
VOLUNTARIES	(5,329.00)
NET PAYROLL	<u><u>\$176,991.38</u></u>
	176991.38

November 20-2021 PAYROLL

GROSS PAY	\$267,467.30
FEDERAL TAX	(19,416.91)
MN STATE TAX	(9,554.67)
OASDI	(15,556.30)
MEDICARE	(3,638.13)
PERA	(2,845.58)
TRA	(16,234.28)
ANNUITIES	(4,748.04)
FLEX	(16,559.36)
VOLUNTARIES	(5,329.00)
NET PAYROLL	<u><u>\$173,585.03</u></u>

Norwood-Young America School
October 2021 Miscellaneous Payment Register by Check
Fund Summary

Fund	Description	Total
01	General Fund	\$149,265.54
02	Food Service	\$745.17
04	Community Services	\$5,828.03
Report Total		\$155,838.74

Norwood-Young America School

October 2021 Miscellaneous Payment Register by Check

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	2468	R2		MASTERCARD - HARRIS BANK		Wire
			E 01	702 203 012 153 466	St. John's GEER Instr'l Technology Devices	\$769.16	
			E 01	702 203 012 151 466	St. John'sESSER I 90% Instr'l Technology Devic	\$2,284.47	
			E 01	702 203 012 152 466	St. John'sESSER I 9.5% Instr'l Technology Devic	\$957.83	
PO#:	Voucher #:	74802	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$4,011.46
			E 01	300 630 000 000 456	B07TT6WZ7V USB to HDMI Adapter,ABLEWE U	\$44.64	
PO#: 21727	Voucher #:	74803	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$44.64
			E 01	005 720 011 155 401	Wecolor 100 Pcs Disposable 3 Ply Earloop Face	\$64.60	
PO#: 21720	Voucher #:	74804	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$64.60
			E 01	300 211 000 000 401	B08M187F2V FLEXISPOT Standing Desk Conve	\$109.99	
PO#: 21653	Voucher #:	74805	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$109.99
			E 01	100 203 073 000 430	B06ZZDZWLS Kassa Large Whiteboard Wall St	\$23.66	
PO#: 21721	Voucher #:	74806	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$23.66
			E 04	005 560 000 321 430	B006X0XICS Tachikara Volley-Lite Additional Col	\$304.68	
PO#: 21728	Voucher #:	74807	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$304.68
			E 01	100 203 076 000 430	Cubiker Computer Home Office Desk, 47" Small	\$139.99	
PO#: 21732	Voucher #:	74808	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$139.99
			E 01	100 203 070 000 430	Copernicus Deluxe Magnetic Dry Erase Classro	\$215.87	
PO#: 21708	Voucher #:	74809	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$215.87
			E 04	703 590 000 351 460	Zion Textbooks/Workbooks	\$91.79	
PO#:	Voucher #:	74810	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$91.79
			E 01	300 256 000 000 430	Amazon Basics 100 Pack AAA High-Performanc	\$20.59	
			E 01	300 230 000 000 430	Haribo Gold Bears / Goldbären, 100 Mini Bags, 1	\$43.49	
PO#: 21746	Voucher #:	74811	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$64.08
			E 01	200 211 000 000 401	Pacon 22"x28" Super Value Poster Board, White	\$92.94	
			E 01	200 211 000 000 401	Double sided tape, white, 66ft Long	\$5.99	
			E 01	200 211 000 000 401	Artellius 40 Pack Dry Erase Markers, thick, bulle	\$16.49	
			E 01	200 211 000 000 401	Unjoo White out Correction tape, 20 pack, clear	\$11.99	
PO#: 21744	Voucher #:	74812	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$127.41
			E 01	300 256 000 000 430	White Board Markers-72 Pcs 4 Color Fine Tip W	\$13.49	
PO#: 21749	Voucher #:	74813	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$13.49
			E 01	100 203 076 000 430	B07Q1CMFSB Amazon Basics Anti-Fatigue Mat	\$89.53	
			E 01	100 203 076 000 430	B086P836K4 X-ACTO Pencil Sharpener Schoo	\$39.08	
PO#: 21748	Voucher #:	74814	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$128.61
			E 01	300 810 000 000 401	Light Bulbs, 60 Watt High Output	\$26.95	
			E 01	300 810 000 000 401	Headphone Adapter for iphone to 3.5mm Aux Au	\$10.39	
PO#: 21778	Voucher #:	74816	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$37.34
			E 01	300 212 610 000 430	B07HJ57WPL Anezus 4Pcs Jewelry Pliers Tool	\$76.93	
PO#: 21765	Voucher #:	74817	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$76.93
			E 01	005 720 000 000 401	Amazon Spil Magic Physicians Care 16 oz eye w	\$13.24	
			E 01	005 720 000 000 401	1st Choice Indigo Nitrile exam gloves, 3 mil, pow	\$39.94	
PO#: 21782	Voucher #:	74820	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$53.18
			E 01	100 401 011 422 433	1684126894 Discovery: Roar at the Zoo! (10-But	\$8.59	
			E 01	100 401 011 422 433	B092MWXVJ5 ArtCreativity Echo Microphones fc	\$33.94	
			E 01	100 401 011 422 433	0312528418 Noisy Fire Truck Sound Book: With	\$12.29	
			E 01	100 401 011 422 433	1684126886 Discovery: Moo on the Farm! (10-Bi	\$9.99	
			E 01	100 401 011 422 433	B08Y62DSGK Peaceable Kingdom Get Up for P	\$18.99	
			E 01	100 401 011 422 433	0312528426 Noisy Tractor Sound Book: With So	\$12.58	
			E 01	100 401 011 422 433	168412686X Discovery: Noisy Baby Animals! (10	\$9.98	
			E 01	100 401 011 420 433	B07W4NV6C4 Magnetic Dry Erase Markers - 10	\$15.92	
			E 01	100 401 011 420 433	1737106671 Gabe Seagull Soars Above His Stui	\$9.99	
			E 01	100 401 011 420 433	B07RH86HZL Wiggle Seat Little Sensory Cushi	\$19.99	
			E 01	100 401 011 420 433	B01DY818JG ThinkFun Zingo Bingo Award Win	\$21.99	
			E 01	100 401 011 420 433	B0849Z956L Peaceable Kingdom YARR Har Hu	\$17.99	
			E 01	100 401 011 420 433	B07594TRYK SueSport 2 Pack Air Inflated Stabi	\$0.00	
			E 01	100 401 011 420 433	B01MR0FLTJ Learning Resources Fox In The Br	\$19.99	
			E 01	100 401 011 420 433	B01HTL4OSQ Learning Loft Toobaloo Auditory F	\$66.48	
			E 01	100 401 011 420 433	B002BRSCJ6 Peaceable Kingdom Go Fish! Cla	\$8.99	
			E 01	100 401 011 420 433	B09BNPHR42 WQFXYZ 15 Pcs Simple Fidget T	\$43.80	
			E 01	100 401 011 422 433	1680526812 Rumble! Vroom! Zoom!: Let's Lister	\$25.18	
			E 01	100 401 011 420 433	B08BY5NG16 Imagine2Master 60 Dry Erase Ind	\$25.98	
			E 01	100 401 011 420 433	B07RG7C9MX Wiggle Seat Little Sensory Cushi	\$19.99	
			E 01	100 401 011 420 433	B00486ZVC4 Educational Insights The Sneaky,	\$11.99	
			E 01	100 401 011 420 433	shipping	\$6.98	
PO#: 21759	Voucher #:	74824	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$421.62
			E 01	100 810 000 000 401	Ceiling Fan for Elementary	\$79.68	
PO#: 21789	Voucher #:	74825	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$79.68
			E 01	005 105 000 000 401	Quality Park Clasp Envelopes, Brown Kraft, 10 >	\$23.85	
			E 01	005 105 000 000 401	10 X 15 Envelopes, 10 pk	\$9.99	
			E 01	005 105 000 000 401	10 X 13 Envelopes, 10 pk	\$6.99	
PO#: 21830	Voucher #:	74826	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$40.83
			E 01	100 203 070 000 430	Maykid Play Dough Tools	\$13.99	

Norwood-Young America School

October 2021 Miscellaneous Payment Register by Check

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	2468	R2		MASTERCARD - HARRIS BANK		Wire
				E 01 100 203 070 000 430	Carykon Set of 11 PCS Smart Dough Tools	\$14.24	
PO#: 21794	Voucher #:	74827	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$28.23
			E 04 005 582 002 344 430	B08RYWJWPG Magnet Tiles 135pcs Magnetic E		\$36.96	
			E 04 005 505 000 321 401	B019QBPDSM SHARPIE Color Burst Markers, F		\$14.99	
			E 04 005 505 000 321 401	B078Z16F53 SimpleHouseware Expandable 5 S		\$13.87	
			E 04 005 505 000 321 401	B00UHUUKKHQ Sharpie 1927350 Electro Pop Pe		\$14.99	
			E 04 005 505 000 321 401	B08Z712MYJ Dexas Slimcase 2 Storage Clipbo		\$11.27	
			E 04 005 582 002 344 430	B094PP3PT6 Pop Sensory Fidget Toys,Silicone		\$13.89	
PO#: 21796	Voucher #:	74828	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$105.97
			E 01 005 810 000 155 401	B07G74NYG6 AIRTHEREAL Replacement True		\$29.99	
PO#: 21808	Voucher #:	74829	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$29.99
			E 01 300 294 050 000 401	Spalding Alpha Leather Football/ full size		\$119.95	
PO#: 21812	Voucher #:	74830	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$119.95
			E 01 300 212 610 000 430	B00AV5E0Q4 The Beadsmith Metal Bead Loom		\$30.12	
			E 01 300 212 610 000 430	B000VRTG8Y Walnut Hollow Creative Woodburn		\$20.22	
PO#: 21827	Voucher #:	74833	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$50.34
			E 01 100 630 000 000 405	B08KP5LLZG Computer Microphone USB With I		\$53.98	
			E 01 100 630 000 000 405	B086ST75LH Belkin USB-C Multimedia Adapter		\$55.99	
			E 01 100 630 000 000 405	B08TQND539 ABITAN ELPLP91 / V13H010L91 F		\$138.22	
			E 01 005 105 000 000 401	B07DHD2KHW MELIFE Blue Visitor Lanyard wit		\$15.58	
			E 01 200 630 000 000 405	B003CP0OT2 Logitech 3.5mm Jack Compact La		\$59.97	
			E 01 200 630 000 000 405	B08NXK8WTQ EEEkit DisplayPort (DP) to VGA		\$22.29	
			E 01 200 630 000 000 405	B0178HOTOU TECKNET Aluminum 3-Port USB		\$59.97	
			E 01 300 630 000 000 405	B097T692J9 USB Microphone, Piy Painting Rec		\$69.32	
			E 01 300 630 000 000 405	B08159W4V9 Everyday Wholesale Lots Black E		\$69.99	
			E 01 300 630 000 000 405	B00GZQWQK0 KabelDirekt -- 20ft -- VGA cable		\$13.35	
			E 01 005 105 000 000 401	B01LX5P6PL MIFFLIN Plastic Waterproof ID Bac		\$15.98	
			E 01 300 630 000 000 405	B0779M18YB CN-Outlet Wholesale Bulk Earbuc		\$55.90	
			E 01 005 105 000 000 401	B07XCDZPQS Metal Badge Clips with Clear PV		\$6.99	
PO#: 21822	Voucher #:	74834	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$637.53
			E 01 200 260 000 000 430	B01D9KHONS hand2mind Wood Economy Mete		\$38.58	
			E 01 200 260 000 000 430	Amazon Shipping Charge		\$8.37	
PO#: 21821	Voucher #:	74835	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$46.95
			E 01 100 630 000 000 455	B0719D9YL7 PNY CS900 240GB 3D NAND 2.5"		\$89.97	
			E 01 100 630 000 000 455	Amazon Shipping Charge		\$0.00	
PO#: 21832	Voucher #:	74837	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$89.97
							Check Amount: \$7,158.78
0108	GEN1	4091			MASTERCARD - HARRIS BANK		Wire
			E 04 005 582 002 344 366	Smart Link bus passes for mid day preschool		\$600.00	
PO#: 21783	Voucher #:	74838	Invoice	Invoice No:	Vossen	10/22/2021	Paid Amt: \$600.00
			E 04 005 570 040 321 305	Emagine Waconia Theater Kids Co trip on 8/27/		\$273.28	
PO#: 21876	Voucher #:	74839	Invoice	Invoice No:	Hendrycks	10/22/2021	Paid Amt: \$273.28
			E 04 005 570 040 321 305	Kids Co field trip on 8/27/21 to Maple Grove Con		\$256.12	
			E 04 005 570 040 321 305	Kids Co field trip on 8/27/21 to Maple Grove Con		\$21.00	
PO#: 21875	Voucher #:	74840	Invoice	Invoice No:	Hendrycks	10/22/2021	Paid Amt: \$277.12
			E 01 005 810 011 155 401	Monthly Rental, July 18 - Aug 17		\$314.97	
			E 01 005 810 011 155 401	Reposition Pods for Unloading School items, Jul		\$209.97	
			E 01 005 810 011 155 401	Pickup Empty PODS Aug 6		\$734.22	
PO#: 21878	Voucher #:	74841	Invoice	Invoice No:	Schochenmaier	10/22/2021	Paid Amt: \$1,259.16
			E 01 100 720 000 000 455	Aple 11" iPadPro with Wi-Fi		\$1,599.98	
PO#: 21786	Voucher #:	74842	Invoice	Invoice No:	Schochenmaier	10/22/2021	Paid Amt: \$1,599.98
			E 01 005 105 000 000 319	Marketing resource annual fee		\$378.00	
PO#: 21885	Voucher #:	74843	Invoice	Invoice No:	Schochenmaier	10/22/2021	Paid Amt: \$378.00
			E 01 300 212 000 000 430	Adobe Creative Cloud 1 Year Subscription		\$239.88	
			E 01 300 212 000 000 430	Sales Tax		\$17.69	
PO#: 21788	Voucher #:	74836	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$257.57
			E 01 300 301 501 830 430	Milwaukee M18 Li-Ion Compact Cordless Power		\$398.00	
			E 01 300 301 501 830 430	Milwaukee 5in. Grinder — 13 Amps, 11,000 RPM		\$169.00	
			E 01 300 301 501 830 430	Milwaukee 4 1/2in. Small Angle Grinder — 11 Ar		\$99.00	
			E 01 300 301 501 830 430	Milwaukee M18 REDLITHIUM XC 3.0Ah Extende		\$149.00	
			E 01 300 301 501 830 430	Klutch 3-Pc. Aluminum Pipe Wrench Set Item# 5		\$72.99	
			E 01 300 301 501 830 430	Milwaukee 2-Pack, 25ft. Compact Wide Blade Te		\$59.97	
			E 01 300 301 501 830 430	Estimated Shipping		\$8.45	
			E 01 300 301 501 830 430	Skilsaw Magnesium Lightweight Worm Drive Cir		\$0.00	
			E 01 300 301 501 830 430	Coupon Code		(\$20.00)	
PO#: 21792	Voucher #:	74831	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$936.41
			E 01 300 291 060 000 401	FFA Bus Parking		\$405.00	
			E 01 300 291 060 000 401	FFA Registration		\$11,620.00	
			E 01 300 291 060 000 401	FFA Ticketmaster		\$2,750.00	
PO#:	Voucher #:	74832	Invoice	Invoice No:	Carlson	10/22/2021	Paid Amt: \$14,775.00
			E 01 300 291 060 000 401	Homecoming TShirts, Jr. Class		\$637.20	

Norwood-Young America School

October 2021 Miscellaneous Payment Register by Check

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	4091			MASTERCARD - HARRIS BANK		Wire
				E 01	300 291 060 000 401 Homecoming TShirts, Sr. Class		\$869.42
				E 01	300 291 060 000 401 Homecoming TShirts		\$3,510.48
				E 01	300 291 060 000 401 Student Council TShirts		\$283.43
				E 01	300 291 060 000 401 Homecoming Buttons		\$259.41
	PO#:	Voucher #:	74821	Invoice	Invoice No: Carlson	10/22/2021	Paid Amt: \$5,559.94
				E 01	300 710 000 000 401 T-Shirts		\$96.00
				E 01	300 710 000 000 401 shipping		\$12.80
				E 01	300 710 000 000 401 5- poster series for classroom		\$32.06
				E 01	300 710 000 000 401 Unity Day Poster		\$10.70
	PO#: 21784	Voucher #:	74822	Invoice	Invoice No: Carlson	10/22/2021	Paid Amt: \$151.56
				E 04	700 590 000 351 460 Eman Textbooks/Workbooks		(\$34.30)
	PO#:	Voucher #:	74823	Invoice	Invoice No: Carlson	10/22/2021	Paid Amt: (\$34.30)
				E 01	100 216 000 401 401 magician deposit		\$50.00
	PO#: 21790	Voucher #:	74818	Invoice	Invoice No: Carlson	10/22/2021	Paid Amt: \$50.00
				E 04	703 590 000 351 460 Zion Textbooks/Workbooks		\$50.90
	PO#:	Voucher #:	74819	Invoice	Invoice No: Carlson	10/22/2021	Paid Amt: \$50.90
				E 01	300 260 610 000 430 Ev3 Rechargeable DC battery		\$199.90
				E 01	300 260 610 000 430 Transformer 10V DC Charger (Part 45517)		\$69.90
	PO#: 21752	Voucher #:	74815	Invoice	Invoice No: Carlson	10/22/2021	Paid Amt: \$269.80
							Check Amount: \$26,404.42
0108	GEN1	01606			CENTERPOINT ENERGY		Wire
				E 01	100 810 000 000 440 Elem Fuel For Bldgs		\$379.66
				E 01	005 760 000 720 440 Transp Fuel for Buildings		\$37.27
				E 01	200 810 000 000 440 MS Fuel For Bldgs		\$111.04
				E 01	300 810 000 000 440 HS Fuel For Bldgs		\$166.57
				E 01	200 810 000 000 440 MS Fuel For Bldgs		\$24.00
				E 01	300 810 000 000 440 HS Fuel For Bldgs		\$36.00
				E 01	300 810 000 000 440 HS Fuel For Bldgs		\$15.00
				E 04	005 590 003 000 330 Preschool Utility Services		\$20.81
	PO#:	Voucher #:	74868	Invoice	Invoice No: OctoberBankPay	10/29/2021	Paid Amt: \$790.35
							Check Amount: \$790.35
0108	GEN1	09609			XCEL ENERGY		Wire
				E 01	100 810 000 000 332 Elem Electricity		\$9,119.36
				E 01	300 810 000 000 332 HS Electricity		\$1.50
	PO#:	Voucher #:	74872	Invoice	Invoice No: October2021BankPay	10/29/2021	Paid Amt: \$9,120.86
							Check Amount: \$9,120.86
0108	GEN1	2728			BREMER BANK, NA28		Wire
				E 01	005 110 000 000 305 Direct Deposit Fees		\$56.90
	PO#:	Voucher #:	74867	Invoice	Invoice No: Sept2021	10/29/2021	Paid Amt: \$56.90
							Check Amount: \$56.90
0108	GEN1	3904			FURTHER-SELECT ACCOUNT		Wire
				E 01	005 110 000 000 305 Business Office Consulting Fees/Services		\$44.45
	PO#:	Voucher #:	74869	Invoice	Invoice No: 15854451	10/29/2021	Paid Amt: \$44.45
				E 01	005 110 000 000 305 Business Office Consulting Fees/Services		\$170.15
	PO#:	Voucher #:	74870	Invoice	Invoice No: 15863615	10/29/2021	Paid Amt: \$170.15
							Check Amount: \$214.60
0108	GEN1	5002			WASTE MANAGEMENT OF WI-MN		Wire
				E 01	100 810 000 000 334 Elem Garbage		\$343.12
				E 01	200 810 000 000 334 MS Garbage		\$343.12
				E 01	300 810 000 000 334 HS Garbage		\$343.13
				E 02	005 770 000 701 334 HS Garbage		\$686.24
	PO#:	Voucher #:	74871	Invoice	Invoice No: 19-38265-43002	10/29/2021	Paid Amt: \$1,715.61
							Check Amount: \$1,715.61
0108	GEN1	09609			XCEL ENERGY		Wire
				E 01	300 810 000 000 332 HS Electricity		\$101.91
				E 01	200 810 000 000 332 MS Electricity		\$5,692.24
				E 01	300 810 000 000 332 HS Electricity		\$8,538.37
				E 01	100 810 000 000 332 Elem Electricity		\$8,170.00
				E 01	005 760 000 720 332 Transp Electricity		\$46.54
				E 01	005 760 000 720 332 Transp Electricity		\$72.16
				E 04	005 590 003 000 330 Preschool Utility Services		\$149.91
				E 04	005 590 003 000 330 Preschool Utility Services		\$23.45
	PO#:	Voucher #:	74874	Invoice	Invoice No: October2021BankPay	10/29/2021	Paid Amt: \$22,794.58
							Check Amount: \$22,794.58
0108	GEN1	4727			VANCO PAYMENT SOLUTIONS, LLC		Wire
				E 02	005 770 000 707 305 September 2021 PCI NonCompliance Fee		\$23.95
	PO#:	Voucher #:	74914	Invoice	Invoice No: Sept2021	10/31/2021	Paid Amt: \$23.95
							Check Amount: \$23.95
0108	GEN1	6605			ELEYO		Wire
				E 04	005 505 013 321 305 Boys/Girls Youth BB Consulting Fees		\$46.82
				E 04	005 505 020 321 305 Elem Sports Consulting Fees/Serv		\$76.40

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	6605			ELEYO		Wire
				E 04	005 505 030 321 305	Craft Fair Consulting Fees/Serv	\$78.86
				E 04	005 505 510 321 305	Continuing Ed Consulting Fees/Serv	\$155.26
				E 04	005 560 000 321 305	Summer Rec Consulting Fees/Serv	\$4.93
				E 04	005 560 017 321 305	Athletics Consulting Fees/Serv	\$27.11
				E 04	005 570 040 321 305	Latchkey Consulting Fees/Serv	\$625.97
				E 04	005 590 003 000 305	Preschool Consulting Fees/Serv	\$374.59
				E 04	005 580 000 325 305	Gen ECFE Consulting Fees/Serv	\$39.43
PO#:	Voucher #:	74912	Invoice	Invoice No:	OctTransactionFees	10/31/2021	Paid Amt: \$1,429.37
			E 04	005 505 013 321 305	Boys/Girls Youth BB Consulting Fees	\$31.52	
			E 04	005 505 020 321 305	Elem Sports Consulting Fees/Serv	\$51.42	
			E 04	005 505 030 321 305	Craft Fair Consulting Fees/Serv	\$53.08	
			E 04	005 505 510 321 305	Continuing Ed Consulting Fees/Serv	\$104.50	
			E 04	005 560 000 321 305	Summer Rec Consulting Fees/Serv	\$3.32	
			E 04	005 560 017 321 305	Athletics Consulting Fees/Serv	\$18.25	
			E 04	005 570 040 321 305	Latchkey Consulting Fees/Serv	\$421.33	
			E 04	005 590 003 000 305	Preschool Consulting Fees/Serv	\$252.14	
			E 04	005 580 000 325 305	Gen ECFE Consulting Fees/Serv	\$26.54	
PO#:	Voucher #:	74913	Invoice	Invoice No:	OctoberSoftwareFees	10/31/2021	Paid Amt: \$962.10
							Check Amount: \$2,391.47
0108	GEN1	39077	2659		FARBER SOUND, LLC		Check
				E 01	300 865 000 369 350	Main & Auxilliary Gymnasium Sound System and	\$19,529.40
				E 01	300 865 000 369 350	Add:New Wall-Mount Equipment Rack and Acce	\$1,500.00
PO#:21524	Voucher #:	74617	Invoice	Invoice No:	7592	10/8/2021	Paid Amt: \$21,029.40
							Check Amount: \$21,029.40
0108	GEN1	39078	6020		ADVANCED ELECTRICAL SERVICES, INC.		Check
				E 01	300 292 000 302 530	Electrical Work For New Sound System	\$6,300.00
PO#:21854	Voucher #:	74620	Invoice	Invoice No:	6189	10/8/2021	Paid Amt: \$6,300.00
							Check Amount: \$6,300.00
0108	GEN1	39079	6637		AEP CONNECTIONS, LLC		Check
				E 01	100 420 011 419 366	Learn It Today, Use It Tomorrow! Sarah Ward Co	\$305.00
PO#:21840	Voucher #:	74621	Invoice	Invoice No:	2812	10/8/2021	Paid Amt: \$305.00
							Check Amount: \$305.00
0108	GEN1	39080	3735		BUSHMAN, RAQUEL		Check
				E 01	300 296 051 000 305	Volleyball Consulting Fees/Serv	\$123.00
PO#:	Voucher #:	74622	Invoice	Invoice No:	C,B,Var VBOfficial	10/8/2021	Paid Amt: \$123.00
							Check Amount: \$123.00
0108	GEN1	39081	5766		CACKA, LORI		Check
				E 01	300 296 051 000 305	Volleyball Consulting Fees/Serv	\$123.00
PO#:	Voucher #:	74623	Invoice	Invoice No:	VBOfficial	10/8/2021	Paid Amt: \$123.00
							Check Amount: \$123.00
0108	GEN1	39082	00048		CARQUEST AUTO PARTS		Check
				E 02	005 770 000 701 350	Bearing For Warming Oven	\$34.98
PO#:21855	Voucher #:	74624	Invoice	Invoice No:	5927-237812	10/8/2021	Paid Amt: \$34.98
							Check Amount: \$34.98
0108	GEN1	39083	3213		CENTURYLINK		Check
				E 01	100 810 000 000 320	Elem Communication/Phone	\$175.81
				E 01	200 810 000 000 320	MS Communication/Phone	\$175.81
				E 01	300 810 000 000 320	HS Communication/Phone	\$175.81
				E 04	005 505 000 321 320	CE General Communication/Phone	\$100.00
PO#:	Voucher #:	74625	Invoice	Invoice No:	313866160	10/8/2021	Paid Amt: \$627.43
							Check Amount: \$627.43
0108	GEN1	39084	2382		CITY OF COLOGNE		Check
				E 04	005 590 003 000 330	Preschool Utility Services	\$50.61
PO#:	Voucher #:	74626	Invoice	Invoice No:	582	10/8/2021	Paid Amt: \$50.61
							Check Amount: \$50.61
0108	GEN1	39085	4353		DYKSTRA, RYAN		Check
				E 01	300 294 050 000 305	Football Consulting Fees/Serv	\$90.00
PO#:	Voucher #:	74627	Invoice	Invoice No:	JV FBOfficial	10/8/2021	Paid Amt: \$90.00
							Check Amount: \$90.00
0108	GEN1	39086	3396		FORD, DAN		Check
				E 01	300 294 050 000 305	Football Consulting Fees/Serv	\$90.00
PO#:	Voucher #:	74628	Invoice	Invoice No:	JV FBOfficial	10/8/2021	Paid Amt: \$90.00
							Check Amount: \$90.00
0108	GEN1	39087	2227		HEMMAH, LLOYD		Check
				E 01	300 296 051 000 305	Volleyball Consulting Fees/Serv	\$123.00
PO#:	Voucher #:	74629	Invoice	Invoice No:	C,B and Var VBOffici	10/8/2021	Paid Amt: \$123.00
							Check Amount: \$123.00

Norwood-Young America School

October 2021 Miscellaneous Payment Register by Check

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	39088	6632		HEMMANN, MICHAEL		Check
				E 01	300 296 051 000 186 VB Line Judge		\$100.00
	PO#:	Voucher #:	74630	Invoice	Invoice No: VB LineJudge	10/8/2021	Paid Amt: \$100.00
							Check Amount: \$100.00
0108	GEN1	39089	09024		HILGERS PLUMBING & HEATING INC		Check
				E 01	300 810 000 000 401 New Sink In Storage Area and Lint Basket		\$793.00
	PO#: 21858	Voucher #:	74631	Invoice	Invoice No: 14556	10/8/2021	Paid Amt: \$793.00
							Check Amount: \$793.00
0108	GEN1	39090	01819		ISD #111- WATERTOWN-MAYER SCHO		Check
				E 01	300 292 053 000 369 entry fee for Watertown-Mayer CC meet on Oct.		\$100.00
	PO#: 21867	Voucher #:	74632	Invoice	Invoice No: CCMeet	10/8/2021	Paid Amt: \$100.00
							Check Amount: \$100.00
0108	GEN1	39091	4534		JUREWICZ, MATT		Check
				E 01	300 294 050 000 305 Football Consulting Fees/Serv		\$92.00
	PO#:	Voucher #:	74633	Invoice	Invoice No: VarFBOOfficial	10/8/2021	Paid Amt: \$92.00
							Check Amount: \$92.00
0108	GEN1	39092	3009		KLIMA, MIKE		Check
				E 01	300 294 050 000 305 Football Consulting Fees/Serv		\$90.00
	PO#:	Voucher #:	74634	Invoice	Invoice No: JV FBOOfficial	10/8/2021	Paid Amt: \$90.00
							Check Amount: \$90.00
0108	GEN1	39093	5317		KRABY, JOSH		Check
				E 01	200 292 049 000 305 MS Athletics Consulting Fees/Serv		\$85.00
	PO#:	Voucher #:	74635	Invoice	Invoice No: MS FBOOfficial	10/8/2021	Paid Amt: \$85.00
				E 01	200 292 049 000 305 MS Athletics Consulting Fees/Serv		\$85.00
	PO#:	Voucher #:	74636	Invoice	Invoice No: MS FBOOfficial	10/8/2021	Paid Amt: \$85.00
							Check Amount: \$170.00
0108	GEN1	39094	1581		MANTHEI, HOWARD		Check
				E 01	300 296 051 000 305 Volleyball Consulting Fees/Serv		\$123.00
	PO#:	Voucher #:	74637	Invoice	Invoice No: VBOOfficial	10/8/2021	Paid Amt: \$123.00
							Check Amount: \$123.00
0108	GEN1	39095	6545		MARCO TECNOLOGIES LLC		Check
				E 01	005 850 000 302 580 September Copy and Printing Contract		\$2,346.81
	PO#: 21838	Voucher #:	74638	Invoice	Invoice No: 453767956	10/8/2021	Paid Amt: \$2,346.81
							Check Amount: \$2,346.81
0108	GEN1	39096	00572		MENARDS INC		Check
				E 01	300 301 501 830 433 Welding gloves		\$6.99
				E 01	300 301 501 830 433 dust pan		\$4.99
				E 01	300 301 501 830 433 broom		\$11.99
				E 01	300 301 501 830 433 steel wire brush		\$4.58
				E 01	300 301 501 830 433 concrete edger		\$3.99
				E 01	300 301 501 830 433 concrete groover		\$9.98
				E 01	300 301 501 830 433 box of shop towels		\$9.99
	PO#: 21834	Voucher #:	74639	Invoice	Invoice No: 20412	10/8/2021	Paid Amt: \$52.51
							Check Amount: \$52.51
0108	GEN1	39097	6560		MN HIGHWAY SAFETY & RESEARCH CENTER		Check
				E 04	005 505 000 321 305 4 Hour Refresher Course - August 18. 2021		\$440.00
	PO#: 21730	Voucher #:	74640	Invoice	Invoice No: 48747	10/8/2021	Paid Amt: \$440.00
							Check Amount: \$440.00
0108	GEN1	39098	6621		MP+G MARKETING SOLUTIONS, LLC		Check
				E 01	005 105 000 000 401 Thermal mug and water bottles		\$3,045.27
				E 01	005 105 000 000 401 Fast Fact Flyers		\$2,137.27
	PO#: 21836	Voucher #:	74641	Invoice	Invoice No: WaterBottles&Mugs	10/8/2021	Paid Amt: \$5,182.54
							Check Amount: \$5,182.54
0108	GEN1	39099	6448		NAPA AUTO & TRUCK PARTS		Check
				E 01	300 810 000 000 401 Door Lock Opener		\$11.29
	PO#: 21859	Voucher #:	74642	Invoice	Invoice No: 312762	10/8/2021	Paid Amt: \$11.29
							Check Amount: \$11.29
0108	GEN1	39100	6633		POPP, RANDY		Check
				E 01	300 296 051 000 305 Volleyball Consulting Fees/Serv		\$123.00
	PO#:	Voucher #:	74643	Invoice	Invoice No: VBOOfficial	10/8/2021	Paid Amt: \$123.00
							Check Amount: \$123.00
0108	GEN1	39101	6639		REPTILE & AMPHIBIAN DISCOVERY ZOO		Check
				E 01	702 206 011 433 303 St John's Title IV FedSubAwards up to \$25,000		\$405.00
	PO#:	Voucher #:	74644	Invoice	Invoice No: 6796	10/8/2021	Paid Amt: \$405.00
							Check Amount: \$405.00
0108	GEN1	39102	4556		RETTMANN, PAUL		Check
				E 01	300 296 051 000 305 Volleyball Consulting Fees/Serv		\$123.00
	PO#:	Voucher #:	74645	Invoice	Invoice No: VBOOfficial	10/8/2021	Paid Amt: \$123.00
							Check Amount: \$123.00
0108	GEN1	39103	00356		SCHMITT MUSIC		Check
				E 04	005 505 000 321 401 Music books for Piano		\$655.89

		Check										Pmt/Void			Pmt	
Co	Bank	No	Code	Rcd	Vendor								Date		Type	
0108	GEN1	39103	00356	SCHMITT MUSIC										Check		
				E	04	005	505	000	321	401	Music books for Piano		(\$655.89)			
				E	04	005	505	510	321	401	Reclass to 510 Crs Code		\$655.89			
	PO#: 21847	Voucher #:	74646	Invoice		Invoice No: 4223917					10/8/2021		Paid Amt:	\$655.89		
														Check Amount:	\$655.89	
0108	GEN1	39104	6638	SCHULTZ, ERIN										Check		
				R	01	005	000	000	000	099	Chromebook Insurance Refund for Claire Schult		\$20.00			
	PO#: 21882	Voucher #:	74647	Invoice		Invoice No: ChromebookInsur					10/8/2021		Paid Amt:	\$20.00		
														Check Amount:	\$20.00	
0108	GEN1	39105	3299	ST. MARY'S SCHOOL										Check		
				E	01	300	292	053	000	369	Cross Country Meet, October 7		\$50.00			
	PO#: 21861	Voucher #:	74648	Invoice		Invoice No: CCMeet					10/8/2021		Paid Amt:	\$50.00		
														Check Amount:	\$50.00	
0108	GEN1	39106	2874	TRI-DIM FILTER CORP.										Check		
				E	01	005	810	011	155	401	Filter For AHU'S		\$396.92			
	PO#: 21864	Voucher #:	74649	Invoice		Invoice No: 2521198-1					10/8/2021		Paid Amt:	\$396.92		
				E	01	005	810	011	155	401	Filter For AHU'S		\$344.57			
	PO#: 21864	Voucher #:	74650	Invoice		Invoice No: 2554695-1					10/8/2021		Paid Amt:	\$344.57		
														Check Amount:	\$741.49	
0108	GEN1	39107	6474	BANYAI, KELLY										Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00			
	PO#:	Voucher #:	74651	Invoice		Invoice No: VarFBOfficial					10/11/2021		Paid Amt:	\$92.00		
														Check Amount:	\$92.00	
0108	GEN1	39108	6641	BIEHL, DANIEL										Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00			
	PO#:	Voucher #:	74652	Invoice		Invoice No: VarFBOfficial					10/11/2021		Paid Amt:	\$92.00		
														Check Amount:	\$92.00	
0108	GEN1	39109	3736	DACK, BRENT										Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00			
	PO#:	Voucher #:	74653	Invoice		Invoice No: VarFBOfficial					10/11/2021		Paid Amt:	\$92.00		
														Check Amount:	\$92.00	
0108	GEN1	39110	5274	GRAMS, RYAN										Check		
				E	01	200	292	049	000	305	MS Athletics Consulting Fees/Serv		\$85.00			
	PO#:	Voucher #:	74654	Invoice		Invoice No: MS FBOfficial					10/11/2021		Paid Amt:	\$85.00		
				E	01	200	292	049	000	305	MS Athletics Consulting Fees/Serv		\$85.00			
	PO#:	Voucher #:	74655	Invoice		Invoice No: MS FBOfficial					10/11/2021		Paid Amt:	\$85.00		
														Check Amount:	\$170.00	
0108	GEN1	39111	6640	KNUTSON, TREVOR										Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00			
	PO#:	Voucher #:	74656	Invoice		Invoice No: VarFBOfficial					10/11/2021		Paid Amt:	\$92.00		
														Check Amount:	\$92.00	
0108	GEN1	39112	1987	WARD, DENNIS										Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00			
	PO#:	Voucher #:	74657	Invoice		Invoice No: VarFBOfficial					10/11/2021		Paid Amt:	\$92.00		
														Check Amount:	\$92.00	
0108	GEN1	39114	6455	SOUTHWEST WEST CENTRAL SERVICE COOPERATIVE										Check		
				E	01	998	400	000	372	390	FY21 Access fee for non-member Districts		\$1,697.06			
	PO#:	Voucher #:	74619	Invoice		Invoice No: 67540					10/11/2021		Paid Amt:	\$1,697.06		
														Check Amount:	\$1,697.06	
0108	GEN1	39115	6252	T-MOBILE										Check		
				E	01	100	810	000	000	320	Elem Communication/Phone		\$688.00			
				E	01	200	810	000	000	320	MS Communication/Phone		\$688.00			
				E	01	300	810	000	000	320	MS Communication/Phone		\$688.00			
	PO#:	Voucher #:	74658	Invoice		Invoice No: 969563964					10/12/2021		Paid Amt:	\$2,064.00		
														Check Amount:	\$2,064.00	
0108	GEN1	39195	08401	ISD #15 - ST. FRANCIS SCHOOL										Check		
				E	01	998	211	000	000	390	FY21 Crossroads School Gen Ed Tuition, J.W.		\$1,672.02			
	PO#:	Voucher #:	74786	Invoice		Invoice No: FY21-45					10/21/2021		Paid Amt:	\$1,672.02		
														Check Amount:	\$1,672.02	
0108	GEN1	39196	5766	CACKA, LORI										Check		
				E	01	300	296	051	000	305	Volleyball Consulting Fees/Serv		\$123.00			
	PO#:	Voucher #:	74787	Invoice		Invoice No: VarVB					10/21/2021		Paid Amt:	\$123.00		
														Check Amount:	\$123.00	
0108	GEN1	39197	6645	EPEMA, TRAVIS										Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00			
	PO#:	Voucher #:	74788	Invoice		Invoice No: VarFBOfficial					10/21/2021		Paid Amt:	\$92.00		
														Check Amount:	\$92.00	

		Check												Pmt/Void		Pmt	
Co	Bank	No	Code	Rcd	Vendor										Date	Type	
0108	GEN1	39198	6632	HEMMANN, MICHAEL											Check		
				E	01	300	296	051	000	305	Volleyball Line Judge	Oct 5, 15 and 19	\$150.00				
	PO#:	Voucher #:	74789	Invoice		Invoice No:		VBLineJudge		10/21/2021			Paid Amt:	\$150.00			
													Check Amount:	\$150.00			
0108	GEN1	39199	3965	HINGST, LEE											Check		
				E	01	300	296	051	000	305	Volleyball Consulting Fees/Serv		\$123.00				
	PO#:	Voucher #:	74790	Invoice		Invoice No:		VBOfficial		10/21/2021			Paid Amt:	\$123.00			
													Check Amount:	\$123.00			
0108	GEN1	39200	00182	HOME SOLUTIONS UNLIMITED											Check		
				E	04	005	560	017	321	401	Strip Paint-542223		\$29.16				
				E	04	005	560	017	321	401	Strip Paint-542235		\$7.29				
	PO#:	21780	Voucher #:	74798	Invoice		Invoice No:		Sept2021		10/21/2021			Paid Amt:	\$36.45		
				E	01	300	810	000	000	401	Keys For Classroom's		\$15.71				
				E	01	300	810	000	000	401	Miscellaneous Maintenance Supplies		\$16.56				
				E	01	300	810	000	000	401	Miscellaneous Maintenance Supplies For Repair		\$15.00				
				E	01	300	810	000	000	401	New Bolt Cutter		\$48.99				
				E	01	300	810	000	000	401	Maintenance Materials And Tools		\$29.17				
				E	01	300	810	000	000	401	Light Bulbs		\$6.99				
				E	01	300	810	000	000	401	Keys For H/S		\$3.79				
	PO#:	21803	Voucher #:	74799	Invoice		Invoice No:		Sept2021		10/21/2021			Paid Amt:	\$136.21		
				E	01	300	810	000	000	401	Classroom Keys		\$6.58				
				E	01	100	810	063	000	350	E/S Maintenance Equipment		\$159.00				
				E	01	300	810	000	000	401	Soccer Goal Parts		\$1.39				
				E	01	100	810	000	000	401	Hooks For E/S Classroom		\$25.98				
	PO#:	21773A	Voucher #:	74800	Invoice		Invoice No:		Sept2021		10/21/2021			Paid Amt:	\$192.95		
				E	01	300	810	000	000	401	Maintenance Supplies		\$7.74				
				E	01	300	710	000	000	401	Batteries For Nurses Station		\$16.99				
				E	01	300	810	000	000	401	Drain Maintainer		\$22.48				
				E	01	300	810	000	000	401	Maintenance Supplies		\$6.49				
				E	01	300	810	000	000	401	Miscellaneous Maintenance Supplies		\$14.55				
				E	01	300	810	000	000	401	Command Hooks and Misc Hardware		\$24.72				
	PO#:	21870	Voucher #:	74801	Invoice		Invoice No:		Sept2021		10/21/2021			Paid Amt:	\$92.97		
													Check Amount:	\$458.58			
0108	GEN1	39201	1984	IDE, GERALD											Check		
				E	01	200	292	049	000	305	MS Athletics Consulting Fees/Serv		\$45.00				
	PO#:	Voucher #:	74791	Invoice		Invoice No:		8thGr VBOfficial		10/21/2021			Paid Amt:	\$45.00			
													Check Amount:	\$45.00			
0108	GEN1	39202	6646	MADDIO, MIKE											Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00				
	PO#:	Voucher #:	74792	Invoice		Invoice No:		VarFBOfficial		10/21/2021			Paid Amt:	\$92.00			
													Check Amount:	\$92.00			
0108	GEN1	39203	4556	RETTMANN, PAUL											Check		
				E	01	300	296	051	000	305	Volleyball Consulting Fees/Serv		\$123.00				
	PO#:	Voucher #:	74793	Invoice		Invoice No:		VBOfficial		10/21/2021			Paid Amt:	\$123.00			
													Check Amount:	\$123.00			
0108	GEN1	39204	6647	SCHEFF, BRONSON											Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00				
	PO#:	Voucher #:	74794	Invoice		Invoice No:		VarFBOfficial		10/21/2021			Paid Amt:	\$92.00			
													Check Amount:	\$92.00			
0108	GEN1	39205	5741	SEIFERT, JAKE											Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00				
	PO#:	Voucher #:	74795	Invoice		Invoice No:		VarFBOfficial		10/21/2021			Paid Amt:	\$92.00			
													Check Amount:	\$92.00			
0108	GEN1	39206	1572	THUNSTROM, LEE											Check		
				E	01	300	296	051	000	305	Volleyball Consulting Fees/Serv		\$123.00				
	PO#:	Voucher #:	74796	Invoice		Invoice No:		VBOfficial		10/21/2021			Paid Amt:	\$123.00			
													Check Amount:	\$123.00			
0108	GEN1	39207	5744	WALTERS, JOHN											Check		
				E	01	300	294	050	000	305	Football Consulting Fees/Serv		\$92.00				
	PO#:	Voucher #:	74797	Invoice		Invoice No:		VarFBOfficial		10/21/2021			Paid Amt:	\$92.00			
													Check Amount:	\$92.00			
0108	GEN1	39208	4847	ADVANCED HEALTH, SAFETY AND SECURITY											Check		
				E	01	300	810	063	000	350	Reset Door System		\$150.00				
	PO#:	21925	Voucher #:	74851	Invoice		Invoice No:		IN4549MN		10/28/2021			Paid Amt:	\$150.00		
													Check Amount:	\$150.00			
0108	GEN1	39209	6558	CROWN GLOBAL HR, LLC											Check		
				E	01	005	105	000	000	305	Teacher Interview Workshop		\$9,570.00				
	PO#:	21935	Voucher #:	74852	Invoice		Invoice No:		1922		10/28/2021			Paid Amt:	\$9,570.00		
													Check Amount:	\$9,570.00			

Norwood-Young America School
October 2021 Miscellaneous Payment Register by Check

Co	Bank	Check No	Code	Rcd	Vendor	Pmt/Void Date	Pmt Type
0108	GEN1	39210	1442		DALCO		Check
				E 01	100 810 000 000 401 School Supplies		\$1,501.82
	PO#: 21929	Voucher #:	74853	Invoice	Invoice No: 949C4/00	10/28/2021	Paid Amt: \$1,501.82
				E 01	100 810 000 000 401 School Cleaning Supplies		\$276.72
	PO#: 21929	Voucher #:	74854	Invoice	Invoice No: 3841611	10/28/2021	Paid Amt: \$276.72
							Check Amount: \$1,778.54
0108	GEN1	39211	1360		ELECTION SYSTEMS & SOFTWARE		Check
				E 01	005 105 000 000 305 base charge - Tabulator		\$551.25
				E 01	005 105 000 000 305 ballot faces		\$17.65
				E 01	005 105 000 000 305 ballot types		\$82.70
				E 01	005 105 000 000 305 contests/issues		\$38.90
				E 01	005 105 000 000 305 precincts		\$9.90
				E 01	005 105 000 000 305 candidate/response		\$33.60
				E 01	005 105 000 000 305 media burn/EQC		\$13.15
				E 01	005 105 000 000 305 Media Burn/DS200 poll		\$26.30
				E 01	005 105 000 000 305 freight		\$16.06
	PO#: 21936	Voucher #:	74855	Invoice	Invoice No: CD2010614	10/28/2021	Paid Amt: \$789.51
							Check Amount: \$789.51
0108	GEN1	39212	05335		ISD #110-WACONIA COMMUNITY ED		Check
				E 04	005 505 020 321 305 5th/6th Grade Tackle Football		\$40.00
	PO#: 21940	Voucher #:	74856	Invoice	Invoice No: NYAFB2021	10/28/2021	Paid Amt: \$40.00
				E 04	005 505 020 321 305 5th and 6th Grade Volleyball League		\$80.00
				E 04	005 505 020 321 305 5th and 6th Grade Volleyball Tournament		\$170.00
	PO#: 21940	Voucher #:	74857	Invoice	Invoice No: Volleyball	10/28/2021	Paid Amt: \$250.00
							Check Amount: \$290.00
0108	GEN1	39213	5071		MIKE'S ROLL-OFFS		Check
				E 01	100 810 000 000 401 Waste Containers		\$1,053.09
	PO#: 21931	Voucher #:	74858	Invoice	Invoice No: WasteContainers	10/28/2021	Paid Amt: \$1,053.09
							Check Amount: \$1,053.09
0108	GEN1	39214	00278		MN STATE HIGH SCHOOL LEAGUE		Check
				E 01	300 292 000 000 820 Dues for 2021-2022		\$4,268.40
	PO#: 21434	Voucher #:	74860	Invoice	Invoice No: 038679	10/28/2021	Paid Amt: \$4,268.40
							Check Amount: \$4,268.40
0108	GEN1	39215	6621		MP+G MARKETING SOLUTIONS, LLC		Check
				E 01	005 105 000 000 305 referendum guides		\$2,574.17
	PO#: 21932	Voucher #:	74859	Invoice	Invoice No: ReferendumGuides	10/28/2021	Paid Amt: \$2,574.17
							Check Amount: \$2,574.17
0108	GEN1	39216	01530		MUSIC MART		Check
				E 01	300 258 258 000 430 Purple Rain		\$60.20
	PO#: 21920	Voucher #:	74861	Invoice	Invoice No: 1318268	10/28/2021	Paid Amt: \$60.20
							Check Amount: \$60.20
0108	GEN1	39217	6414		READING & MATH, INC.		Check
				E 01	100 203 000 000 305 Reading Corp Service Year Tutor		\$5,000.00
	PO#: 21886	Voucher #:	74862	Invoice	Invoice No: INV700	10/28/2021	Paid Amt: \$5,000.00
							Check Amount: \$5,000.00
0108	GEN1	39218	3550		REGION 2A MSHSL		Check
				E 01	300 292 053 000 369 Cross Country Boys		\$100.00
				E 01	300 292 053 000 369 Cross Country Girls		\$100.00
				E 01	300 258 258 000 369 Music Vocal Large Group		\$100.00
				E 01	300 258 259 000 369 Music Instr Large Group		\$100.00
				E 01	300 258 258 000 369 Solof/Ensemble - School Fee		\$100.00
	PO#: 21934	Voucher #:	74863	Invoice	Invoice No: Region2A EntryFees	10/28/2021	Paid Amt: \$500.00
							Check Amount: \$500.00
0108	GEN1	39219	00223		REGION 5A - MSHSL		Check
				R 01	300 294 050 000 060 HS Football Admission		\$1,592.00
	PO#:	Voucher #:	74865	Invoice	Invoice No: Football	10/28/2021	Paid Amt: \$1,592.00
							Check Amount: \$1,592.00
0108	GEN1	39220	1769		Y-NOT PLUMBING & HEATING, INC.		Check
				E 01	300 810 063 000 350 Faucet Stems For Classroom		\$24.00
	PO#: 21923	Voucher #:	74864	Invoice	Invoice No: 78561	10/28/2021	Paid Amt: \$24.00
							Check Amount: \$24.00
0108	GEN1	39221	00823		MEEKER & WRIGHT SP ED COOP #938		Check
				E 01	998 211 000 000 390 Village Ranch FY21 ESY Billing for June		\$632.70
	PO#:	Voucher #:	74866	Invoice	Invoice No: 2609	10/29/2021	Paid Amt: \$632.70
							Check Amount: \$632.70
0108	GEN1	39222	4527		HUDL		Check
				E 01	300 292 000 000 405 Hudle AD Package, 10/15/21 to 10/14/22		\$8,700.00
	PO#:	Voucher #:	74873	Invoice	Invoice No: INV01227450	10/29/2021	Paid Amt: \$8,700.00
							Check Amount: \$8,700.00
							Report Total: \$155,838.74

Finance Committee Report

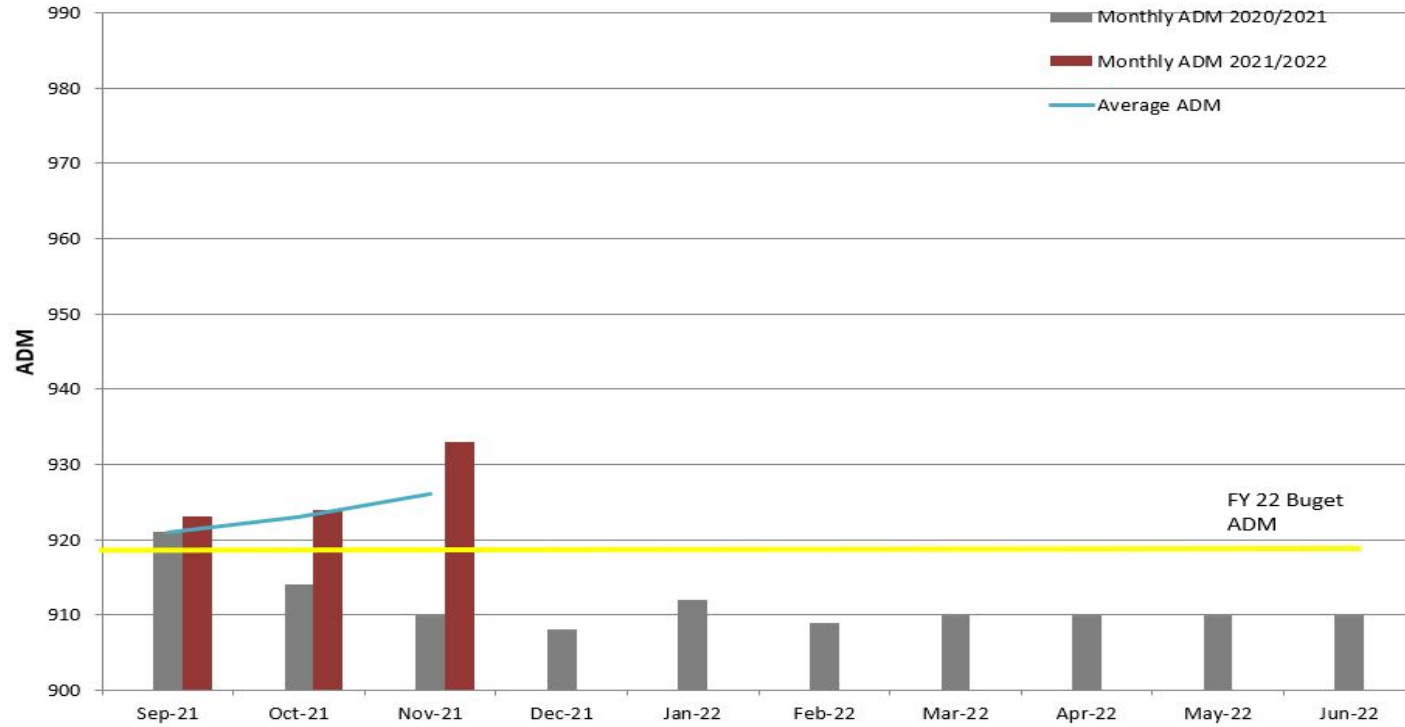


November 23, 2020

Enrollment by Month



21-22 Monthly, Average, and Budgeted Daily Membership



Monthly Revenue/Expense



October 2021 Data

Using FY22 Adopted Budget

YTD Revenues						
	21-22 Revenue Budget	22-22 Revenue to Date	% of Budget	20-21 Revenue Budget	20-21 Revenue to Date	% of Budget
General Fund	\$ 11,655,887	\$ 3,113,192	26.7%	\$ 11,509,854	\$ 3,069,052	26.7%
Food Services	\$ 488,031	\$ 95,895	19.6%	\$ 377,243	\$ 34,689	9.2%
Community Services	\$ 758,992	\$ 263,664	34.7%	\$ 722,304	\$ 201,686	27.9%
Debt Services	\$ 977,801	\$ 297,051	30.4%	\$ 988,392	\$ 297,522	30.1%
Scholarships	\$ 3,000	\$ 2,760	92.0%	\$ 3,000	\$ 2,033	67.8%
Student Activities	\$ -	\$ 19,398		\$ -	\$ 5,577	
Total Revenue	\$ 13,883,711	\$ 3,791,960	27.3%	\$ 13,600,793	\$ 3,610,559	26.5%

YTD Expenses						
	21-22 Expense Budget	21-22 Expenses to Date	% of Budget	20-21 Expense Budget	20-21 Expenses to Date	% of Budget
General Fund	\$ 11,492,917	\$ 3,007,753	26.2%	\$ 11,876,623	\$ 2,513,501	21.2%
Food Services	\$ 468,691	\$ 75,807	16.2%	\$ 376,400	\$ 64,579	17.2%
Community Services	\$ 787,709	\$ 247,722	31.4%	\$ 769,323	\$ 207,093	26.9%
Debt Services	\$ 988,979	\$ 69,239	7.0%	\$ 990,303	\$ 74,901	7.6%
Scholarships	\$ 3,000	\$ 1,000	33.3%	\$ 3,000	\$ -	0.0%
Student Activities	\$ -	\$ 22,366		\$ -	\$ 14,347	
Total Expenses	\$ 13,741,296	\$ 3,423,887	24.9%	\$ 14,015,649	\$ 2,874,421	20.5%
Favorable/(Unfavorable)	\$ 142,415	\$ 368,073	258.45%	\$ (414,856)	\$ 736,138	-177.4%

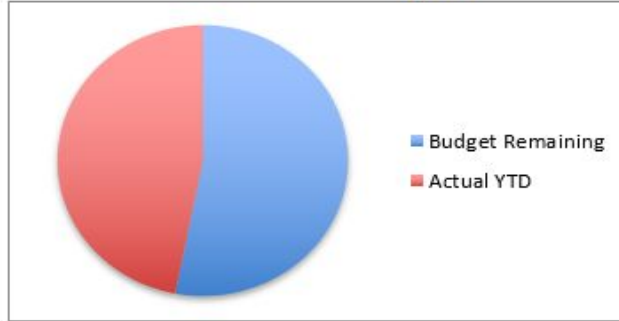
21-22 Fund Balance					
	Audited Fund Balance 7/1/21	21-22 Revenues to Date	21-22 Expenses to Date	Fund Balance 6/30/22	Favorable/ (Unfavorable)
General Fund	\$ 2,371,332	\$ 3,113,192	\$ 3,007,753	\$ 2,476,771	\$ 105,439
Food Services	\$ 128,167	\$ 95,895	\$ 75,807	\$ 148,255	\$ 20,088
Community Services	\$ 332,840	\$ 263,664	\$ 247,722	\$ 348,782	\$ 15,942
Debt Services	\$ 208,956	\$ 297,051	\$ 69,239	\$ 436,768	\$ 227,812
Scholarships	\$ 33,584	\$ 2,760	\$ 1,000	\$ 35,344	\$ 1,760
Student Activities	\$ 109,590	\$ 19,398	\$ 22,366	\$ 106,622	\$ (2,968)
Total Fund Balance	\$ 3,184,469	\$ 3,791,960	\$ 3,423,887	\$ 3,552,542	\$ 368,073

ISD 108 Promise to Voters



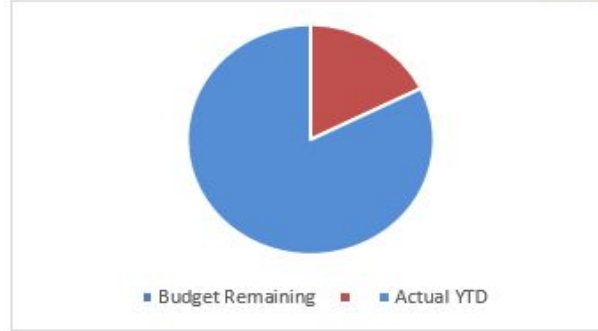
Q1 Curriculum

Budget Remaining 82,400
Actual YTD 72,900



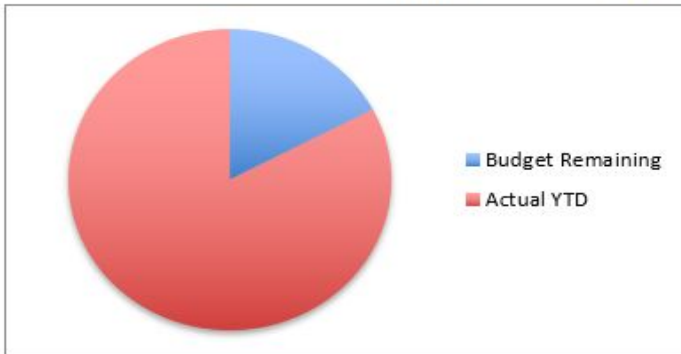
Q1 Staff Development

Budget Remaining 12,000
Actual YTD 56,000



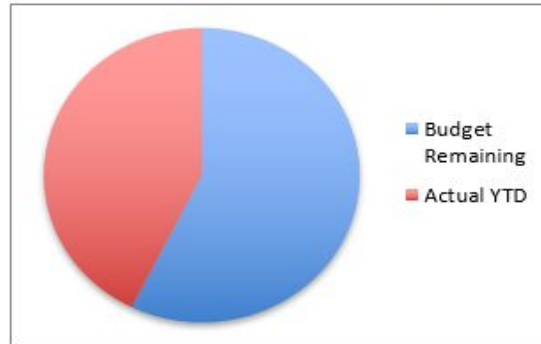
Q1 Tech Levy

Budget Remaining 57,000
Actual YTD 273,000



Q1 Maintain Class Size

Budget Remaining 194,587
Actual YTD 144,905





November 12, 2021

To the Members of the School Board
Independent School District No. 108
Norwood Young America, Minnesota

We have audited the financial statements of the Independent School District No. 108 (the District) as of and for the year ended June 30, 2021, and have issued our report thereon dated November 12, 2021. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and Government Auditing Standards and our Compliance Audit under the Uniform Guidance

As communicated in our engagement letter dated June 10, 2021, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether the District complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs. Our audit of the financial statements and major program compliance does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards as it relates to the audit of the District's major federal program compliance, is to express an opinion on the compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing 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 internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of the District's internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our 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* dated November 12, 2021. We have also provided our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor's Report on Compliance with Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance dated November 12, 2021.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are the estimated state aid receivables and the estimated other post-employment benefits and net pension liability.

Management's estimate of the state aid receivables is based on estimated state revenues as provided by the State of Minnesota and projected student pupil units at year end. We evaluated the key factors and assumptions used to develop the state aid receivables balance and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Management's estimate of the other post-employment benefits, supplemental benefit liability, and net pension liability are based on an actuary's calculation in accordance with the employment contracts. We evaluated the key factors and assumptions used to develop the other post-employment benefits, supplemental benefit liability, and net pension liability and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

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

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all such misstatements. The attached listing of journal entries were detected as a result of audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the management representation letter dated November 12, 2021.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

Modification of the Auditor's Report

The District did not provide documentation to provide assurance that all child care program revenues of the Community Service fund and governmental activities are recorded in the accounting records for the year ended June 30, 2021. We modified our opinion on the Community Service Fund and governmental activities due to this matter.

This report is intended solely for the information and use of the school board and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Mankato, Minnesota

Client: **127302 - Central Public School ISD #108**
Engagement: **AA 2021 - Central Public School ISD #108**
Period Ending: **6/30/2021**
Trial Balance: **3.00 - GASB Fund Trial Balance**
Workpaper: **3.01a - Adjusting Journal Entries Report**
Fund Level: **All**
Index: **All**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
LINKED: CLIENT TO POST: CY GASB 68 to record direct aid contribution items				
:-01-005-203-000-000-89 TRA/PERA Spec Funding Pens Expense				
:-01-005-203-000-000-39 TRA/PERA Spec Funding Revenue				
Total			50,550.00	50,550.00
Adjusting Journal Entries JE # 2				
CLIENT POST - To adjust fund 99				
B-98-142-000	Buildings		6,688.00	
B-98-143-000	Equipment		176,105.00	
B-98-430-000	Invest. Fixed Assets		1,206,807.38	
B-98-171-000	Accum Depr Land Impr			14,021.36
B-98-172-000	Accum Depr Buildings			1,354,704.71
B-98-173-000	Accum Depr on Equip.			20,874.31
B-98-140-000	Land			
B-98-141-000	Land Improvements			
B-98-144-000	Eligible Pupil Vehicles			
B-98-149-000	Construction Work-In-Progress			
B-98-174-000	Accum Depr Cap.Lease			
Total			1,389,600.38	1,389,600.38
Adjusting Journal Entries JE # 3				
CLIENT TO POST: To record OPEB liability (GASB 75)				
B-99-161-000	Amount to Be Provided For Sepr and Sev		255,408.00	
B-99-260-000	Separation and Severance Pay Payable			255,408.00
Total			255,408.00	255,408.00
Adjusting Journal Entries JE # 4				
CLIENT POST - To adjust for property tax rec				
B-01-110-000	Curr Property Taxes Rec		61,320.80	
B-01-111-000	Delinq Property Taxes Rec		8,584.00	
B-04-231-000	Deferred Revenue-Delinquent Taxes		117.00	
B-04-235-000	Property Taxes Levied For Sub Years		27,528.19	
B-07-110-000	Curr Property Taxes Rec		6,764.69	
B-07-111-000	Delinq Property Taxes Rec		29.00	
B-07-235-000	Property Taxes Levied For Sub Years		7,591.92	
-01-005-000-000-000-00 Maintenance Levy			27,794.68	
B-01-231-000	Deferred Revenue-Delinquent Taxes			8,584.00
B-01-235-000	Property Taxes Levied For Sub Years			89,115.48
B-04-110-000	Current Taxes Receivable			13,940.43
B-04-111-000	Delinq Property Taxes Rec			117.00
B-07-231-000	Def Rev-Delinquent Taxes			29.00
-04-005-505-000-321-00 Maintenance Levy				13,587.76
-07-005-910-000-000-00 Maintenance Levy				14,356.61
Total			139,730.28	139,730.28
Adjusting Journal Entries JE # 5				
CLIENT POST - REVERSING - To book State Aid Rec				
B-01-121-000	Due from Dcfl		677,774.55	
B-04-121-000	Due from DCFL		12,512.13	
B-07-121-000	Due from Dcfl		12,411.97	
-01-005-000-000-740-36 State Special Ed			113,121.08	
-04-005-505-000-321-22 Abatement Aid			35.98	
-01-005-000-000-000-21 General Ed Aid				704,886.24
-01-005-000-000-000-21 Literacy Incentive Aid				51,569.52
-01-005-000-000-000-22 Abatement Aid				925.14
-01-005-000-000-000-22 Disparity Red Aid				48.30
-01-005-000-000-000-23 Hmstd/Ag Mkt Value Cr				1,929.80
-01-005-000-000-000-25 Other State Cr/Exempt Property				721.43
-01-005-000-000-000-37 Oth Aid from MDE				5,985.00
-01-005-000-000-335-30 Alternative Compensation State Aids				16,045.90
-01-005-000-000-720-30 Transport. State Aids & Grants				2,665.86
-01-005-865-000-000-31 Long Term Facilities Maintenan				6,118.44
-04-005-505-000-321-22 Disparity Red Aid				5.80
-04-005-505-000-321-23 Hmstd/Ag Mkt Value Cr				231.63
-04-005-505-000-321-25 Other State Cr/Exempt Property				86.59
-04-005-505-000-328-30 Home Visiting State Aids				52.22
-04-005-580-000-325-30 ECFE State Aids & Grants				4,192.82
-04-005-582-002-344-30 Learning Readiness State Aids & Grants				2,927.51
-04-005-583-000-354-30 Preschool Screening State Aids & Grants				446.00
-04-005-590-000-353-30 Nonpublic State Aid - Guidance				4,605.54
-07-005-910-000-000-22 Disparity Red Aid				43.10

}-07-005-910-000-000-23-Hmstd/Ag Mkt Value Cr		1,824.58	
}-07-005-910-000-000-23-Hmstd/Ag Mkt Value Cr		541.23	
}-07-005-910-000-000-25-Other State Cr/Exempt Property		10,003.06	
Total	815,855.71	815,855.71	

Adjusting Journal Entries JE # 6

Client Post: To reclass levy revenue between funds

}-01-005-000-000-000-01-County Apportionment		3,325.32	
}-01-005-000-000-000-00-Maintenance Levy			3,325.32
B-01-101-000 Cash - Gen Fund			
B-04-101-000 Cash - Community Services Fund			
B-07-101-000 Cash - Debt Service Fund			
}-01-005-000-000-000-00-Maintenance Levy			
}-04-005-505-000-321-00-Maintenance Levy			
}-07-005-910-000-000-00-Maintenance Levy			
Total	3,325.32	3,325.32	

B.11b

Adjusting Journal Entries JE # 7

Client Post: To record levy reserves

}-01-005-000-000-000-00-Maintenance Levy	1,101,870.05		
}-04-005-505-000-321-00-Maintenance Levy	89,054.76		
}-01-005-000-000-302-00-Capital - Maintenance Levy		80,222.25	
}-01-005-000-000-335-00-Maintenance Levy - Q-Comp		90,841.20	
}-01-005-000-000-342-00-Safe Schools - Crime Levy		49,452.14	
}-01-005-000-000-795-00-Technology Maintenance Levy		350,000.00	
}-01-005-000-000-797-00-OPEB Maintenance Levy		144,675.90	
}-01-005-000-000-830-00-Career/Tech Ed Maintenance Levy		49,948.93	
}-01-005-865-000-000-00-LTFM Maintenance Levy		336,729.63	
}-04-005-505-000-328-00-Home Visiting Maintenance Levy		796.44	
}-04-005-570-041-798-00-Maint. Levy - Children w/Disabilities		34,198.06	
}-04-005-580-000-325-00-ECFE Maintenance Levy		31,374.26	
}-04-005-585-000-332-00-After School Enrich. Maint Levy		14,726.00	
}-04-005-585-000-362-00-Youth Development Maint Levy		7,960.00	
Total	1,190,924.81	1,190,924.81	

B.11b

Adjusting Journal Entries JE # 8

Client Post: To record gen ed aid revenue restrictions

}-01-005-000-000-000-21-General Ed Aid	575,632.91		
}-01-005-000-000-302-21-Capital - General Ed Aid		125,768.67	
}-01-005-000-000-316-21-Staff Development General Ed Aid		133,888.00	
}-01-005-000-000-317-21-Basic Skills - Gen Ed Aid		116,582.96	
}-01-005-000-000-330-21-Learning & Dev. - Gen Ed Aid		186,156.29	
}-01-005-000-000-388-21-Gifted&Tal - Gen Ed Aid		13,236.99	
}-01-005-000-000-309-21-General Ed Aid - Basic Skill Extended Time			
Total	575,632.91	575,632.91	

B.10

Adjusting Journal Entries JE # 9

Client Post - to book adjustment activity report

B-04-101-000 Cash - Community Services Fund	868.10		
B-07-101-000 Cash - Debt Service Fund	57.07		
}-01-005-000-000-000-21-General Ed Aid	8,378.79		
}-01-005-000-000-000-25-Other State Cr/Exempt Property	50.96		
}-04-005-505-000-321-25-Other State Cr/Exempt Property	6.11		
}-04-005-590-000-353-30-Nonpublic State Aid - Guidance	7,504.58		
}-07-005-910-000-000-25-Other State Cr/Exempt Property	45.47		
B-01-101-000 Cash - Gen Fund		925.17	
}-01-005-000-000-000-21-General Ed Aid		7,504.58	
}-04-005-590-000-353-30-Nonpublic State Aid - Guidance		8,378.79	
}-07-005-910-000-000-25-Other State Cr/Exempt Property		102.54	
Total	16,911.08	16,911.08	

B.10

Adjusting Journal Entries JE # 10

CLIENT DO NOT POST: To reclass AP to Due to Other Governmental Units and Due to Other MN School Districts.

B-01-206-000 Other Accounts Payable	37,985.34		
B-01-206-000 Other Accounts Payable	1,956.84		
B-04-206-000 Other Accounts Payable	44.61		
B-01-210-000 Due to Other MN School Districts		37,985.34	
B-01-212-000 Due To Other Gov't		1,956.84	
B-04-212-000 Due To Other Gov'T		44.61	
Total	39,986.79	39,986.79	

BB.00

Adjusting Journal Entries JE # 11

CLIENT DO NOT POST: To reclassify 215 entries

B-01-206-000 Other Accounts Payable	1,093.87		
B-08-104-000 Trust Fund Investment	8,500.00		
B-01-215-036 SelectAccount (VEBA)		1,093.87	
B-08-206-000 Accounts Payable		8,500.00	
Total	9,593.87	9,593.87	

BB.10

Adjusting Journal Entries JE # 12

Client Post - to record Capital Leases

B-99-261-000 Special Assess & Long Term Lease Debt	33,333.68		
B-99-152-000 Amt to Be Provided-Capital Lease		33,333.68	

AA.00

Total		33,333.68	33,333.68
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Adjusting Journal Entries JE # 13

AA.10

Client Post - To adjust LTD

B-99-250-000	Bonds Payable	835,000.00	
B-99-150-000	Amount Available For Retirement of Bonds		1,536.92
B-99-151-000	Amount to Be Provided from Property Tax		833,463.08
B-99-250-000	Bonds Payable		
Total		835,000.00	835,000.00

Adjusting Journal Entries JE # 14

Client Post: To reverse client entry 8445

B-99-250-000	Bonds Payable	835,000.00	
B-99-151-000	Amount to Be Provided from Property Tax		835,000.00
Total		835,000.00	835,000.00

Adjusting Journal Entries JE # 100

Report

CLIENT DO NOT POST: To adjust FB's to actual

B-01-422-000	Undesignated	376,198.00	
B-01-472-000	Restr/Resvd for Medical Assist	6,941.00	
B-04-431-000	Reserved For Community Ed	3,645.00	
B-04-432-000	Reserved For Ecfe	3,047.00	
B-04-464-000	Restricted Fund Balance	2,963.00	
B-08-402-000	Rst/Rsvd Scholarships	1,121.00	
B-01-407-000	Rst/Rsvd Capital Proj Levy		77,282.00
B-01-424-000	Reserved For Operating Capital		113,666.00
B-01-462-000	Assigned FB Literacy dollars		72,182.00
B-01-467-000	Restr/Reserved for LTFM		120,739.00
B-04-444-000	School Readiness (Fd 04)		9,655.00
B-21-401-900	Knkg Field Trip		391.00
B-01-403-000	Reserved for Staff Development		
B-01-406-000	Reserved For Health & Safety		
B-01-422-000	Undesignated		
B-01-422-000	Undesignated		
B-01-427-000	Rsvd Disabled Access		
B-01-428-000	Rsvd. for Learning & Developm		
B-01-438-000	Rsvd Gifted and Talented		
B-01-441-000	Rst/Rsvd Basic Skills		
B-01-441-000	Rst/Rsvd Basic Skills		
B-01-445-000	Rst/Rsvd Career & Tech Prog.		
B-01-449-000	Safe Schools - Crime Levy		
Total		393,915.00	393,915.00

Adjusting Journal Entries JE # 101

SMART

Client do not post - to book smart entries 8481, 8482, 8483, 8484, 8485, 8486, 8487, 8503, 8507, and 8514

B-01-101-000	Cash - Gen Fund	2,322.94	
B-01-206-000	Other Accounts Payable	1,633.80	
:01-005-110-000-000-35	Business Office Copy Machine Maint.	2,183.30	
:01-005-850-000-302-58	Principal on Cap. Lease/Instal	1,666.31	
:01-005-850-000-302-58	Interest on Capital Lease/Inst	567.48	
:01-005-850-000-302-58	Interest on Capital Lease/Inst	709.35	
:01-100-203-000-000-35	Elem Copy Machine Maint.	4,613.02	
:01-100-408-011-419-21	Fed SpEd TRA	1,369.19	
:01-100-412-000-740-21	ECSE FICA/Medicare	5,000.00	
:01-100-412-011-420-21	TRA	2,500.00	
:01-100-412-011-422-21	TRA	2,500.00	
:01-100-850-000-302-58	El Principal on Cap. Lease/Instal	2,888.27	
:01-100-850-000-302-58	El Interest on Capital Lease/Inst	1,229.54	
:01-200-211-000-000-35	MS Copy Machine Maint.	2,650.56	
:01-200-850-000-302-58	MS Principal on Cap. Lease/Instal	2,332.83	
:01-200-850-000-302-58	MS Interest on Capital Lease/Inst	993.09	
:01-300-211-000-000-35	HS Copy Machine Maint.	5,520.89	
:01-300-408-000-740-21	HS EBD FICA/Medicare	1,369.19	
:01-300-850-000-302-58	Principal on Cap. Lease/Instal	2,888.27	
:01-300-850-000-302-58	HS Interest on Capital Lease/Inst	1,229.54	
:01-998-211-000-000-39	to Other MN District	10,171.04	
:01-998-211-000-000-39	to Other MN District	3,305.82	
:01-998-211-000-000-39	to Other MN District	632.70	
:01-998-400-000-372-39	to Other MN District	1,697.06	
:02-005-770-000-705-30	Fees For Services	350.00	
:02-005-770-000-705-49	Food	475.00	
:02-005-770-000-705-49	Milk	35.00	
:02-005-770-000-707-30	Salary,Fees,Cr.Card	5,651.92	
:02-005-770-000-707-30	Salary,Fees,Cr.Card	1,798.48	
:02-005-770-000-707-30	Salary,Fees,Cr.Card	1,000.00	
:02-005-770-000-707-40	Ala Carte General Supplies	486.06	
:02-005-770-000-707-40	Ala Carte General Supplies	243.03	
:02-005-770-000-707-49	Ala Carte Food	8,337.01	
:02-005-770-000-707-49	Ala Carte Food	3,978.45	
:02-005-770-000-707-49	Ala Carte Milk	187.50	
:02-005-770-000-707-49	Ala Carte Milk	2,210.25	
:02-005-770-000-709-30	Summer Food Service Consulting Fees/Serv	200,000.00	

:02-005-770-000-709-40 Summer Food General Supplies	13,000.00	
:02-005-770-000-709-49 Summer Food Service Food	63,000.00	
:02-005-770-000-709-49 Summer Food Service Milk	17,000.00	
:04-005-505-000-321-35 CE Gen Copy Machine Maint.	2,322.94	
!02-005-770-000-701-60 Sales to Pupils	26,521.10	
B-01-206-000 Other Accounts Payable		10,171.04
B-01-206-000 Other Accounts Payable		5,002.88
B-01-206-000 Other Accounts Payable		632.70
B-04-101-000 Cash - Community Services Fund		2,322.94
:01-005-850-000-302-58 Principal on Cap. Lease/Instal		31,795.39
:01-100-408-000-740-21 Elem EBD TRA		1,369.19
:01-100-412-000-740-21 ECSE TRA		5,000.00
:01-100-412-011-420-21 FICA/Medicare		2,500.00
:01-100-412-011-422-21 ECSE Fed SpEd FICA/Medicare		2,500.00
:01-300-408-000-419-21 HS EBD Fed SpEd FICA/Medicare		1,369.19
:01-998-211-000-000-39 to Other MN District		1,633.80
:02-005-770-000-701-30 Consulting Fees/Serv		5,651.92
:02-005-770-000-701-30 Consulting Fees/Serv		1,798.48
:02-005-770-000-701-30 Consulting Fees/Serv		1,000.00
:02-005-770-000-701-30 Consulting Fees/Serv		200,000.00
:02-005-770-000-701-35 Repairs&maint Serv		350.00
:02-005-770-000-701-40 General Supplies		486.06
:02-005-770-000-701-40 General Supplies		243.03
:02-005-770-000-701-40 General Supplies		13,000.00
:02-005-770-000-701-49 Food		8,337.01
:02-005-770-000-701-49 Food		3,978.45
:02-005-770-000-701-49 Food		475.00
:02-005-770-000-701-49 Food		63,000.00
:02-005-770-000-701-49 Milk		187.50
:02-005-770-000-701-49 Milk		2,210.25
:02-005-770-000-701-49 Milk		35.00
:02-005-770-000-701-49 Milk		17,000.00
!02-005-770-000-701-60 Sale of Milk		408.50
!02-005-770-000-701-60 Sales to Adults		3,821.75
!02-005-770-000-705-60 Breakfast Sales to Pupils		156.85
!02-005-770-000-707-60 Sales to Pupils		22,134.00
Total	408,570.93	408,570.93
Total Adjusting Journal Entries	6,993,338.76	6,993,338.76
Total All Journal Entries	6,993,338.76	6,993,338.76



Financial Statements
June 30, 2021

Independent School District No. 108

Norwood Young America, Minnesota

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Independent School District No. 108
Norwood Young America, Minnesota
List of Elected School Officials (Unaudited)
June 30, 2021

School Board

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Sara Eischens	Chairperson	2024
Nicole Evenski	Vice Chairperson	2022
Rich Schug	Clerk	2022
Kyle Strickfaden	Treasurer	2024
Shelby Erickson	Member	2024
Elroy Latzig	Member	2022
Sarah Lehrke	Member	2024

Administration

Timothy Schochenmaier	Superintendent
JoAn Carlson	Bookkeeper



Independent Auditor's Report

Members of the School Board
Independent School District No. 108
Norwood Young America, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Independent School District No. 108 (the District), Norwood Young America, Minnesota, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Qualified Opinion on the Governmental Activities and Aggregate Remaining Fund Information

Management has not furnished documentation to provide assurance that all child care program revenues of the Community Service fund, a nonmajor fund, and governmental activities are recorded in the accounting records. We are unable to form an opinion regarding the amount of revenues of the Community Service fund and governmental activities in the accompanying statement of revenues, expenditures and changes in fund balance and the statement of activities.

Qualified Opinion on the Governmental Activities and Aggregate Remaining Fund Information

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on the Governmental Activities and Aggregate Remaining Fund Information” paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the other governmental funds and governmental activities of the District, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the District, as of June 30, 2021, and the respective changes in financial position and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, schedule of changes in the District’s total OPEB liability and related ratios, schedule of changes in supplemental benefits liability, schedule of supplemental benefits liability, schedule of employer’s share of net pension liability and schedule of employer’s contributions as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 inquires of management about the methods or preparing the information and comparing the information for consistency with management’s responses to our inquires, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements. The School Board and Administration, schedule of changes in UFARS fund balances, combining and individual fund schedules, uniform financial accounting and reporting standards compliance table, and the schedule of expenditures of federal awards are presented for purposes of additional analysis and are not a required part of the financial Statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of Additional analysis 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*, and is also not a required part of the basic financial statements.

The Uniform Financial Accounting and Reporting Standards Compliance Table, the schedule of expenditures of federal awards, schedule of changes in UFARS fund balances, and combining and individual fund schedules, 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 supplementary information is 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 November 12, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the Legal Compliance Audit Guide prepared by the Office of the State Auditor pursuant to Minn. Stat. §6.65, we have also issued a report dated November 12, 2021 on our consideration of the District's compliance with aspects of the provisions of the Minnesota Legal Compliance Audit Guide for School Districts. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not directed primarily toward obtaining knowledge of noncompliance. That report is an integral part of procedures performed in accordance with the Office of the State Auditor's Minnesota Legal Compliance Audit Guide for School Districts in considering the District's compliance with certain regulatory requirements pursuant to Minn. Stat. §6.65.



Mankato, Minnesota
November 12, 2021

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

This section of Independent School District No. 108 – Central Public Schools' annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2021. Please read it in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2020-2021 fiscal year include the following:

- Overall revenues were \$13,845,163 while overall expenses totaled \$13,491,419, decreasing net deficit by \$353,744.
- The District's fund balance increased by \$417,597.
- The District's net outstanding long-term debt, excluding pension, OPEB, and supplemental benefits liabilities, decreased by \$883,337 or 11.11 percent.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information, which includes the management's discussion and analysis (this section), the basic financial statements, and other required reports. The basic financial statements include two kinds of statements that present different views of the District:

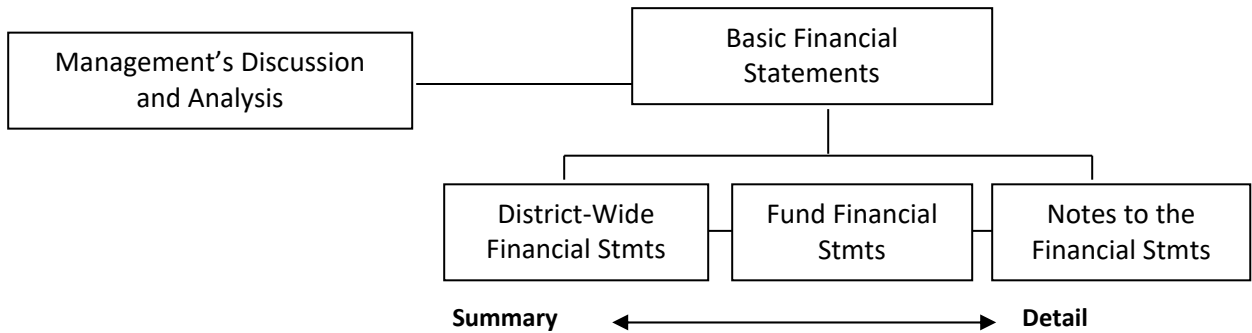
- The first two statements are *district-wide financial statements* that provide both *short-term* and *long-term* information about the District's overall financial status.
- The remaining statements are *fund-financial statements* that focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
- The *governmental funds statements* tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The diagram below shows how the various parts of this annual report are arranged and relate to one another.

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

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 below. The remainder of the overview section of the MD&A highlights the structure and content of each of the statements.



Fund Financial Statements		
	District-Wide	Governmental Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance
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/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come during the year or soon thereafter; no capital assets or long-term liabilities included
Type of Inflow/Outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

District-wide Statements

The District-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows/inflows of resources, and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two District-wide statements report the District's net position and how they have changed. Net position – the difference between the District's assets, deferred outflows/inflows of resources, and liabilities – are one way to measure the District's financial health or position.

Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.

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

In the District-wide financial statements the District's activities are shown in one category:

- Governmental activities – Most of the District's basic services are included here, such as regular and special education, transportation, administration, food services, and community education. Property taxes and state aids finance most of the activities.

Fund Financial Statements

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

The District has one kind of fund:

Governmental funds – Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, we provide additional information following the governmental funds statements that explains the relationship (or difference) between them.

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE
(DISTRICT-WIDE FINANCIAL STATEMENTS)**

Net Position

The District's net deficit was \$903,856 on June 30, 2021. This represents a decrease when compared to the \$1,257,600 deficit on June 30, 2020.

Statement of Net Position
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Current assets	\$ 7,738,795	\$6,510,874
Capital assets	<u>14,350,780</u>	<u>14,941,685</u>
Total assets	<u>22,089,575</u>	<u>21,452,559</u>
Deferred outflows of Resources	<u>3,461,084</u>	<u>5,721,455</u>
Liabilities		
Other liabilities	1,253,115	526,097
Long-term liabilities	<u>15,572,938</u>	<u>15,557,670</u>
Total liabilities	<u>16,826,053</u>	<u>16,083,767</u>
Deferred Inflows of Resources	<u>9,628,462</u>	<u>12,347,847</u>
Net Position (Deficit)		
Net investment in capital assets	7,356,992	7,221,448
Restricted for specific purposes	1,227,213	858,727
Unrestricted	<u>(9,488,061)</u>	<u>(9,337,775)</u>
Total net deficit	<u>\$ (903,856)</u>	<u>\$ (1,257,600)</u>

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

Statements of Activities
Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues		
Program revenues		
Charges for service	\$ 590,106	\$860,288
Operating grants and contributions	2,147,304	1,660,240
Capital grants and contributions	60,842	55,933
General		
Property taxes	3,254,421	2,467,396
Aids and payments from state and other	7,603,756	7,677,960
Miscellaneous revenues	188,734	274,055
Total revenues	<u>13,845,163</u>	<u>12,995,872</u>
Expenses		
Administration	864,974	811,855
District support services	539,189	316,948
Regular instruction	6,014,079	5,897,478
Vocational instruction	173,656	168,356
Special education instruction	1,827,674	1,799,612
Community education and services	750,670	850,597
Instructional support services	528,110	412,408
Pupil support services	1,231,796	1,325,437
Sites and buildings	1,290,531	1,069,749
Fiscal and other fixed-cost programs	270,740	299,667
Total expenses	<u>13,491,419</u>	<u>12,952,107</u>
Change in Net Deficit	353,744	43,765
Net Deficit - Beginning	<u>(1,257,600)</u>	<u>(1,301,365)</u>
Net Deficit - Ending	<u>\$ (903,856)</u>	<u>\$ (1,257,600)</u>

Changes in Net Position. The District's total revenues were \$13,845,163 for the year ended June 30, 2021.

Unallocated federal and state aid along with property taxes accounted for 78.43 percent of the total revenue for the year. Operating and capital grants and contributions for specific programs contributed 15.95 percent and the remaining revenue was from fees charged for services and miscellaneous sources.

The total cost of all programs and services was \$13,491,419. The District's expenses are predominantly related to student education and student educational support, 78.02 percent. The District's administrative activities accounted for 6.41 percent of the total costs. Total revenues were more than total expenses, decreasing net deficit by \$353,744 from last year.

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

General Fund

The General Fund includes the primary operations of the District in providing educational services to students from kindergarten through grade 12, including pupil transportation activities, buildings and grounds, and capital outlay projects.

The following schedule presents a summary of General Fund Revenues.

	Year Ended June 30,		Amount of Increase (Decrease)	Percent Increase (Decrease)
	2021	2020		
Local property taxes	\$ 2,238,095	\$ 1,648,921	\$ 589,174	35.7%
Other local sources	289,800	317,907	(28,107)	-8.8%
State sources	8,342,417	8,570,358	(227,941)	-2.7%
Federal sources	775,827	311,169	464,658	149.3%
Total General Fund revenues	\$ 11,646,139	\$ 10,848,355	\$ 797,784	7.4%

Total General Fund revenue increased by \$797,784 or 7.4 % from the previous year. Basic general education revenue is determined by a state per student funding formula and consists of an equalized mix of property tax and state aid revenue. The mix of property tax and state aid can change significantly from year to year without any net change on revenue. The increase is the result of increased property tax levies as a result of the 2019 Referendum approval and additional federal aids related to the COVID-19 pandemic.

The following schedule presents a summary of General Fund expenditures.

	Year Ended June 30,		Amount of Increase (Decrease)	Percent Increase (Decrease)
	2021	2020		
Salaries and benefits	\$ 7,941,737	\$ 7,540,835	\$ 400,902	5.3%
Purchased services	2,337,434	2,208,015	129,419	5.9%
Supplies and materials	649,660	532,919	116,741	21.9%
Capital expenditures	255,430	363,343	(107,913)	-29.7%
Other expenditures	86,703	65,522	21,181	32.3%
Total General Fund expenditures	\$ 11,270,964	\$ 10,710,634	\$ 560,330	5.2%

Total General Fund expenditures increased by \$560,330 or 5.2 % from the previous year. The overall increase in the current fiscal year resulted from negotiated changes to salaries and benefits and the use of COVID-19 related funding to purchase additional materials and services.

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

General Fund Budgetary Highlights

The District's general fund results when compared to the final budget are:

- Actual revenues were \$136,285 *more than* budget as a result of higher than expected State and local/county revenues in various categories.
- Actual expenditures were \$605,659 *less than* budget as a result of conservative budgeting for salaries and benefits, a decrease in extracurricular and cocurricular activities due to the COVID-19 pandemic, and delaying budgeted maintenance projects.

Debt Service Fund

The Debt Service Fund revenues were \$988,517 and expenditures were \$990,053, thereby decreasing fund balance by \$1,536 as expenses were more than total revenues. This resulted in an ending positive fund balance in the debt service fund of \$208,956.

Other Non-Major Funds

The Food Service Fund incurred an increase in the fund balance of \$ 22,426 . The Community Service Fund incurred an increase in the fund balance of \$21,532.

Enrollment

Enrollment is a critical factor in determining revenue with approximately 90% of General Fund revenue being determined by enrollment. The following shows the trend in enrollment for the District:

Grade	2017	2018	2019	2020	2021
ECSE	17.28	16.36	12.68	12.28	11.45
Hcp. Kdgt.	10.30	11.00	17.54	11.91	8.39
Kdgt.	62.93	54.24	49.16	50.91	45.73
1-3	201.92	209.40	206.37	196.76	178.17
4-6	239.24	223.65	217.99	204.71	195.61
7-12	478.65	496.11	453.01	480.79	464.62
Total	1,010.32	1,010.76	956.75	957.36	903.97
ADM Change		0.44	(54.01)	0.61	(53.39)
% Change		0%	-5%	0%	-6%

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

By the end of fiscal year 2021, the District had invested \$27,730,214 in a broad range of capital assets, including school buildings, land, computer and audio-visual equipment, and other equipment for various instructional programs. Total depreciation expense for the year was \$775,021. More detailed information about capital assets can be found in the notes to the financial statements.

Capital Assets Governmental Activities
June 30, 2021 and 2020

	2021	2020
Land	\$ 25,000	\$ 25,000
Buildings	25,309,641	25,302,954
Improvements	140,214	140,214
Equipment	2,255,359	2,079,253
Accumulated Depreciation	<u>(13,379,434)</u>	<u>(12,605,736)</u>
Total capital assets	<u>\$ 14,350,780</u>	<u>\$ 14,941,685</u>

Long-Term Liabilities

At year-end the District had \$7,066,041 of long term debt consisting of bonds payable of \$6,860,000, bond premium of \$28,471, bond discount of \$3,352, capital lease payable of \$108,669, and compensated absences of \$72,253.

The District has \$1,118,622 in total OPEB liability at June 30, 2021.

The District has \$222,426 in single-employer plan supplemental benefits liability at June 30, 2021.

The District has \$7,165,849 in multi-employer plans net pension liability at June 30, 2021.

See notes to the financial statements for additional details on the District's long term liabilities.

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

Factors Bearing on the District's Future:

- Enrollment continues to be an area of concern weighing on the District's financial future. Since Minnesota school districts are paid on pupil units served, any decline in enrollment results in less revenue.
- For years, many Minnesota school district referendums for facilities maintenance projects did not pass. The Legislature, recognizing an important need to maintain district facilities, requested input on how to create a more equitable and sustainable financing process for public school facilities. As a result, the School Facilities Financing Working Group was created and provided recommendations. New legislation was passed during a special session in July 2015 that provides revenue increases for school districts not currently eligible to participate in the Alternative Facilities Bonding and Levy program. The new program, referred to as Long Term Facilities Maintenance (LTFM) Revenue, includes a three-year phased approach beginning in FY 2017. Districts will receive up to \$193 per pupil of revenue the first year, then in FY 2018, districts can obtain up to \$292 per pupil and up to \$380 per pupil in FY 2019. These figures are prorated for districts with an average building age of 35 years or less. This replaces the former Health and Safety and Deferred Maintenance revenue programs and associated funding. This additional funding will provide dollars for our district to pay for ongoing deferred maintenance expenditures.
- Labor costs account for over 80% of the District expenses. As cost of benefits continue to skyrocket, it becomes more important during the negotiations of labor contracts that the District be cognizant to this potential unknown long-term liability. The District must continue to follow enrollment trends and maintain a responsible balance between staffing and student enrollment.
- The District was successful in passing a 10-year Operating Levy in November 2019. This will generate an additional \$644,000 annually, if enrollment stays the same. This local increase will have a significant impact on local programs by protecting our class sizes and otherwise enhancing the learning environment and educational quality for our students.
- With the onset of the COVID-19 Pandemic in March 2020, the District anticipated revenue shortfalls and some reduction in expenditures due to the temporary closing of facilities and lack of public program income during the quarantine period. The District continues to provide educational opportunities to students. The District has maintained strong reserve balances which will help bridge financial gaps in revenue projections. During FY 2021, the District received federal grant funding related to the global COVID-19 pandemic under the Elementary and Secondary School Emergency Relief Fund (ESSER) grant, the Governor's Emergency Education Relief Fund (GEER) grant, and the Coronavirus Relief Fund (CRF) grant. All grants will be used to cover COVID-19 expenditures of the District.

**INDEPENDENT SCHOOL DISTRICT #108
NORWOOD YOUNG AMERICA, MINNESOTA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2021**

- The District voters approved a two-question referendum for a Building Bond in November 2021. This will be a once-in-a-generation investment to address safety, security and Americans with Disabilities Act (ADA) accessibility; modernize learning spaces and repair aging buildings and systems. Part two of the improvements will create a multi-purpose educational and athletic space with a new stadium, upgraded fields, and make the site more accessible. The referendum received overwhelming support from District voters.

Contacting the District's Financial Management:

This financial report is designed to provide the District's citizens, taxpayers, customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or would like additional information, contact the District Office, ISD No. 108, 531 Morse Street, Norwood Young America, MN 55368.

Independent School District No. 108
Norwood Young America, Minnesota
Statement of Net Position
June 30, 2021

Assets	
Cash and investments	\$ 4,838,867
Receivables:	
Current property taxes	1,904,700
Delinquent property taxes	33,642
Accounts	1,000
Due from Minnesota Department of Education	702,699
Due from Federal through Minnesota Department of Education	183,061
Inventories	9,050
Prepaid items	65,776
	<u>7,738,795</u>
Capital assets not being depreciated:	
Land	25,000
Capital assets, net of accumulated depreciation:	
Land improvements	51,196
Buildings and improvements	13,629,655
Equipment	644,929
	<u>14,350,780</u>
Total capital assets, net of depreciation	<u>22,089,575</u>
Deferred Outflows of Resources	
Other postemployment benefit plans	132,652
Single-employer supplemental benefits plan	72,410
Multi-employer pension plans	3,256,022
	<u>3,461,084</u>
Total deferred outflows of resources	<u>3,461,084</u>
Liabilities	
Salaries payable	480,376
Accounts payable	110,579
Interest payable	62,225
Due to other Minnesota school districts	37,985
Due to other governmental units	1,971
Payroll deductions	497,866
Unearned revenue	62,113
Noncurrent liabilities:	
Due within one year - bonds and related premium and discount, capital lease, and compensated absences	916,073
Due in more than one year - bonds and related premium and discount, capital lease, and compensated absences	6,149,968
Due in more than one year - total other postemployment benefits obligation	1,118,622
Due in more than one year - single-employer plan supplemental benefits liability	222,426
Due in more than one year - multi-employer plans net pension liability	7,165,849
Total liabilities	<u>16,826,053</u>
Deferred Inflows of Resources	
Unavailable revenue - property taxes	3,329,794
Other postemployment benefit plans	188,745
Single-employer supplemental benefits plan	12,775
Multi-employer pension plans	6,097,148
	<u>9,628,462</u>
Total deferred inflows of resources	<u>9,628,462</u>
Net Position (Deficit)	
Net investment in capital assets	7,356,992
Restricted	1,227,213
Unrestricted	(9,488,061)
	<u>(903,856)</u>
Total net deficit	<u>\$ (903,856)</u>

Independent School District No. 108
Norwood Young America, Minnesota
Statement of Activities
Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Deficit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
Administration	\$ 864,974	\$ -	\$ -	\$ -	\$ (864,974)
District support services	539,189	-	-	-	(539,189)
Regular instruction	6,014,079	111,020	1,973,926	-	(3,929,133)
Vocational instruction	173,656	-	-	-	(173,656)
Special education instruction	1,827,674	-	-	-	(1,827,674)
Community education and services	750,670	433,657	171,659	-	(145,354)
Instructional support services	528,110	-	-	-	(528,110)
Pupil support services	1,231,796	45,429	1,719	-	(1,184,648)
Sites and buildings	1,290,531	-	-	60,842	(1,229,689)
Fiscal and other fixed cost programs	270,740	-	-	-	(270,740)
Total Governmental Activities	<u>\$ 13,491,419</u>	<u>\$ 590,106</u>	<u>\$ 2,147,304</u>	<u>\$ 60,842</u>	<u>(10,693,167)</u>
General Revenues					
Property taxes and other county sources					3,254,421
State aid not restricted to specific purposes					7,603,756
Earnings on investments					48,954
Miscellaneous					<u>139,780</u>
Total general revenues					<u>11,046,911</u>
Changes in Net Deficit					353,744
Net Deficit - Beginning					<u>(1,257,600)</u>
Net Deficit - Ending					<u>\$ (903,856)</u>

Independent School District No. 108
Norwood Young America, Minnesota
Balance Sheet – Governmental Funds
June 30, 2021

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	\$ 3,655,481	\$ 587,343	\$ 596,043	\$ 4,838,867
Receivables				
Current property taxes	1,261,539	586,002	57,159	1,904,700
Delinquent property taxes	22,555	9,773	1,314	33,642
Accounts	1,000	-	-	1,000
Due from Minnesota Department of Education	677,775	12,412	12,512	702,699
Due from Federal through Minnesota Department of Education	169,790	-	13,271	183,061
Inventories	-	-	9,050	9,050
Prepaid items	65,776	-	-	65,776
Total assets	\$ 5,853,916	\$ 1,195,530	\$ 689,349	\$ 7,738,795
Liabilities				
Salaries payable	\$ 434,784	\$ -	\$ 45,592	\$ 480,376
Accounts payable	75,827	-	34,752	110,579
Due to other Minnesota School Districts	37,985	-	-	37,985
Due to other governmental units	1,926	-	45	1,971
Payroll deductions	497,866	-	-	497,866
Unearned revenue	20,313	-	41,800	62,113
Total liabilities	1,068,701	-	122,189	1,190,890
Deferred Inflows of Resources				
Unavailable revenue - delinquent taxes	22,555	9,773	1,314	33,642
Unavailable revenue - property taxes	2,248,154	976,801	104,839	3,329,794
Total deferred inflows of resources	2,270,709	986,574	106,153	3,363,436
Fund Balances				
Nonspendable	65,776	-	9,050	74,826
Restricted	618,752	208,956	451,957	1,279,665
Assigned	607,182	-	-	607,182
Unassigned	1,222,796	-	-	1,222,796
Total fund balances	2,514,506	208,956	461,007	3,184,469
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,853,916	\$ 1,195,530	\$ 689,349	\$ 7,738,795

Independent School District No. 108
Norwood Young America, Minnesota
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2021

Total Fund Balances for Governmental Funds	\$ 3,184,469
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	14,350,780
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 unavailable revenue in the funds.	33,642
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(62,225)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the governmental funds.	(2,837,584)
Long-term liabilities that pertain to governmental funds are not due and payable in the current period, and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year end are:	
General Obligation Bonds, net of Premium and Discount	\$ 6,885,119
Capital Lease Payable - direct borrowing	108,669
OPEB Obligation	1,118,622
Compensated Absences Payable	72,253
Multi-Employer Plans Net Pension Liability	7,165,849
Single-Employer Supplemental Benefits Liability	<u>222,426</u>
	<u>(15,572,938)</u>
Total Net Deficit for Governmental Activities	<u>\$ (903,856)</u>

Independent School District No. 108
Norwood Young America, Minnesota

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended June 30, 2021

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Local property tax levies	\$ 2,238,095	\$ 858,355	\$ 128,769	\$ 3,225,219
Other local and county sources	289,800	6,088	459,024	754,912
State sources	8,342,417	124,074	176,669	8,643,160
Federal sources	775,827	-	392,914	1,168,741
Sales and conversion of assets	-	-	44,632	44,632
Total revenues	<u>11,646,139</u>	<u>988,517</u>	<u>1,202,008</u>	<u>13,836,664</u>
Expenditures				
Administration	864,974	-	-	864,974
District support services	539,189	-	-	539,189
Regular instruction	5,190,241	-	-	5,190,241
Vocational instruction	172,893	-	-	172,893
Special education instruction	1,822,100	-	-	1,822,100
Community education and services	-	-	750,670	750,670
Instructional support services	528,034	-	-	528,034
Pupil support services	813,110	-	407,380	1,220,490
Sites and buildings	1,257,807	-	-	1,257,807
Fiscal and other fixed cost programs	63,286	-	-	63,286
Debt service:				
Principal	14,018	835,000	-	849,018
Interest and fiscal charges	5,312	155,053	-	160,365
Total expenditures	<u>11,270,964</u>	<u>990,053</u>	<u>1,158,050</u>	<u>13,419,067</u>
Net Change in Fund Balances	375,175	(1,536)	43,958	417,597
Fund Balances - Beginning	<u>2,139,331</u>	<u>210,492</u>	<u>417,049</u>	<u>2,766,872</u>
Fund Balances - Ending	<u>\$ 2,514,506</u>	<u>\$ 208,956</u>	<u>\$ 461,007</u>	<u>\$ 3,184,469</u>

Independent School District No. 108
Norwood Young America, Minnesota

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
Year Ended June 30, 2021

Total Net Change in Fund Balances for Governmental Funds	\$	417,597
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period those amounts are:

Capital outlay	184,116
Depreciation expense	(775,021)

In governmental funds, OPEB and Compensated Absences liabilities are measured by the amount of resources used. However, in the statement of activities, a change is based on the amount earned (used) by the employees during the period. This amount is the net of these differences.

25,218

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. This amount is the net effect of these differences.

118

The governmental funds report repayment of long-term liabilities as expenditures. In the statement of net position, however, repayment of principal reduces the liability.

868,333

Interest on long-term debt is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due.

20,815

In the statement of activities the cost of pension benefits earned net of employee contributions is reported as pension expense. In the governmental funds, however, the contributions are reported as expense.

(395,928)

Property taxes levied and due in previous fiscal years that have not been received as of the end of the current fiscal year are recorded as deferred inflows - delinquent taxes (not considered available revenues) in the governmental funds. In the statement of activities, these taxes are considered revenue in the period for which they are levied.

8,496

Change in Net Deficit of Governmental Activities

\$ 353,744

Independent School District No. 108
Norwood Young America, Minnesota
Budgetary Comparison Schedule – General Fund
Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	With Final Budget
Revenues				
Local property tax levies	\$ 2,228,259	\$ 2,271,925	\$ 2,238,095	\$ (33,830)
Other local and county sources	242,675	170,578	289,800	119,222
State sources	8,588,003	8,261,688	8,342,417	80,729
Federal sources	359,396	805,663	775,827	(29,836)
Total revenues	11,418,333	11,509,854	11,646,139	136,285
Expenditures				
Administration	868,850	864,964	864,974	(10)
District support services	746,281	639,636	539,189	100,447
Regular instruction	4,950,684	5,491,535	5,190,241	301,294
Vocational instruction	138,560	146,052	172,893	(26,841)
Special education instruction	1,926,261	1,881,145	1,822,100	59,045
Instructional support services	396,694	491,143	528,034	(36,891)
Pupil support services	865,974	869,939	813,110	56,829
Sites and buildings	1,347,697	1,396,795	1,257,807	138,988
Fiscal and other fixed cost programs	57,500	59,350	63,286	(3,936)
Debt service				
Principal	-	31,480	14,018	17,462
Interest and fiscal charges	-	4,584	5,312	(728)
Total expenditures	11,298,501	11,876,623	11,270,964	605,659
Net Change in Fund Balances	\$ 119,832	\$ (366,769)	375,175	\$ 741,944
Fund Balances - Beginning			2,139,331	
Fund Balances - Ending			\$ 2,514,506	

Note 1 - Summary of Significant Accounting Policies

The Independent School District No. 108 (the District) is a school district governed by a board elected by eligible voters of the District. The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant District accounting policies are described below.

A. Financial Reporting Entity

The financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The District does not have any blended or discretely presented component units.

The District is the basic level of government which has oversight responsibility and control over all activities related to the public school education in the District's area. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the GASB pronouncements, since board members are elected by the public and have decision making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

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 of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program is 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 operational or capital requirements of a particular function or segment. Taxes, intergovernmental revenues, and other items not properly included among program revenues are reported instead as general revenues.

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. 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 most revenues to be available if they are collected within 60 days of the end of the current fiscal period, except as stated below. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for the following: (1) commodity inventory items are recorded when received, (2) interest and principal on long-term debt are recorded when paid, and (3) claims and judgments, group health claims, and compensated absences are recorded as expenditures when paid with expendable available financial resources. Prepaid items are recorded for approved disbursements made in advance of the year in which the item is budgeted.

Property tax revenues for all funds, which are payable by property owners in a calendar year, are recognized in the fiscal year beginning July 1 of that calendar year. State revenues are recognized in the year to which they apply according to Minnesota Statutes. Federal revenues are recorded in the year in which the related expenditure is made. If the amounts of Minnesota or Federal revenues cannot be reasonably estimated or realization is not assured, they are not recorded as revenue in the current year. Revenue from other school districts is generally recognized when related expenditures occur. All other revenue items are considered to be measurable and available as stated above.

The District reports unavailable revenue on its governmental fund financial statements. Unavailable revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, unavailable revenue is removed from the financial statements and revenue is recognized. Unearned revenues arise when resources are received by the District before it has legal claim to them, as when property tax levies, food service revenue, or grant monies are received prior to the incurrence of qualifying expenditures. This type of unearned revenue is recorded on the District's government-wide and governmental fund financial statements.

The District reports the following major governmental funds:

- The *general fund* is the government'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 general fund is used to account for educational activities, district, instructional and student support programs, expenditures for the superintendent, district administration, normal operations and maintenance, pupil transportation, capital expenditures, and legal school district expenditures not specifically designated to be accounted for in any other 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 District reports the following non-major governmental fund:

- The special revenue *community service fund* is used to record all financial activities of the community service program. The community service funds is comprised of five components, each with its own fund balance (community service, community education, early childhood and family education, school readiness, and adult basic education) as authorized in Minnesota State Statutes. The significant revenues in this fund are local taxes, federal aid and state aid.
- The special revenue *food service fund* is used to account for specific revenues that are legally restricted to expenditures for particular purposes.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

1. Cash and Investments

Cash balances of the District's funds are combined (pooled) and invested to the extent available in various deposits authorized by Minnesota State Statutes. Each fund shares in the earnings according to its average cash balance. Cash includes amounts in demand deposits, money market accounts, certificates of deposit, as well as short-term investments, with an original maturity date within three months of the date acquired by the District. The District's investments are in MNTrust. MNTrust includes amounts in a money market account and tradable certificates of deposits which are available to service the District's financial needs immediately.

2. Receivables

Under the modified accrual basis of accounting, some revenues are susceptible to accrual while others are not. Major revenues treated as susceptible to accrual are: property taxes, state and federal aids, and revenue from other Minnesota school districts. All receivables are reported at their gross value and, if appropriate, reduced by the estimated portion that is expected to be uncollectible. The District has estimated no amounts are expected to be uncollectible.

Interest and certain receivables are recorded as revenue in the year that the interest is earned and is available to pay liabilities of the current period.

On or before September 15th of each year, the School Board certifies to the county auditor the dates it has selected for its public hearing and for the continuation of its hearing, if necessary. If not certified by this date, the county auditor will assign the hearing date. All school districts must hold public hearings on their proposed property tax levies. Also, at this time the School Board certifies its proposed property tax levy to the county auditor for collection in the following year.

Beginning on November 29th and through December 20th of each year, the District is required by State Law to hold its public hearing on its proposed budgets and proposed property tax levies for the taxes payable in the following year. On or before five business days after December 20th, the School Board certifies its final adopted property taxes payable the following year to the county auditor. If the District has not certified its final property tax by this time, its property tax will be the amount levied by it in the preceding year.

In Minnesota, counties act as collection agents for all property taxes. The County spreads all levies over taxable property. Such taxes become a lien on January 1 and are recorded as receivables by the District at that date. Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Agricultural land taxes may be paid on May 15 and November 15. Personal property taxes may be paid on February 28 and June 30. The County provides tax settlements to Districts three times a year, in January, June, and November.

Property tax revenue is recorded under the intact levy concept whereby taxes collectible during a calendar year are recorded as revenue in the fiscal year beginning with the year of collection. Current taxes receivable represent taxes levied in 2020 which are not payable until 2021 less amounts received before June 30, 2021. Delinquent taxes receivable represent levies collectible during 2020 and prior years. Delinquent taxes are recorded as unearned revenue in the fund financial statements. Taxes levied for subsequent years represent current taxes receivable, which are levied in 2020, but not payable until 2021 and are not expendable by the District until the 2021-2022 school year, adjusted for the property tax shift amount.

3. Inventories, Commodities, and Prepaid Items

All inventories are expended when consumed rather than when purchased and are valued at the lower of cost or market using the first-in first-out (FIFO) method. United States Department of Agriculture commodities received are recorded as revenue at the net realizable value of such commodities and included in the food service fund revenue and expenditures when received. Unused commodities at year end are included in inventories of food.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Plumbing and Electrical	30
Building Improvements Interior, Portable Classrooms, and Fire System	25
Heating and Ventilation System, Long-term Admin Software, Furniture and Fixtures, Outdoor Equipment, Roofing, and Site Improvements	20
Custodial Equipment, Grounds Equipment, Kitchen Equipment, and Machinery and Tools	15
All Other Equipment, Short-term Admin Software, and Long-term Instructional Software	10
Vehicles and Buses	8
Carpet Replacement	7
Computer Hardware, Copiers, Short-term Instructional Software, and Library Books	5

Capital assets not being depreciated include land.

5. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. In the fund financial statements, governmental fund types report the face amount of debt issued as other financing sources.

Bond premiums and discounts are deferred and amortized over the life of the bonds and issuance costs are expensed in the period incurred. In the fund financial statements, governmental fund types recognize premiums received on debt issuances 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.

6. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation benefits. Vacation leave is accrued as a liability and recorded as an expense of those funds as the benefits are earned by the employees.

7. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's OPEB Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

8. Supplemental Benefits Liability

Under the provisions of the various employee contracts the District provides a lump sum payment (maximum \$42,000) to retirees if certain criteria are met. The amount to be incurred is limited as specified by contract. All premiums are funded on a pay-as-you-go basis and plan members are not required to contribute. This amount was actuarially determined, in accordance with GASB 73, at July 1, 2020. The plan does not issue a stand-alone financial report. Additional information can be found in Note 5.

9. Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and the Teachers Retirement Association (TRA) and additions to/deductions from PERA's and TRA's fiduciary net position have been determined on the same basis as they are reported by PERA and 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. The direct aid is a result of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association (DTRFA) in 2015. Additional information can be found in Note 6.

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.

10. Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then.

The District has three items that qualify for reporting in this category on the government-wide statement of net position. Deferred outflows of resources related to other postemployment benefits consists of various estimate differences and contributions made to the plan subsequent to the measurement date that will be recognized as expenditures in future years. Deferred outflows of resources related to pension plans consists of various estimate differences and contributions made to the plan subsequent to the measurement date that will be recognized as expenses in future years.

11. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

The District has three types of items that qualify for reporting in this category. The first item, unavailable revenue from property taxes, arises under a modified accrual basis of accounting and is reported only in the Governmental Funds Balance Sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available. The second item is property taxes levied for subsequent years, which represent property taxes received or reported as a receivable before the period for which the taxes are levied, and is reported as a deferred inflow of resources in both the government-wide statement of net position and the governmental funds balance sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available. The third item is deferred inflows related to pension and OPEB activity as a result of various estimate differences that will be recognized as expenses in future years, reported in the government-wide statement of net position.

12. Net Position

Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources in the District's government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any long-term debt attributable to the acquisition, construction, or improvement of those assets. Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called “fund balance.” The District’s governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance represents a portion of fund balance that includes amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.
- Restricted fund balances represents a portion of fund balance that reflects constraints placed on the use of resources (other than nonspendable items) that are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority which is the School Board through an ordinance or resolution. The School board also has the power to rescind committed amounts through an ordinance or resolution.
- Assigned fund balance represents amounts constrained by the District’s intent to be used for specific purposes, but neither restricted nor committed. The School Board has the authority to assign a fund balance and the School Board has also delegated the authority to assign fund balances to the superintendent.
- Unassigned fund balance represents residual classification for the general fund. This classification represents fund balance not assigned to other funds and not restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it would be necessary to report a negative unassigned fund balance.

The District will strive to maintain a minimum unassigned general fund balance of seven percent of the annual budget. If resources from more than one fund balance classification could be spent, the District will strive to spend resources from fund balance classifications in the following order (first to last): restricted, committed, assigned, and unassigned.

E. Inter-Fund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses in the government-wide financial statements and fund financial statements. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Transfers have been removed from the government-wide financial statements.

F. Property Taxes

The majority of district revenue is determined annually by statutory funding formulas. The total revenue allowed by these formulas is 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. The remaining portion of the taxes collectible in 2020 is recorded as deferred inflows of resources (property taxes levied for subsequent years).

Property tax levies are certified to the County Auditor 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 a lien on property on the following January 1. The county general remits taxes to the District at periodic intervals as they are collected. A portion of the 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 which 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 operations of the District in the current year. No allowance for uncollectible taxes is considered necessary.

G. 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Stewardship, Compliance, and Accountability

A. Budgetary Information

The District adopts an annual budget for all funds in accordance with Minnesota State Statutes. The budget is prepared on the modified accrual basis of accounting. Before July 1, the proposed budget is presented to the School Board for review. The School Board holds public hearings and a final budget must be prepared and adopted no later than one week after the School Board approves the audited financial statements and has published the final budget in the local newspaper. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal yearend. The actual revenues, expenditures, and transfers for the year ended June 30, 2021, have been compared to the District's budget for the year where applicable. Variances in parentheses are unfavorable and indicate revenues are less than budget or expenditures are greater than budget. The budget is adopted through passage of a resolution. Any revisions that alter total expenditures of any fund must be approved by the School Board.

Budgetary control is maintained by fund, at the object of expenditure category level within each program, and in compliance with State requirements. Also inherent in this controlling function is the management philosophy that the existence of a particular item or appropriation in the approved budget does not automatically mean that it will be spent. Therefore, there is a constant review process and expenditures are not approved until it has been determined that (1) adequate funds were appropriated; (2) the expenditure is still necessary; and (3) funds are available. Budgeted amounts are as originally adopted or as amended by the School Board. Budgeted expenditure appropriations lapse at year end. The School Board made several supplemental budgetary appropriations throughout the year.

Note 3 - Detailed Notes on All Funds

A. Cash and Investments

1. Cash

In accordance with Minnesota Statutes, the District maintains deposits at those depository banks authorized by the School Board. All such depositories are members of the Federal Reserve System. Minnesota Statutes require that all District deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the District Treasurer or in a financial institution other than that furnishing the collateral.

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk. As of June 30, 2021, none of the District's bank balances were exposed to custodial credit risk.

2. Investments

As of June 30, 2021, the District had an investment in MNTrust with a value of \$4,389,666. MNTrust is a money market account and is available to service the District's financial needs immediately. MNTrust is an external investment pool not registered with the Securities and Exchange Commission (SEC) that follows the same regulatory rules of the SEC under rule 2a7. According to GASB 79, the fair value of the position in the pool is the same as the value of the pool's shares.

Custodial Credit Risk—Investments. The investment in MNTrust is not subject to the credit risk classifications as noted in paragraph 9 of GASB Statement No. 40. The District does not have an investment policy for custodial credit risk.

Interest Rate Risk. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. The District may invest funds as authorized by Minnesota Statutes Section 118A.04. All funds in MNTrust are invested in accordance with Minnesota Statutes Section 475.66. Each Minnesota School District owns a pro-rata share of each investment which is held in the name of the Funds. The District has no investment policy that would further limit its investment choices. The District's MNTrust accounts were rated AAA by S&P.

Concentration of Credit Risk. The District places no limit on the amount the District may invest in any one issuer. More than 5% of the District's investments are invested in the MNTrust.

The following table presents the District's deposit and investment balances at June 30, 2021:

Type	Fair Value	Investment Maturities (in Years)	
		N/A	1 - 5
Cash and cash equivalents			
MNTrust	\$ 4,389,666	\$ 4,389,666	\$ -
Deposits	417,466	417,466	-
Investments			
Certificates of Deposit	31,735	31,735	-
	<u>\$ 4,838,867</u>	<u>\$ 4,838,867</u>	<u>\$ -</u>

B. Capital Assets

Depreciation expense was charged to functions/programs of the primary government as follows:

Regular instruction	\$ 619,065
Vocational instruction	763
Special education instruction	5,574
Instructional support services	75
Pupil support services	11,307
Sites and buildings	65,024
Fiscal and other fixed costs	<u>73,213</u>
Total Depreciation Expense	<u>\$ 775,021</u>

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Governmental Activities				
Capital Assets, not being Depreciated:				
Land	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>
Capital Assets, being Depreciated:				
Land improvements	140,214	-	-	140,214
Buildings and improvements	25,302,954	6,687	-	25,309,641
Equipment	<u>2,079,253</u>	<u>177,429</u>	<u>1,323</u>	<u>2,255,359</u>
Total Capital Assets, being Depreciated	<u>27,522,421</u>	<u>184,116</u>	<u>1,323</u>	<u>27,705,214</u>
Less Accumulated Depreciation for:				
Land improvements	82,007	7,011	-	89,018
Buildings and improvements	10,998,144	681,842	-	11,679,986
Equipment	<u>1,525,585</u>	<u>86,168</u>	<u>1,323</u>	<u>1,610,430</u>
Total Accumulated Depreciation	<u>12,605,736</u>	<u>775,021</u>	<u>1,323</u>	<u>13,379,434</u>
Total Capital Assets, being Depreciated, net	<u>14,916,685</u>	<u>(590,905)</u>	<u>-</u>	<u>14,325,780</u>
Governmental Activities Capital Assets, net	<u>\$ 14,941,685</u>	<u>\$ (590,905)</u>	<u>\$ -</u>	<u>\$ 14,350,780</u>

C. Long-Term Debt

Capital Leases. In December 2019, the District entered into a 5-year lease agreement as lessee for the financing of a floor scrubber. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. The capital lease is payable in annual installments of \$3,493 including interest at a rate of 4.69 percent per annum for the life of the lease.

In November 2019, the District entered into a 5-year lease agreement as lessee for the financing of LED Lighting Project. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. The capital lease is payable in annual installments of \$35,825 including interest at a rate of 4.17 percent per annum for the life of the lease.

The assets acquired through capital leases are as follows:

<u>Assets</u>	
Various Equipment	\$ 173,988
Less: Accumulated Depreciation	<u>9,470</u>
Net Value	<u><u>\$ 183,458</u></u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021, were as follows:

<u>Years Ending June 30,</u>	
2022	\$ 39,318
2023	39,318
2024	<u>39,318</u>
Total Lease Payments	117,954
Less: Interest	<u>(9,285)</u>
Present Value of minimum lease payments	<u><u>\$ 108,669</u></u>

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General Obligation Bonds. The District issued general obligation bonds to provide funds for the improvement and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District and are paid from the debt service fund. General obligation bonds currently outstanding are as follows:

Bond Description	Final	Annual Installments	Interest Rate	Original Issue	Outstanding Balance
General Obligation School Building Bonds of 2010A	01/15/26	\$710,000 - \$790,000	1.26%	\$ 10,200,000	\$ 3,850,000
General Obligation School Building Bonds of 2014A	02/01/29	\$55,000 - \$895,000	2.0% - 3.13%	3,330,000	2,890,000
General Obligation School Building Bonds of 2014B	02/02/24	\$35,000 - \$45,000	1.50% - 2.50%	375,000	120,000
				<u>\$ 13,905,000</u>	<u>\$ 6,860,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Years Ending June 30,	Governmental Activities	
	Principal	Interest
2022	\$ 845,000	\$ 138,479
2023	855,000	126,654
2024	870,000	114,703
2025	840,000	102,501
2026	850,000	90,873
2027 - 2029	2,600,000	161,006
Total	<u>\$ 6,860,000</u>	<u>\$ 734,216</u>

Compensated Absences Payable. The liability consists of unused vacation as of June 30, 2021. Vacation expense is recorded in the fund in which the compensated absence was earned. The compensated absences will be liquidated from the same fund from which they were earned.

Changes in Long-Term Debt. During the year ended June 30, 2021, the following changes occurred in liabilities reported in the government-wide financial statements:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due Within One Year
Bonds Payable					
General Obligation Bonds	\$ 7,695,000	\$ -	\$ 835,000	\$ 6,860,000	\$ 845,000
Bond Premium	32,030	-	3,559	28,471	3,559
Bond Discount	(6,793)	-	(3,441)	(3,352)	(3,350)
Total Bonds Payable	7,720,237	-	835,118	6,885,119	845,209
Capital Lease Payable - direct borrowing	142,002	-	33,333	108,669	34,738
Compensated Absences Payable	87,139	106,333	121,219	72,253	36,126
	<u>\$ 7,949,378</u>	<u>\$ 106,333</u>	<u>\$ 989,670</u>	<u>\$ 7,066,041</u>	<u>\$ 916,073</u>

Legal Debt Margin. Minnesota State Statutes do not allow net debt (as defined in Minn. Stat. Para. 475.51 subd. 4) to exceed 15 percent of the actual market value of all taxable property within the District. The District's market value per the School Tax Report 2020 Payable 2021 was \$877,493,200.

D. Fund Balances

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

The following is a summary of fund balances as of June 30, 2021:

	General	Debt Service	Nonmajor Governmental Funds	Totals
Nonspendable				
Inventories	\$ -	\$ -	\$ 9,050	\$ 9,050
Prepaid items	65,776	-	-	65,776
Total nonspendable	65,776	-	9,050	74,826
Restricted				
Student activities	109,590	-	-	109,590
Scholarships	33,584	-	-	33,584
Capital projects levy	77,282	-	-	77,282
Operating capital	113,666	-	-	113,666
Long-term facilities maintenance	220,739	-	-	220,739
Medical assistance	63,891	-	-	63,891
Debt service	-	208,956	-	208,956
Food service	-	-	119,117	119,117
Community education	-	-	141,821	141,821
Early childhood family education	-	-	30,201	30,201
School readiness	-	-	45,358	45,358
Community service	-	-	115,460	115,460
Total restricted	618,752	208,956	451,957	1,279,665
Assigned	607,182	-	-	607,182
Unassigned	1,222,796	-	-	1,222,796
Total fund balance	<u>\$ 2,514,506</u>	<u>\$ 208,956</u>	<u>\$ 461,007</u>	<u>\$ 3,184,469</u>

Note 4 - Other Postemployment Benefits

A. Plan Description

All employees are allowed, upon meeting the eligibility requirements under Minn. Stat. 471.61 subd, 2b, to participate in the District's health insurance plan after retirement. This plan covers active and retired employees who have reached age 55 with three years of service. Benefit provisions are established through negotiations between the District and the union representing District employees and are renegotiated at the end of each contract period. The implicit rate subsidy is only until Medicare eligibility. The retiree health plan does not issue a publicly available financial report.

B. Benefits Provided

The contract groups have access to other post-retirement benefits of blended medical premiums of \$595 for single and \$1,965 for family coverage and blended dental premiums of \$42 for single and \$90 for employee +1 coverage. Contract groups receive other post-retirement benefits as follows:

Contract Group		Superintendent, Principals and Directors	District Office Confidential Employees	Teachers	All Others
Subsidized Benefits					
Medical					
Eligibility	Age Service	N/A N/A	N/A 10	55 10	N/A N/A
Retiree Benefit		None	With 10 years of service: 16% of Annual Salary With 15 years of service: 38% of Annual Salary With 20 years of Service: 52% of Annual Salary Paid in a lump sum to a Health Care Savings Plan	Hired before September 1, 2009: Board contributes \$320.12/month toward single medical coverage or \$706.06/month toward family for 10 years or Medicare eligibility, whichever is earlier. (For some grandfathered retirees: \$304.58/month for single or \$697.46/month for family.) If no dependent coverage is elected, the difference between the District contribution for family and single coverage is paid as a lump sum to an HRA.	None
Spouse Benefit		None	Account Credit Can be used for spouse coverage	See above	None
Dental					
Eligibility	Age Service	N/A N/A	N/A N/A	55 10	N/A N/A
Retiree Benefit		None	None	\$20.20 per month for single coverage	None
Spouse Benefit		None	None	None	None

There are no subsidized post-employment life insurance benefits.

C. Employees Covered by Benefit Terms

At the valuation date of July 1, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	14
Spouses receiving payments	2
Active employees	<u>105</u>
	<u><u>121</u></u>

D. Total OPEB Liability

The District's total OPEB liability of \$1,118,622 was measured as of July 1, 2020, and was determined by an actuarial valuation as of July 1, 2019.

The following change in plan provisions was made for the year ending June 30, 2021:

- Effective July 1, 2020, the teacher's ERI benefit that was previously paid monthly over 2 years (included in GASB 73) is now paid in one single lump sum to an HRA (included in GASB 75).

The following change in assumptions was made for the year ending June 30, 2021:

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

E. Actuarial Assumptions

The total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50 percent
Salary increases	Service graded table
Discount rate	2.40 percent
Healthcare cost trend rates	6.25 percent as of July 1, 2020, grading to 5.00 percent over 5 years
Dental cost trend rates	N/A
Retiree plan participation	
Future retirees electing coverage:	
Pre-65 subsidy available	100%
Pre-65 subsidy not available	50%
Percent of married retirees electing	
Spouse subsidy available:	
Teachers	50%
All others	100%
Spouse subsidy not available	10%

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-Year Municipal Bond Yield.

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2018 Generational Improvement Scale

The actuarial assumptions used in the July 1, 2019 valuation were based on inputs from a variety of published sources of historical and projected future financial data.

F. Changes in Total OPEB Liability

Balance at July 1, 2020	\$ 863,214
Changes from the Prior Year:	
Service Cost	63,883
Interest Cost	27,223
Assumption Changes	30,321
Plan Changes	232,633
Benefit Payments	<u>(98,652)</u>
Net Change	<u>255,408</u>
Balance at June 30, 2021	<u><u>\$ 1,118,622</u></u>

G. Sensitivity of the Total OPEB Liability to Changes in Discount Rate and the Healthcare Cost Trend Rates

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

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Discount rate	1.40%	2.40%	3.40%
Total OPEB Liability	\$ 1,175,750	\$ 1,118,622	\$ 1,062,330

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

	<u>1% Decrease in Healthcare Trend Rate</u>	<u>Selected Healthcare Trend Rate</u>	<u>1% Increase in Healthcare Trend Rate</u>
Medical trend rate	5.25%, decreasing to 4.00% over 5 years	6.25%, decreasing to 5.00% over 5 years	7.25%, decreasing to 6.00% over 5 years
Total OPEB Liability	\$ 1,060,067	\$ 1,118,622	\$ 1,187,239

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

For the year ended June 30, 2021, the District recognized OPEB expense of \$279,584. At June 30, 2021, 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
Liability losses and gains	\$ -	\$ 177,179
Changes in assumptions	27,288	11,566
District's contributions subsequent to the measurement date	105,364	-
Total	<u>\$ 132,652</u>	<u>\$ 188,745</u>

The \$105,364 reported as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Years Ended June 30,</u>	<u>OPEB Amount</u>
2022	\$ (44,155)
2023	(44,155)
2024	(44,155)
2025	(44,148)
2026	3,033
Thereafter	12,123

Note 5 - Supplemental Benefit Plans

A. Plan Description

The District provides a defined contribution supplemental pension benefit to certain eligible employees and report them following the guidance of GASB Statement No. 73. All of the pension benefits are based on contractual agreements that are ratified by the approval of School Board and are between the District and employee groups. Contract groups receive other supplement benefits as follows:

Teachers – For retirees reaching 55 years of age and 10 years of service and hired prior to July 1, 1994, the District will make a severance payment per the schedule below:

With 8-14 years of service before July 1, 2002	\$ 8,000
With 15-21 years of service before July 1, 2002	20,000
With 22+ years of service before July 1, 2002	27,500
Minus accumulated District contributions to the Matching Annuity Program	
<u>Years of Service</u>	<u>Match Amount</u>
0 - 3	\$ 100
4 - 8	350
9 - 14	750
15 - 21	1,250
22+	1,750
Up to a lifetime maximum of \$27,500	

Non-Certified Employees – For retirees reaching 50 years of age and 15 years of service and hired prior to July 1, 1998, the District will make a severance payment per the schedule below, not to exceed 50% of annual salary.

With 15 years of service	36% of annual salary
With 20 years of service	50% of annual salary
Minus accumulated District contributions to the Matching Annuity Program	
<u>Years of Service</u>	<u>Match Amount</u>
0 - 5	\$ -
6 - 10	450
11 - 15	500
16 - 20	550
21 +	600

B. Employees Covered by Benefit Terms

At the valuation date of July 1, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	13
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>80</u>
	<u><u>93</u></u>

C. Contributions

For the year ended June 30, 2021, the District recognized supplemental benefit revenue of \$53,897. At June 30, 2021, the District reported its deferred outflows of resources and deferred inflows of resources related to the supplemental benefits plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Liability losses and gains	\$ 5,054	\$ 143
Changes in assumptions	13,459	12,632
District's contributions subsequent to the measurement date	<u>53,897</u>	<u>-</u>
Total	<u><u>\$ 72,410</u></u>	<u><u>\$ 12,775</u></u>

The \$53,897 reported at deferred outflows of resources related to supplemental benefits plan resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the supplemental benefits liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to the supplemental benefits plan will be recognized in pension expense as follows:

<u>Years Ended June 30,</u>	<u>Supplemental Benefits Plan Expense Amount</u>
2022	\$ 2,824
2023	2,824
2024	2,822
2025	(54)
2026	(54)
Thereafter	(2,624)

D. Supplemental Benefits Liability

The District's supplemental benefits liability of \$222,426 was measured as of July 1, 2020, and was determined by an actuarial valuation as of July 1, 2019.

Since the last actuarial valuation as of July 1, 2019, the following plan provisions have changed:

- Effective July 1, 2020 the teacher's early retirement incentive benefit that was previously paid monthly over two years (included in the GASB 73 calculation) is now paid in one single lump sum to an HRA (included in the GASB 75 calculation).

Since the last actuarial valuation as of July 1, 2019, the following actuarial assumptions have changed:

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

E. Actuarial Assumptions

The supplemental benefits liability in the June 30, 2019 actuarial valuation was determined using a measurement date of July 1, 2020, and an actuarial valuation date of July 1, 2019. The actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement period, unless otherwise specified:

Inflation	2.50 percent
Salary increases	Service graded table
Discount Rate	2.40 percent
20-Year Municipal Bond Yield	2.40 percent

Mortality rates were based on the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2018 Generational Improvement Scale.

The actuarial assumptions used in the July 1, 2019 valuation were based on inputs from a variety of published sources of historical and projected future financial data.

F. Discount Rate

The discount rate used to measure the supplemental benefits liability was 2.40 percent. The projection of cash flows used to determine the discount rate assumed that the District contributions will be made at rates equal to the actuarially determined contribution rates.

G. Changes in the Supplemental Benefits Liability

Service cost	\$ 8,808
Interest cost	11,778
Assumption changes	11,510
Plan changes	(143,989)
Benefit payments	<u>(73,056)</u>
Change in supplemental benefits obligation	(184,949)
Supplemental benefits liability, beginning of year	<u>407,375</u>
Supplemental benefits liability, end of year	<u><u>\$ 222,426</u></u>

There are no assets accumulated in a trust to be used for the supplemental benefits liability.

H. Sensitivity of the Supplemental Benefits Liability to Changes in Discount Rate

The following presents the supplemental benefits liability of the District, as well as what the District's supplemental benefits liability would be if it were calculated using a discount rate 1 percentage point lower and 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Discount rate	1.40%	2.40%	3.40%
Supplemental Benefits Liability	\$ 229,292	\$ 222,426	\$ 215,449

Note 6 - Defined Benefit Pension Plans

Substantially all employees of the District are required by state law to belong to defined benefit, multi-employer, cost-sharing pension plans administered by the Public Employees' Retirement Association (PERA) or the Teachers' Retirement Association (TRA), both of which are administered on a state-wide basis.

For the year ended June 30, 2021, the District reported its proportionate share of deferred outflows of resources, net pension liabilities, deferred inflows of resources, and pension expense for each of the plans as follows:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources	Pension Expense (Income)
PERA	\$ 132,123	\$ 893,323	\$ 70,271	\$ 90,387
TRA	<u>3,123,899</u>	<u>6,272,526</u>	<u>6,026,877</u>	<u>596,584</u>
Total all plans	<u><u>\$ 3,256,022</u></u>	<u><u>\$ 7,165,849</u></u>	<u><u>\$ 6,097,148</u></u>	<u><u>\$ 686,971</u></u>

Disclosures relating to these plans are as follows:

1. Public Employees Retirement Association (PERA)

A. Plan Description

The District participates in the General Employees Retirement Plan, a 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.

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

B. Benefits Provided

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service.

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 1.2 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 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 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. 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.

C. Contribution Rate

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

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2021 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, 2021 were \$78,091. The District's contributions were equal to the required contributions for each year as set by state statute.

D. Pension Costs

At June 30, 2021, the District reported a liability of \$893,323 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 \$27,620. The net pension liability was measured as of June 30, 2020, 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 2019, through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.0149 percent at the end of the measurement period and 0.0141 percent for the beginning of the period.

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District's proportionate share of net pension liability	\$ 893,323
State's proportionate share of the net pension liability associated with the District	<u>27,620</u>
Total	<u><u>\$ 920,943</u></u>

For the year ended June 30, 2021, the District recognized pension expense of \$90,387 for its proportionate share of General Employees Plan's pension expense. In addition, the District recognized \$2,404 as grant revenue for its proportionate share of the State of Minnesota's pension expense for the annual \$16 million contribution.

At June 30, 2021, 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 7,729	\$ 3,380
Changes in actuarial assumptions	-	32,769
Net collective difference between projected and actual investment earnings	13,130	-
Change in proportion	33,173	34,122
Contributions paid to PERA subsequent to the measurement date	<u>78,091</u>	<u>-</u>
Total	<u><u>\$ 132,123</u></u>	<u><u>\$ 70,271</u></u>

The \$78,091 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, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ended June 30,	Pension Expense Amount
2022	\$ (61,874)
2023	(3,919)
2024	27,971
2025	21,583

E. Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using an individual entry-age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.25% per year
Active Member Payroll Growth	3.00% per year
Investment Rate of Return	7.50% per year

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on Pub-2010 General Employee Mortality table for the General Employees Plan for males or females, as appropriate, with slight adjustments to fit PERA's experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25% per year for the General Employee Plan.

Actuarial assumptions used in the June 30, 2020 valuation were based on the results of actuarial experience studies. 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.

The following changes in actuarial assumptions and plan provisions occurred in 2020:

Changes in Actuarial Assumptions:

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions:

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

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 Allocations	Long-Term Expected Real Rate of Return
Domestic Stocks	35.50%	5.10%
International Stocks	17.50%	5.30%
Bonds (Fixed Income)	20.00%	0.75%
Alternative Assets (Private Markets)	25.00%	5.90%
Cash	2.00%	0.00%
Total	100%	

F. Discount Rate

The discount rate used to measure the total pension liability in 2020 was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the 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.

G. Pension Liability Sensitivity

The following presents the District's proportionate share of the net pension liability for the plan 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		
	General Employees Fund	
1% Lower	6.50%	\$1,431,687
Current Discount Rate	7.50%	\$893,323
1% Higher	8.50%	\$449,216

H. Pension Plan Fiduciary Net Position

Detailed information about the 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.

2. Teachers Retirement Association (TRA)

A. Plan Descriptions

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 Minnesota State.

B. Benefits Provided

TRA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota Statute and vest after three years of service credit. The defined retirement benefits are based on a member's highest average salary for any 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 1 Benefits

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

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 1.7 percent per year for coordinated members and 2.7 percent per year for basic members is applied. For years of service July 1, 2006 and after, a level formula of 1.9 percent per year for coordinated members and 2.7 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.

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.

C. Contribution Rate

Per Minnesota Statutes, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year ending June 30, 2019, June 30, 2020 and June 30, 2021 were:

	June 30, 2019		June 30, 2020		June 30, 2021	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
Basic	11.00%	11.71%	11.00%	11.92%	11.00%	12.13%
Coordinated	7.50%	7.71%	7.50%	7.92%	7.50%	8.13%

The following is a reconciliation of employer contributions in TRA's Comprehensive Annual Financial Report "Statement of Changes in Fiduciary Net Position" to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations.

Employer contributions reported in TRA's Comprehensive Annual Financial Report, Statement of Changes in Fiduciary Net Position	\$ 425,223,000
Add employer contributions not related to future contribution efforts	(56,000)
Deduct TRA's contributions not included in allocation	<u>(508,000)</u>
Total employer contributions	424,659,000
Total non-employer contributions	<u>35,587,000</u>
Total contributions reported in <i>Schedule of Employer and Non-Employer Allocations</i>	<u><u>\$ 460,246,000</u></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.

D. Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Key Methods and Assumptions Used in Valuation of Total Pension Liability	
Actuarial Information	
Valuation date	July 1, 2020
Experience study	June 5, 2015 November 6, 2017 (economic assumptions)
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Investment rate of return	7.50%
Price inflation	2.50%
Wage growth rate	2.85% before July 1, 2028, and 3.25% after June 30, 2028
Projected salary increase	2.85% to 8.85% before July 1, 2028, and 3.25% to 9.25% after June 30, 2028
Cost of living adjustment	1.0% for January 2020 through January 2023, then increasing by 0.1% each year up to 1.5% annually
Mortality assumptions	
Pre-retirement:	RP-2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP-2015 scale.
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 Allocations	Long-Term Expected Real Rate of Return
Domestic Equity	35.50%	5.10%
International Equity	17.50%	5.30%
Private Markets	25.00%	5.90%
Fixed Income	20.00%	0.75%
Unallocated Cash	2.00%	0.00%
Total	0%	

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.

Changes in actuarial assumptions since the 2018 valuation:

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% in 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 least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increase the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending 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 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

E. Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. There was no change since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2020 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).

F. Net Pension Liability

At June 30, 2021, the District reported a liability of \$6,272,526 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 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. District proportionate share was 0.0849 percent at the end of the measurement period and 0.0872 percent for the beginning of the year.

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

District's proportionate share of net pension liability	<u>\$ 6,272,526</u>
State's proportionate share of the net pension liability associated with the District	<u>\$ 525,571</u>

For the year ended June 30, 2021, the District recognized pension expense of \$596,584. It also recognized \$48,146 as an increase to pension expense for the support provided by direct aid.

Independent School District No. 108
Norwood Young America, Minnesota
Notes to Financial Statements
June 30, 2021

At June 30, 2021, 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	\$ 125,790	\$ 98,110
Changes in actuarial assumptions	2,398,724	5,514,914
Difference between projected and actual investment earnings	80,055	-
Change in proportion and differences between contributions made and District's proportionate share of contributions	90,366	413,853
District's contributions to TRA subsequent to the measurement date	<u>428,964</u>	<u>-</u>
Total	<u>\$ 3,123,899</u>	<u>\$ 6,026,877</u>

The \$428,964 reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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

Years Ended June 30,	Pension Expense Amount
2022	\$ 81,077
2023	(2,067,757)
2024	(1,402,998)
2025	70,534
2026	(12,798)

G. Net Pension Liability

The following presents the net pension liability of TRA calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
TRA discount rate	6.50%	7.50%	8.50%
District's proportionate share of the TRA net pension liability	\$ 9,603,171	\$ 6,272,526	\$ 3,528,243

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.

H Pension Plan Fiduciary Net Position

Detailed information about TRA'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, and St. Paul, MN, 55103-4000; or by calling (651)-296-2409 or (800)-657-3669.

Note 7 - 403(b) Plan

The District provides eligible employees future retirement benefits through the District's 403(b) Plan (the "Plan"). Employees of the District are eligible to participate in the Plan commencing on the date of their employment. Some employees are eligible to receive a match of employee contributions up to the qualifying amounts set forth in their Wage and Benefit Guidelines. Contributions are invested in tax deferred annuities hosted by a vendor from whom the District has obtained. The District's contributions for the years ended June 30, 2021, 2020, and 2019, were \$66,487, \$68,667, and \$56,420, respectively. The related employee contributions were \$103,418, \$121,253, and \$97,824, for the years ended June 30, 2021, 2020, and 2019, respectively.

Note 8 - Other Information

A. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which the District has joined together with other governments (school districts) in self-insured insurance plans and public entity risk pools.

The District continues to carry commercial insurance for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

B. Contingent Liabilities

The District participates in a number of federal and state programs that are either partially or fully funded by grants or aids received from these agencies or other governmental units. Such programs are subject to audit by the grantor agencies which could result in requests for reimbursement to the granting agency for expenditures that are disallowed under the terms of the grant. Based on past experience, the District believes that any disallowed costs as a result of such audits will be immaterial.

C. Affiliated Organization

Southwest Metro Educational Cooperative (SMEC) is an affiliated organization comprised of nine member districts to provide specialized services to the participating school districts. Separate financial statements of the affiliated organization may be obtained from the SMEC. The District had purchases from SMEC of \$225,585 for the year ended June 30, 2021, and a balance due to SMEC of \$36,766 at June 30, 2021. The SMEC is not experiencing financial difficulties and is not anticipated to be a burden on the District.



Required Supplementary Information
June 30, 2021

Independent School District No. 108

Norwood Young America, Minnesota

Independent School District No. 108
Norwood Young America, Minnesota
Schedule of Changes in the District's Total OPEB Liability and Related Ratios
Year Ended June 30, 2021

Schedule of Changes in the District's Total OPEB Liability and Related Ratios, Last 10 Fiscal Years*

	2021	2020	2019	2018
Service cost	\$ 63,883	\$ 43,046	\$ 56,298	\$ 54,658
Interest cost	27,223	47,415	51,383	56,000
Assumption changes	30,321	(17,350)	-	-
Plan changes	232,633	(199,334)	-	-
Differences between expected and actual experience	-	(265,771)	-	-
Benefit payments	(98,652)	(190,995)	(230,934)	(264,959)
Net change in total OPEB liability	255,408	(582,989)	(123,253)	(154,301)
Total OPEB liability - beginning	863,214	1,446,203	1,569,456	1,723,757
Total OPEB liability - ending	<u>\$ 1,118,622</u>	<u>\$ 863,214</u>	<u>\$ 1,446,203</u>	<u>\$ 1,569,456</u>
Covered payroll	\$ 5,653,167	\$ 5,488,512	\$ 5,619,051	\$ 5,455,389
Total OPEB liability as a percentage of covered payroll	19.79%	15.73%	25.74%	28.77%

*GASB Statement No. 75 requires ten years of information to be presented in these tables. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Notes to the Schedule of Changes in the District's Total OPEB Liability and Related Ratios

Benefit Changes

- For the fiscal year ending June 30, 2019: None.
- For the fiscal year ending June 30, 2020: For Teachers hired prior to July 1, 2009, the employer contributes \$706.06 towards family coverage and \$320.12 towards single coverage upon early retirement (55 & 10) paid until Medicare Eligibility. If the retiree elects single coverage, the difference between the family and single contribution will be paid in cash and is included in the GASB 73 valuation.
- For the fiscal year ending June 30, 2021: Effective July 1, 2020, the teacher's ERI benefit that was previously paid monthly over 2 years (included in GASB 73) is now paid in one single lump sum to an HRA (included in GASB 75).

Assumption Changes

- For the fiscal year ending June 30, 2019: None.
- For the fiscal year ending June 30, 2020: The health care trend rates, mortality tables, and salary increase assumptions were updated. The discount rate changed from 3.40% to 3.10%. accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.
- For the fiscal year ending June 30, 2021: The discount rate changed from 3.10% to 2.40%.

Independent School District No. 108
Norwood Young America, Minnesota
Schedule of Changes in Supplemental Benefits Liability
Year Ended June 30, 2021

Schedule of Changes in Supplemental Benefits Liability

Last 10 Fiscal Years *

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Supplemental benefits liability, beginning of year	\$ 407,375	\$ 250,205	\$ 266,530	\$ 296,872	\$ 325,036
Service cost	8,808	17,790	14,394	13,975	16,177
Interest cost	11,778	8,887	8,884	8,281	10,832
Assumption changes	11,510	(9,327)	-	(7,229)	8,857
Plan changes	(143,989)	153,335	-	(1,698)	-
Projected investment return	-	-	-	7,302	-
Differences between expected and actual experience	-	(177)	-	-	-
Benefit payments	<u>(73,056)</u>	<u>(13,338)</u>	<u>(39,603)</u>	<u>(50,973)</u>	<u>(64,030)</u>
Supplemental benefits liability, end of year	<u>\$ 222,426</u>	<u>\$ 407,375</u>	<u>\$ 250,205</u>	<u>\$ 266,530</u>	<u>\$ 296,872</u>

* GASB Statement No. 73 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Independent School District No. 108
Norwood Young America, Minnesota
Schedule of Supplemental Benefits Liability
Year Ended June 30, 2021

Schedule of Supplemental Benefits Liability

Last 10 Fiscal Years *

	2021	2020	2019	2018	2017
Supplemental benefits liability	<u>\$ 222,426</u>	<u>\$ 407,375</u>	<u>\$ 250,205</u>	<u>\$ 266,530</u>	<u>\$ 296,872</u>
Covered payroll	<u>\$ 2,236,738</u>	<u>\$ 4,302,374</u>	<u>\$ 4,392,931</u>	<u>\$ 4,264,982</u>	<u>\$ 5,719,467</u>
Supplemental benefits liability as a percentage of covered payroll	9.94%	9.47%	5.70%	6.25%	5.19%

There are no assets accumulated in an irrevocable trust to pay plan benefits.

* GASB Statement No. 73 requires ten years of information to be presented in this table. However, until a full 10- year trend is compiled, the District will present information for those years for which information is available.

Notes to the Schedule of Changes in the District's Supplemental Benefits Liability and Related Ratios

Benefit Changes

- For the fiscal year ending June 30, 2019: None.
- For the fiscal year ending June 30, 2020: For Teachers hired prior to July 1, 2009, the employer contributes \$706.06 towards family coverage and \$320.12 towards single coverage upon early retirement (55 & 10) paid until Medicare Eligibility. If the retiree elects single coverage, the difference between the family and single contribution will be paid in cash and is included in the GASB 73 valuation.
- For the fiscal year ending June 30, 2021: Effective July 1, 2020 the teacher's early retirement incentive benefit that was previously paid monthly over two years (included in the GASB 73 calculation) is now paid in one single lump sum to an HRA (included in the GASB 75 calculation).

Assumption Changes

- For the fiscal year ending June 30, 2019: None.
- For the fiscal year ending June 30, 2020: The health care trend rates, mortality tables, and salary increase assumptions were updated. The discount rate changed from 3.40% to 3.10%.
- For the fiscal year ending June 30, 2021: The discount rate changed from 3.10% to 2.40%.

Independent School District No. 108
Norwood Young America, Minnesota
Schedule of Employer's Share of Net Pension Liability
Year Ended June 30, 2021

**Schedule of Employer's Share of Net Pension Liability
Last 10 Fiscal Years ***

Pension Plan	Measurement Date	District's Proportion (Percentage) of the Net Pension Liability (Asset)	District's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated With District (b)	Total (d) (a+b)	District's Covered Payroll (e)	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (d/e)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
PERA	6/30/20	0.0149%	\$ 893,323	\$ 27,620	\$ 920,943	\$ 998,480	89.5%	79.1%
	6/30/19	0.0141%	779,557	24,166	803,723	919,853	84.7%	80.2%
	6/30/18	0.0151%	837,686	27,486	865,172	951,120	88.1%	79.5%
	6/30/17	0.0155%	989,510	12,419	1,001,929	954,333	103.7%	75.9%
	6/30/16	0.0166%	1,347,838	17,586	1,365,424	958,440	140.6%	68.9%
	6/30/15	0.0176%	912,123	N/A	912,123	1,015,987	89.8%	78.2%
	6/30/14	0.0197%	925,407	N/A	925,407	1,036,762	89.3%	78.8%
TRA	6/30/20	0.0849%	\$ 6,272,526	\$ 525,571	\$ 6,798,097	\$ 4,935,038	127.1%	75.5%
	6/30/19	0.0872%	5,558,146	491,791	6,049,937	4,949,883	112.3%	78.1%
	6/30/18	0.0892%	5,601,813	526,486	6,128,299	4,925,947	113.7%	78.1%
	6/30/17	0.0877%	17,506,511	1,692,691	19,199,202	4,719,227	371.0%	51.6%
	6/30/16	0.0905%	21,586,409	2,167,064	23,753,473	4,707,533	458.6%	44.9%
	6/30/15	0.0915%	5,660,180	694,117	6,354,297	4,646,493	121.8%	76.8%
	6/30/14	0.0994%	4,580,280	322,239	4,902,519	4,625,216	99.0%	81.5%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Independent School District No. 108
Norwood Young America, Minnesota
Schedule of Employer's Contributions
Year Ended June 30, 2021

**Schedule of Employer's Contributions
Last 10 Fiscal Years ***

Pension Plan	Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
PERA	6/30/21	\$ 78,091	\$ 78,091	\$ -	\$ 1,041,213	7.5%
	6/30/20	74,886	74,886	-	998,480	7.5%
	6/30/19	68,989	68,989	-	919,853	7.5%
	6/30/18	71,334	71,334	-	951,120	7.5%
	6/30/17	71,575	71,575	-	954,333	7.5%
	6/30/16	71,883	71,883	-	958,440	7.5%
	6/30/15	76,199	76,199	-	1,015,987	7.5%
TRA	6/30/21	\$ 428,964	\$ 428,964	\$ -	\$ 5,276,310	8.1%
	6/30/20	390,855	390,855	-	4,935,038	7.9%
	6/30/19	381,636	381,636	-	4,949,883	7.7%
	6/30/18	369,446	369,446	-	4,925,947	7.5%
	6/30/17	353,942	353,942	-	4,719,227	7.5%
	6/30/16	353,065	353,065	-	4,707,533	7.5%
	6/30/15	348,487	348,487	-	4,646,493	7.5%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Independent School District No. 108
Norwood Young America, Minnesota

Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions (Continued)
Year Ended June 30, 2021

PERA

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% 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.

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 load 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 for 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 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 have been no changes since the prior valuation.

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 increase the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

TRA

2020 Changes

Changes in Actuarial Assumptions

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% in 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 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending 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 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2019 Changes

Changes in Actuarial Assumptions

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% in 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 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending 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 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2018 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased to 4.66% from 8.0%.
- The cost of living adjustment (COLA) was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending July 1, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero% beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers was reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next six years (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2017 Changes

Changes in Actuarial Assumptions

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

2016 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased to 4.66% from 8.0%.
- The COLA was not assumed to increase for funding or the GASB calculation. It remained at 2% for all future years.
- The price inflation assumption was lowered from 3% to 2.75%.
- The general wage growth and payroll growth assumptions were lowered from 3.75% to 3.5%.
- Minor changes as some durations for the merit scale of the salary increase assumption.
- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP 2015 scale.
- The post-retirement mortality assumption was changed to the RP 2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP 2015 scale.
- The post-disability mortality assumption was changed to the RP 2014 disabled retiree mortality table, without adjustment.
- Augmentation in the early retirement reduction factors is phased out o 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

Independent School District No. 108
Norwood Young America, Minnesota
Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions
June 30, 2021

2015 Changes

Changes of benefit terms:

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

Change of assumptions:

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

PERA's Comprehensive Annual Financial Report may be obtained on the PERA's website at www.mnpera.org for notes to the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions.

Additional financial and actuarial information can be found in TRA's GASB 67-68 report. Both reports can be obtained at www.MinnesotaTRA.org.



Supplementary Information
June 30, 2021

Independent School District No. 108

Norwood Young America, Minnesota

Independent School District No. 108
Norwood Young America, Minnesota
Schedule of Changes in UFARS Fund Balances
Year Ended June 30, 2021

	<u>Fund Balance Beginning of Year</u>	<u>Net Change in Fund Balance</u>	<u>Fund Balance End of Year</u>
Nonspendable	\$ 4,431	\$ 61,345	\$ 65,776
Restricted for student activities	109,199	391	109,590
Restricted for scholarships	34,705	(1,121)	33,584
Restricted for capital projects levy	-	77,282	77,282
Restricted for operating capital	-	113,666	113,666
Restricted for long-term facilities maintenance	100,000	120,739	220,739
Restricted for medical assistance	70,832	(6,941)	63,891
Assigned	-	607,182	607,182
Unassigned	<u>1,820,164</u>	<u>(597,368)</u>	<u>1,222,796</u>
	<u><u>\$ 2,139,331</u></u>	<u><u>\$ 375,175</u></u>	<u><u>\$ 2,514,506</u></u>

Independent School District No. 108
Norwood Young America, Minnesota
Combining Balance Sheet – Nonmajor Governmental Funds
June 30, 2021

	Special Revenue Funds		Total Nonmajor Funds
	Food Service	Community Service	
Assets			
Cash and investments	\$ 156,789	\$ 439,254	\$ 596,043
Receivables			
Current property taxes	-	57,159	57,159
Delinquent property taxes	-	1,314	1,314
Due from Minnesota Department of Education	-	12,512	12,512
Due from Federal through Minnesota Department of Education	13,271	-	13,271
Inventories	9,050	-	9,050
Total assets	\$ 179,110	\$ 510,239	\$ 689,349
Liabilities			
Salaries payable	\$ 1,347	\$ 44,245	\$ 45,592
Accounts payable	27,517	7,235	34,752
Due to other governmental units	-	45	45
Unearned revenue	22,079	19,721	41,800
Total liabilities	50,943	71,246	122,189
Deferred Inflows of Resources			
Unavailable revenue - delinquent taxes	-	1,314	1,314
Property tax levied for subsequent year	-	104,839	104,839
Total deferred Inflows of Resources	-	106,153	106,153
Fund Balances			
Nonspendable	9,050	-	9,050
Restricted	119,117	332,840	451,957
Total fund balances	128,167	332,840	461,007
Total liabilities, deferred inflows of resources, and fund balances	\$ 179,110	\$ 510,239	\$ 689,349

Independent School District No. 108

Norwood Young America, Minnesota

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds

Year Ended June 30, 2021

	Special Revenue Funds		Total
	Food Service	Community Service	Nonmajor Funds
Revenues			
Local property tax levies	\$ -	\$ 128,769	\$ 128,769
Other local and county sources	7,341	451,683	459,024
State sources	1,719	174,950	176,669
Federal sources	376,114	16,800	392,914
Sales and conversion of assets	44,632	-	44,632
Total revenues	429,806	772,202	1,202,008
Expenditures			
Community education and services	-	750,670	750,670
Pupil support services	407,380	-	407,380
Total expenditures	407,380	750,670	1,158,050
Net Change in Fund Balances	22,426	21,532	43,958
Fund Balances - Beginning	105,741	311,308	417,049
Fund Balances - Ending	\$ 128,167	\$ 332,840	\$ 461,007

Independent School District No. 108
Norwood Young America, Minnesota
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing/Federal CFDA Number	Agency or Pass-Through Number	Expenditures
Department of Agriculture <i>Passed through Minnesota Department of Education</i>			
Child Nutrition Cluster			
Cash Assistance:			
School Breakfast Program	10.553	01-0108-000 FIN 705	\$ 353
National School Lunch Program	10.555	01-0108-000 FIN 701	4,551
Special Milk Program for Children	10.556	01-0108-000 FIN 703	847
Summer Food Service Program	10.559	01-0108-000 FIN 709	327,904
Noncash Assistance:			
National School Lunch Program	10.555	01-0108-000 FIN 701	<u>31,169</u>
Total Child Nutrition Cluster			\$ 364,824
Child and Adult Care Food Program	10.558	01-0108-000 FIN 469	<u>11,290</u>
Total Department of Agriculture			\$ 376,114
Department of Treasury <i>Passed through Minnesota Department of Education</i>			
COVID-19 Coronavirus Relief Fund	21.019C	01-0108-000 FIN 154/174	238,537
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	01-0108-000 FIN 165	<u>16,800</u>
Total Department of Treasury			255,337
Department of Education <i>Passed through Minnesota Department of Education</i>			
Title I Grants to Local Educational Agencies	84.010	01-0108-000 FIN 401	73,949
Career and Technical Education - Basic Grants to States	84.048	01-0108-000 FIN 428/628	9,045
Special Education - Grants for Infants and Families	84.181	01-0108-000 FIN 422	8,045
Supporting Effective Instruction State Grants	84.367	01-0108-000 FIN 414	16,725
Student Support and Academic Enrichment Program	84.424	01-0108-000 FIN 433	17,781
COVID-19 Education Stabilization Fund - ESSER	84.425D	01-0108-000 FIN 151/152	25,891
COVID-19 Education Stabilization Fund - GEER I	84.425C	01-0108-000 FIN 153	592
COVID-19 Education Stabilization Fund - ESSER II	84.425D	01-0108-000 FIN 155	<u>134,761</u>
Total 84.425			161,244
Special Education Cluster			
Special Education Grants to States	84.027	01-0108-000 FIN 419/425	243,065
Special Education Preschool Grants	84.173	01-0108-000 FIN 420	<u>7,436</u>
Total Special Education Cluster			250,501
Total Department of Education			<u>537,290</u>
Total Federal Financial Assistance			<u>\$ 1,168,741</u>

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2021. The information is presented in accordance with the 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). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. When applicable, 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. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

The District has not elected to use the 10% de minimis cost rate.

Note 4 - Food Donation

Nonmonetary assistance is reported in this schedule at the fair market value of the commodities received and disbursed. At June 30, 2021, the District had food commodities of \$9,050 in inventory.

Independent School District No. 108
Norwood Young America, Minnesota
Uniform Financial Accounting and Reporting Standards Compliance Table
Year Ended June 30, 2021

	Audit	UFARS	Audit - UFARS		Audit	UFARS	Audit - UFARS
01 GENERAL FUND				06 BUILDING CONSTRUCTION			
Total Revenue	\$11,646,139	<u>\$11,646,139</u>	<u>\$0</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$11,270,964	<u>\$11,270,967</u>	<u>(\$3)</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
Non Spendable:				Non Spendable:			
4.60 Non Spendable Fund Balance	\$65,776	<u>\$65,776</u>	<u>\$0</u>	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
Restricted / Reserved:				Restricted / Reserved:			
4.01 Student Activities	\$109,590	<u>\$109,590</u>	<u>\$0</u>	4.07 Capital Projects Levy	\$0	<u>\$0</u>	<u>\$0</u>
4.02 Scholarships	\$33,584	<u>\$33,584</u>	<u>\$0</u>	4.13 Project Funded by COP	\$0	<u>\$0</u>	<u>\$0</u>
4.03 Staff Development	\$0	<u>\$0</u>	<u>\$0</u>	4.67 LTFM	\$0	<u>\$0</u>	<u>\$0</u>
4.07 Capital Projects Levy	\$77,282	<u>\$77,282</u>	<u>\$0</u>	Restricted:			
4.08 Cooperative Revenue	\$0	<u>\$0</u>	<u>\$0</u>	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.13 Project Funded by COP	\$0	<u>\$0</u>	<u>\$0</u>	Unassigned:			
4.14 Operating Debt	\$0	<u>\$0</u>	<u>\$0</u>	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.16 Levy Reduction	\$0	<u>\$0</u>	<u>\$0</u>				
4.17 Taconite Building Maint	\$0	<u>\$0</u>	<u>\$0</u>	07 DEBT SERVICE			
4.24 Operating Capital	\$113,666	<u>\$113,666</u>	<u>\$0</u>	Total Revenue	\$988,517	<u>\$988,516</u>	<u>\$1</u>
4.26 \$25 Taconite	\$0	<u>\$0</u>	<u>\$0</u>	Total Expenditures	\$990,053	<u>\$990,053</u>	<u>\$0</u>
4.27 Disabled Accessibility	\$0	<u>\$0</u>	<u>\$0</u>	Non Spendable:			
4.28 Learning & Development	\$0	<u>\$0</u>	<u>\$0</u>	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.34 Area Learning Center	\$0	<u>\$0</u>	<u>\$0</u>	Restricted / Reserved:			
4.35 Contracted Alt. Programs	\$0	<u>\$0</u>	<u>\$0</u>	4.25 Bond Refundings	\$0	<u>\$0</u>	<u>\$0</u>
4.36 State Approved Alt. Program	\$0	<u>\$0</u>	<u>\$0</u>	4.33 Maximum Effort Loan Aid	\$0	<u>\$0</u>	<u>\$0</u>
4.38 Gifted & Talented	\$0	<u>\$0</u>	<u>\$0</u>	4.51 QZAB Payments	\$0	<u>\$0</u>	<u>\$0</u>
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	<u>\$0</u>	4.67 LTFM	\$0	<u>\$0</u>	<u>\$0</u>
4.41 Basic Skills Programs	\$0	<u>\$0</u>	<u>\$0</u>	Restricted:			
4.48 Achievement and Integration	\$0	<u>\$0</u>	<u>\$0</u>	4.64 Restricted Fund Balance	\$208,956	<u>\$208,956</u>	<u>\$0</u>
4.49 Safe School Crime - Crime Levy	\$0	<u>\$0</u>	<u>\$0</u>	Unassigned:			
4.51 QZAB Payments	\$0	<u>\$0</u>	<u>\$0</u>	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>				
4.53 Unfunded Sev & Retirement Levy	\$0	<u>\$0</u>	<u>\$0</u>	08 TRUST			
4.59 Basic Skills Extended Time	\$0	<u>\$0</u>	<u>\$0</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
4.67 LTFM	\$220,739	<u>\$220,739</u>	<u>\$0</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.72 Medical Assistance	\$63,891	<u>\$63,891</u>	<u>\$0</u>	Restricted / Reserved:			
4.73 PPP Loan	\$0	<u>\$0</u>	<u>\$0</u>	4.01 Student Activities	\$0	<u>\$0</u>	<u>\$0</u>
4.74 EIDL Loan	\$0	<u>\$0</u>	<u>\$0</u>	4.02 Scholarships	\$0	<u>\$0</u>	<u>\$0</u>
Restricted:				4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>				
4.75 Title VII Impact Aid	\$0	<u>\$0</u>	<u>\$0</u>	18 CUSTODIAL			
4.76 Payments in Lieu of Taxes	\$0	<u>\$0</u>	<u>\$0</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
Committed:				Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.18 Committed for Separation	\$0	<u>\$0</u>	<u>\$0</u>	Restricted / Reserved:			
4.61 Committed Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>	4.01 Student Activities	\$0	<u>\$0</u>	<u>\$0</u>
Assigned:				4.02 Scholarships	\$0	<u>\$0</u>	<u>\$0</u>
4.62 Assigned Fund Balance	\$607,182	<u>\$607,182</u>	<u>\$0</u>	4.48 Achievement and Integration	\$0	<u>\$0</u>	<u>\$0</u>
Unassigned:				4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.22 Unassigned Fund Balance	\$1,222,796	<u>\$1,222,794</u>	<u>\$2</u>				
				20 INTERNAL SERVICE			
02 FOOD SERVICES				Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
Total Revenue	\$429,806	<u>\$429,806</u>	<u>\$0</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$407,380	<u>\$407,380</u>	<u>\$0</u>	4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>
Non Spendable:							
4.60 Non Spendable Fund Balance	\$9,050	<u>\$9,050</u>	<u>\$0</u>	25 OPEB REVOCABLE TRUST			
Restricted / Reserved:				Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.74 EIDL Loan	\$0	<u>\$0</u>	<u>\$0</u>	4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>
Restricted:							
4.64 Restricted Fund Balance	\$119,117	<u>\$119,118</u>	<u>(\$1)</u>	45 OPEB IRREVOCABLE TRUST			
Unassigned:				Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>	Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
				4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>
04 COMMUNITY SERVICE							
Total Revenue	\$772,202	<u>\$772,202</u>	<u>\$0</u>	47 OPEB DEBT SERVICE			
Total Expenditures	\$750,670	<u>\$750,670</u>	<u>\$0</u>	Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
Non Spendable:				Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>	Non Spendable:			
Restricted / Reserved:				4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.26 \$25 Taconite	\$0	<u>\$0</u>	<u>\$0</u>	Restricted:			
4.31 Community Education	\$141,821	<u>\$141,821</u>	<u>\$0</u>	4.25 Bond Refundings	\$0	<u>\$0</u>	<u>\$0</u>
4.32 E.C.F.E	\$30,201	<u>\$30,201</u>	<u>\$0</u>	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	<u>\$0</u>	Unassigned:			
4.44 School Readiness	\$45,358	<u>\$45,358</u>	<u>\$0</u>	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
4.47 Adult Basic Education	\$0	<u>\$0</u>	<u>\$0</u>				
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>				
4.73 PPP Loan	\$0	<u>\$0</u>	<u>\$0</u>				
4.74 EIDL Loan	\$0	<u>\$0</u>	<u>\$0</u>				
Restricted:							
4.64 Restricted Fund Balance	\$115,460	<u>\$115,462</u>	<u>(\$2)</u>				
Unassigned:							
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>				



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 School Board
Independent School District No. 108
Norwood Young America, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 108 (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 12, 2021. We expressed a qualified opinion on the aggregate remaining fund information and the governmental activities opinion units as records were not retained to support the child care revenues in the Community Service Fund, a nonmajor fund, for the year ended June 30, 2021.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2021-001, 2021-002, 2021-003, and 2021-004, that we consider to be material weaknesses.

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*.

District's Response to Findings

The District's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. 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 them.

Purpose of this Report

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



Mankato, Minnesota
November 12, 2021



Independent Auditor's Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

The School Board of
Independent School District No. 108
Central Public School ISD #108
Norwood Young America, Minnesota

Report on Compliance for the Major Federal Program

We have audited the District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2021. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on each major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major Federal program for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses and significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

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.



Mankato, Minnesota
November 12, 2021



Report on Minnesota Legal Compliance

Members of the School Board
Independent School District No. 108
Norwood Young America, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Independent School District No. 108 as of and for the year ended June 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated November 12, 2021.

In connection with our audit, nothing came to our attention that caused us to believe that Independent School District No. 108 failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards sections of the Minnesota Legal Compliance Audit Guide for School Districts, promulgated by the State Auditor pursuant to Minn. Stat. §6.65. 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.

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

A handwritten signature in black ink that reads "Eide Bailly LLP".

Mankato, Minnesota
November 12, 2021

Independent School District No. 108
Norwood Young America, Minnesota
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

	Qualified for Governmental Activities and Aggregate Remaining information, Unmodified for General Fund and Debt Service Fund
Type of auditor's report issued	
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None reported
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 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Child Nutrition Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
Special Milk Program for Children	10.556
Summer Food Service Program	10.559
COVID-19 Coronavirus Relief Fund	21.019C
Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

**2021-001 Segregation of Duties
Material Weakness**

Criteria: A good system of internal control contemplates an adequate segregation of duties so that no one individual handles a transaction from its inception to completion.

Condition: The District has a lack of segregation of duties in certain areas due to limited staff. The District has limited segregation of duties in many accounting and financial reporting internal control areas. The areas involved are receipts and receivables, disbursements and payables, payroll, deposits, and reconciliations of these areas.

Cause: The District does not have the economic resources to hire additional qualified accounting staff in order to segregate duties.

Effect: Inadequate segregation of duties could adversely affect the District's ability to detect misstatements in amounts that would be material in relation to the financial statements in a timely period by employees in the normal course of performing their assigned functions. School Board oversight will mitigate some of the effect.

Recommendation: Your staff may not be large enough to permit complete segregation of duties in all respects for an effective system of internal control, the functions should be reviewed to determine if additional segregation is feasible and to improve efficiency and effectiveness of financial management of the District.

Views of Responsible Officials: There is no disagreement with this audit finding.

2021-002 Preparation of Financial Statements, including the Schedule of Expenditures of Federal Awards
Material Weakness

Criteria: A good system of internal control contemplates an adequate system for drafting of the financial statements, including the Schedule of Expenditures of Federal Awards (SEFA).

Condition: The District does not have an internal control system designed to provide for the preparation of the financial statements being audited, including the SEFA. As auditors, we are requested to draft the financial statements, accompanying notes to the financial statements, certain required supplementary information, and the SEFA.

Cause: The District does not have the economic resources to hire additional qualified accounting staff or hire professional accounting services in order to draft financial statements.

Effect: This control deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Recommendation: It is the responsibility of the management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Views of Responsible Officials: There is no disagreement with this audit finding.

2021-003 Material Journal Entries
Material Weakness

Criteria: A good system of internal control contemplates an adequate system for recording and processing entries material to the financial statements.

Condition: During the course of our engagement, we proposed material audit adjustments to the trial balance that would not have been identified as a result of the District's existing internal controls.

Cause: The District does not have the economic resources to hire additional qualified accounting staff or hire professional accounting services in order to make all of the necessary year-end adjustments to the trial balance.

Effect: This control deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Recommendation: A thorough review and reconciliation of accounts in each fund should take place prior to the beginning of the audit. This review should be done at both the accounting staff and accounting supervisor levels.

Views of Responsible Officials: There is no disagreement with this audit finding.

**2021-004 Insufficient Revenue Documentation
Material Weakness**

Criteria: A good system of internal control contemplates an adequate system for maintaining supporting documentation for all revenue streams.

Condition: During the course of our engagement, the District was unable to provide supporting documentation for the revenues of the child care program within the community service fund, a nonmajor fund. As a result, we were unable to provide assurance over the revenue stream and have issued a qualified opinion on the governmental activities and the aggregate remaining fund information.

Cause: The District changed program software for the childcare program and no longer had access to information retained within the previous software system. Additionally, no other paper or electronic files were retained.

Effect: This control deficiency could result in incomplete or inaccurate revenues recorded for the childcare program.

Recommendation: Proper documentation should be maintained for all revenues of the District.

Views of Responsible Officials: There is no disagreement with this audit finding.

Section III –Federal Award Findings and Questioned Costs

None reported

Section IV – Minnesota Legal Compliance Findings

2021-005 Board Member Conflict of Interest

Condition: During the course of our engagement, we discovered the spouses of several board members were employed by the district and the board member spouses did not abstain from voting on their spouse's employment contract.

Criteria: A good system of internal control contemplates an adequate system for compliance with the Minnesota Legal Compliance.

Cause: The District does not have an internal control system designed for monitoring conflicts of interest arising between board members and their spouses employed by the District.

Effect: The finding resulted in noncompliance with Minnesota Legal Compliance related to conflicts of interest.

Recommendation: District should review the Minnesota Legal Compliance guidelines to ensure no conflicts of interest.

Views of Responsible Officials: There is no disagreement with the finding.



INDEPENDENT SCHOOL DISTRICT NO. 108

Executive Summary - June 30, 2021



CPAs & BUSINESS ADVISORS



AUDIT RESULTS

AUDIT OPINION

- The District received multiple opinions over opinion units
 - The District received an unmodified opinion (also known as a 'clean' audit opinion) for the General and Debt Service Funds. An unmodified opinion means that the financial statements are prepared using accounting principles generally accepted in the U.S. (GAAP)
 - The District received a qualified opinion for the Government-Wide Governmental Activities and the Aggregate Remaining Funds (which includes the Food Service and Community Service funds) A modified opinion means that the financial statements are prepared using GAAP with exceptions for certain areas
- Opinion is merely the auditor's professional opinion, based on audit work, on whether the financial statements were prepared in accordance with GAAP, free from material misstatement, and fairly presented

AUDIT OF FEDERAL FUNDS

- All entities with federal award expenditures of \$750,000+ in a year are required to obtain an annual audit
- Single audit – considers compliance with rules and regulation of applicable federal awards
- The District received an unmodified opinion on compliance for the major federal awards programs report
- During 2021, the district expended approximately \$1,200,000 in Federal awards
- Programs tested were the Child Nutrition Cluster and Coronavirus Relief Fund



AUDIT FINDINGS

FINDINGS

Financial Statements:

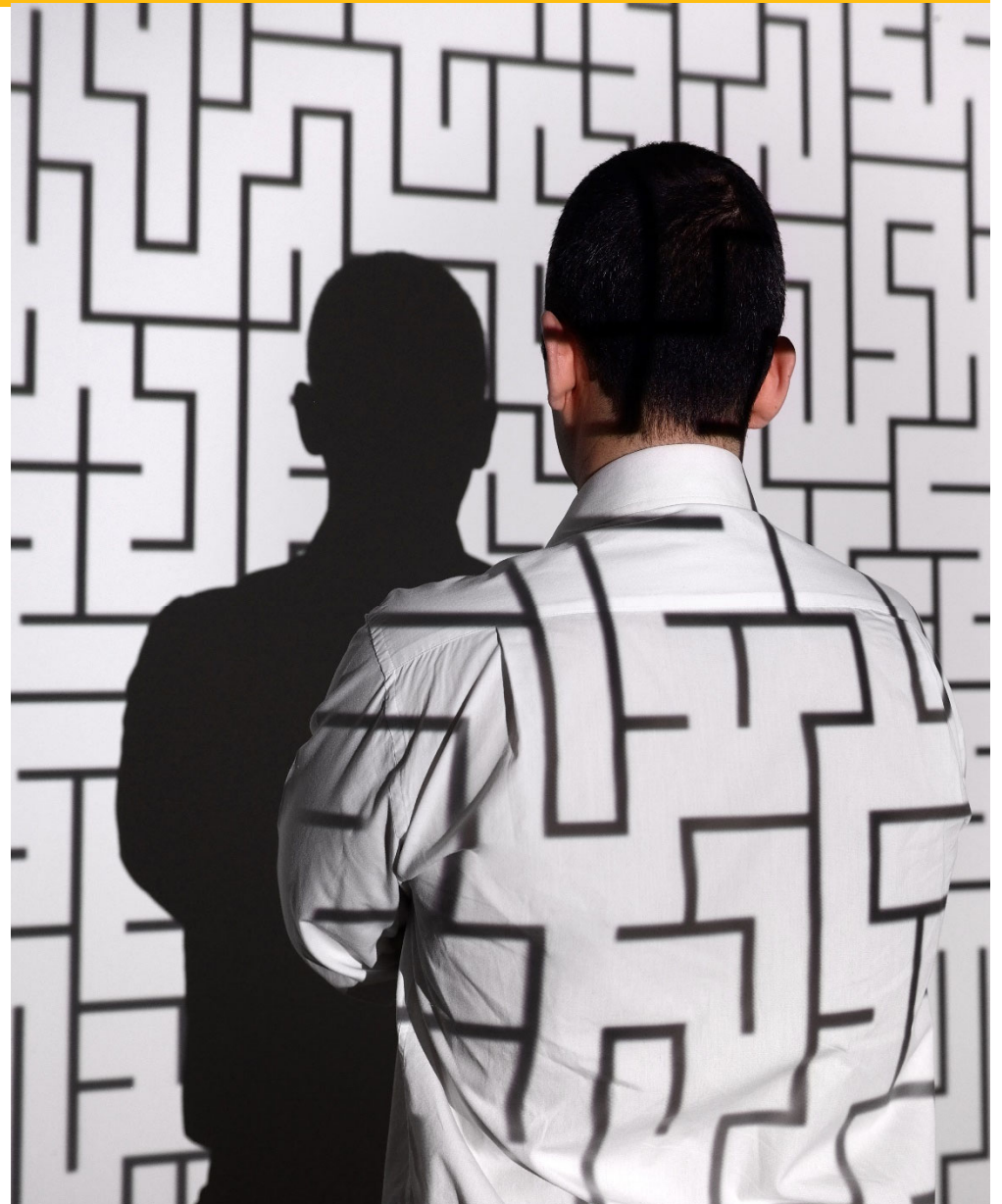
1. Segregation of Duties
2. Preparation of Financial Statements, including SEFA
3. Material Journal Entries
4. Insufficient Revenue Documentation

Minnesota Legal Compliance:

1. Conflicts of interest

Federal Awards:

1. None



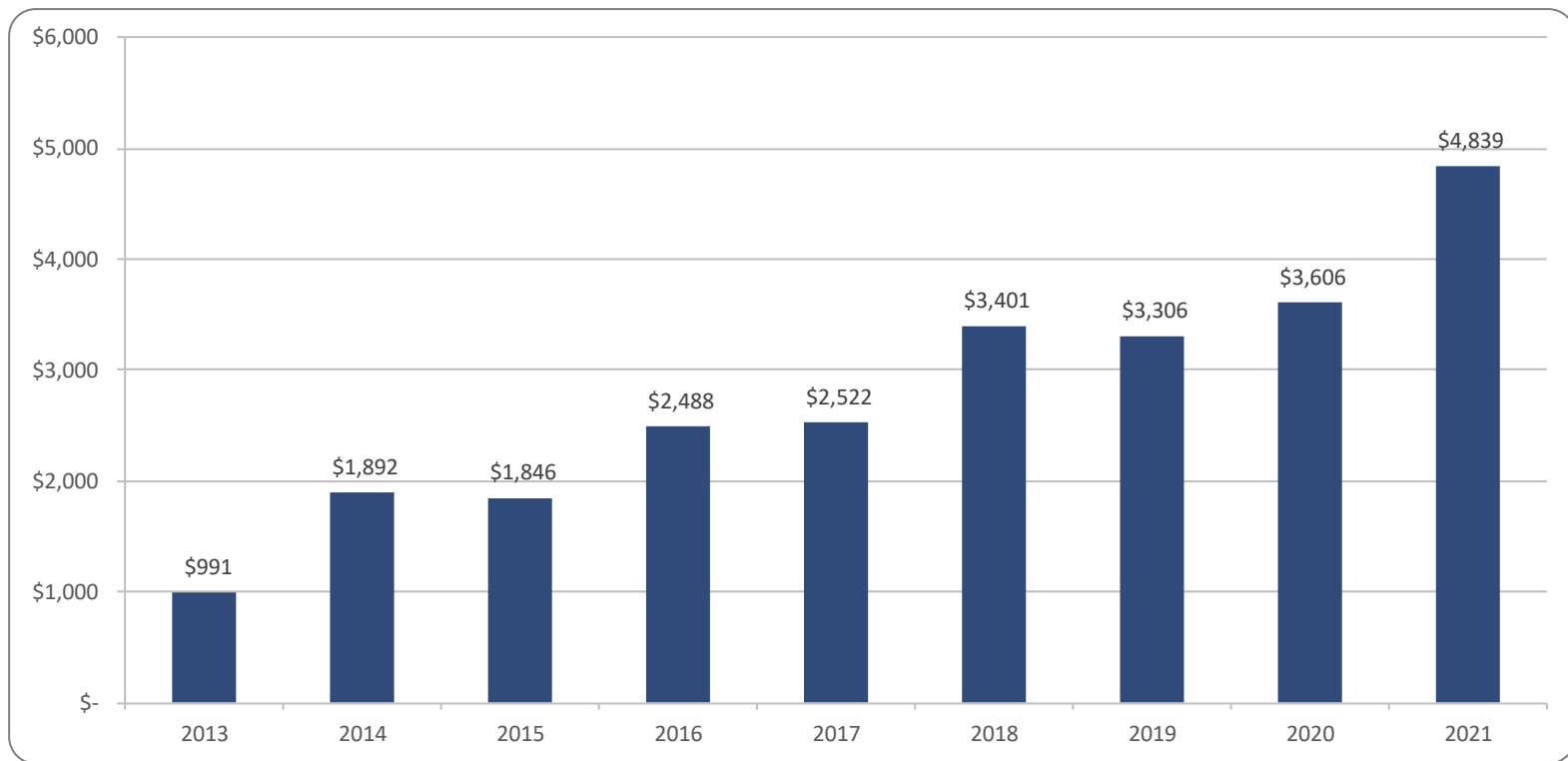


CASH AND INVESTMENTS

CASH/INVESTMENTS

Most significantly affected by the state aid payments structure.

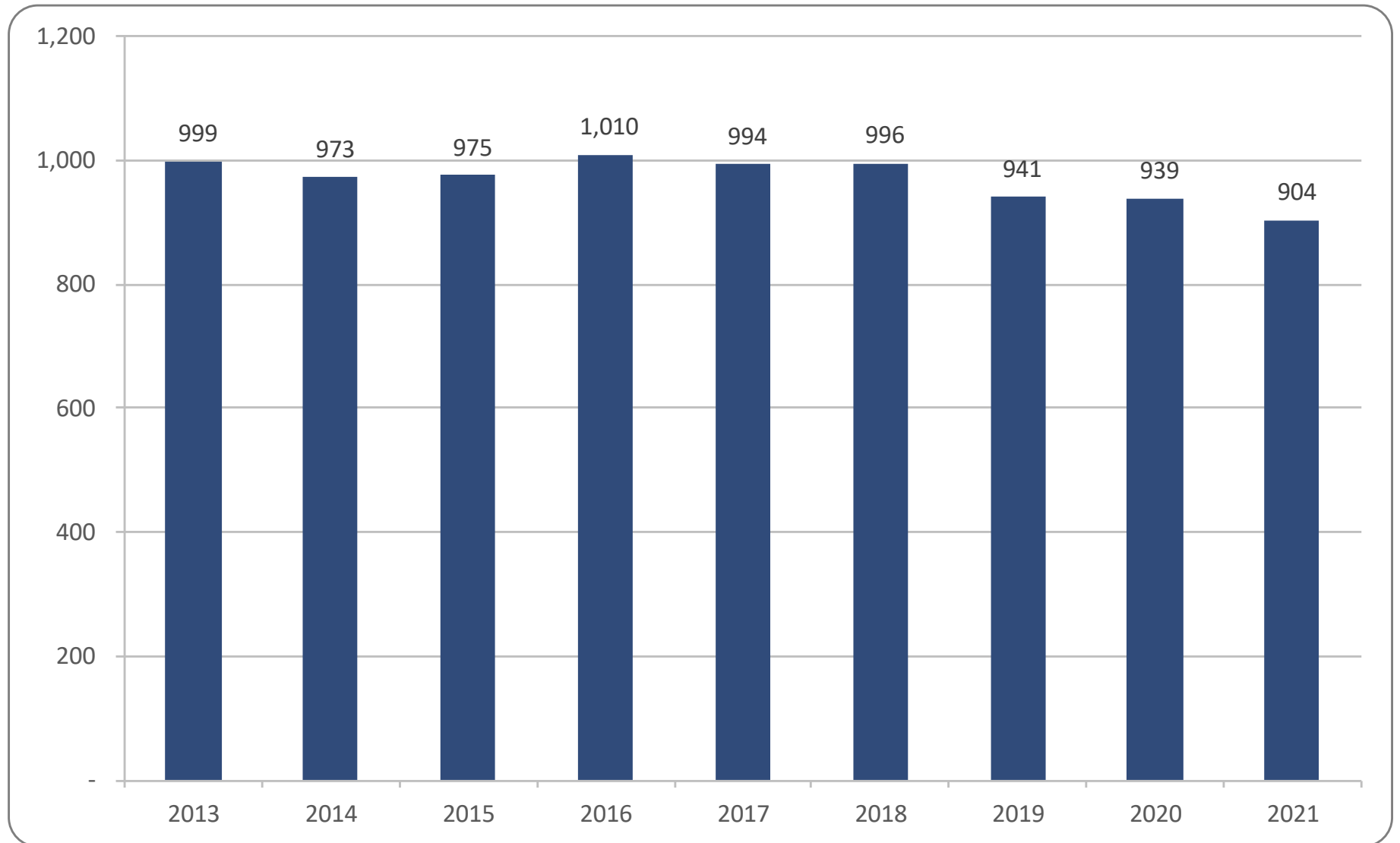
Balances (in thousands) of the District for the past 9 years:





GENERAL FUND

ADM SERVED



BUDGET TO ACTUAL

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
State sources	\$ 8,588,003	\$ 8,261,688	\$ 8,342,417	\$ 80,729
Local levies	2,228,259	2,271,925	2,238,095	(33,830)
Federal sources	359,396	805,663	775,827	(29,836)
Other	242,675	170,578	289,800	119,222
	<u>11,418,333</u>	<u>11,509,854</u>	<u>11,646,139</u>	<u>136,285</u>
				1.2%
				Positive
Expenditures				
Regular instruction	4,950,684	5,491,535	5,190,241	301,294
Administration and district support services	1,615,131	1,504,600	1,404,163	100,437
Special education instruction	1,926,261	1,881,145	1,822,100	59,045
Instructional and pupil support services	1,401,228	1,507,134	1,514,037	(6,903)
Sites and buildings	1,347,697	1,396,795	1,257,807	138,988
Other	57,500	95,414	82,616	12,798
	<u>11,298,501</u>	<u>11,876,623</u>	<u>11,270,964</u>	<u>605,659</u>
				5.1%
				Positive
Net Change in Fund Balance	<u>\$ 119,832</u>	<u>\$ (366,769)</u>	375,175	<u>\$ 741,944</u>
Fund Balance, Beginning of Year			<u>2,139,331</u>	
Fund Balance, End of Year			<u>\$ 2,514,506</u>	

A POSITIVE FUND BALANCE:

- 1 Contributes to a favorable bond rating
- 2 Produces investment income and provides a source of working capital to meet cash flow needs
- 3 Offers a cushion for unexpected expenditures or revenue shortfalls



CHANGES IN FUND BALANCES

Fund Balance: cumulative difference between fund assets and fund liabilities

	<u>Fund Balance Beginning of Year</u>	<u>Net Change in Fund Balance</u>	<u>Fund Balance End of Year</u>
Nonspendable	\$ 4,431	\$ 61,345	\$ 65,776
Restricted for student activities	109,199	391	109,590
Restricted for scholarships	34,705	(1,121)	33,584
Restricted for capital projects levy	-	77,282	77,282
Restricted for operating capital	-	113,666	113,666
Restricted for long-term facilities maintenance	100,000	120,739	220,739
Restricted for medical assistance	70,832	(6,941)	63,891
Assigned	-	607,182	607,182
Unassigned	<u>1,820,164</u>	<u>(597,368)</u>	<u>1,222,796</u>
	<u>\$ 2,139,331</u>	<u>\$ 375,175</u>	<u>\$ 2,514,506</u>

FUND BALANCE CATEGORIES

Nonspendable

Represents amounts that cannot be spent

Not in spendable form

Inventory, prepaid expenses

Restricted

Legally restricted by outside parties

Cannot be appropriated for other spending

Committed

Intended for a specific activity

Imposed by formal action of the school board but is not legally restricted

Assigned

Intended for a specific activity by school board or designated individuals

Not legally restricted

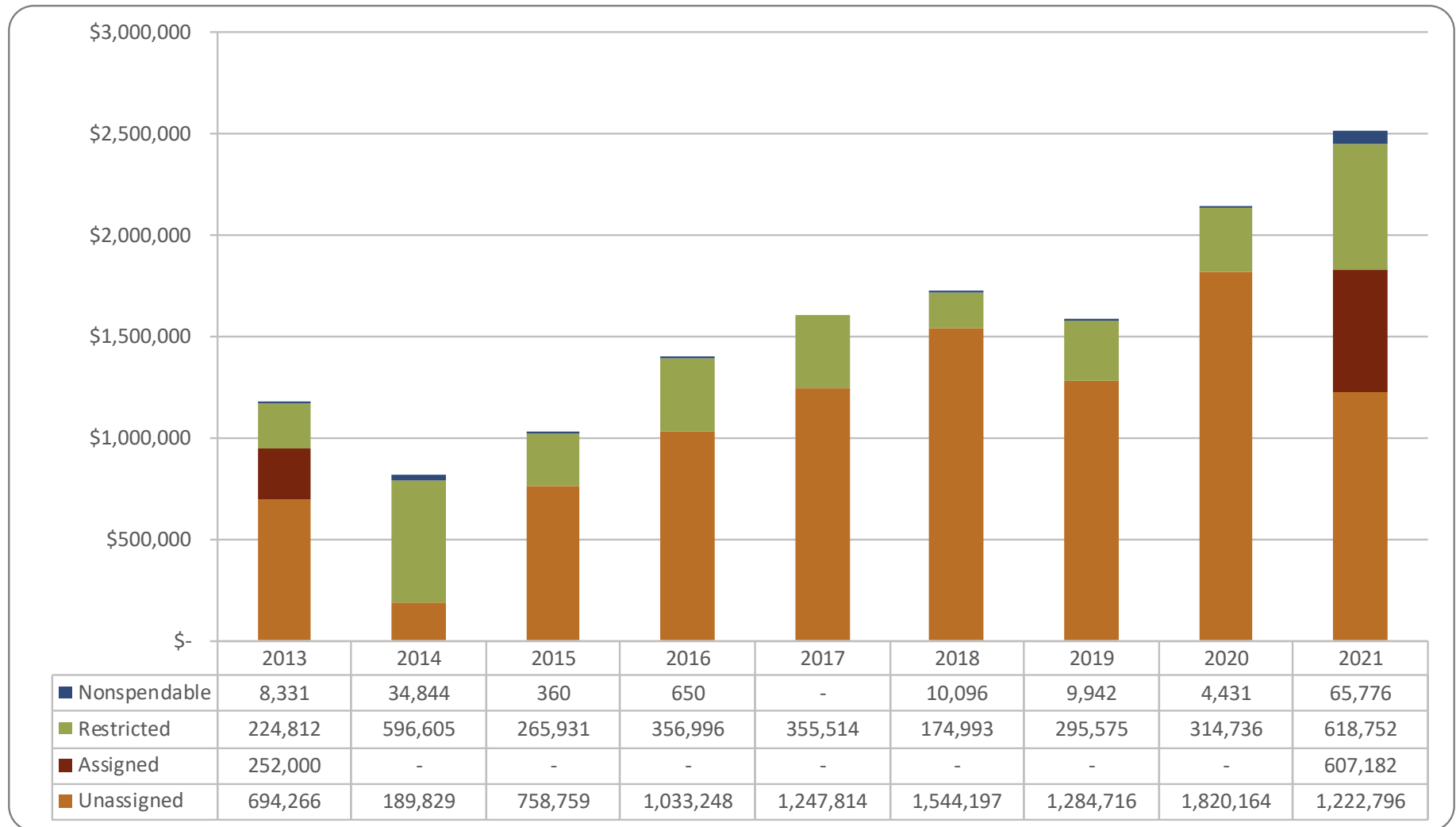
Unassigned

Reserves

“Rainy day” fund

TOTAL FUND BALANCES

Total fund balances of the General Fund for the past 9 years:



RECOMMENDATIONS REGARDING FUND BALANCES

State of Minnesota Office of the State Auditor (OSA): at year-end, local governments maintain an unrestricted fund balance in their general fund

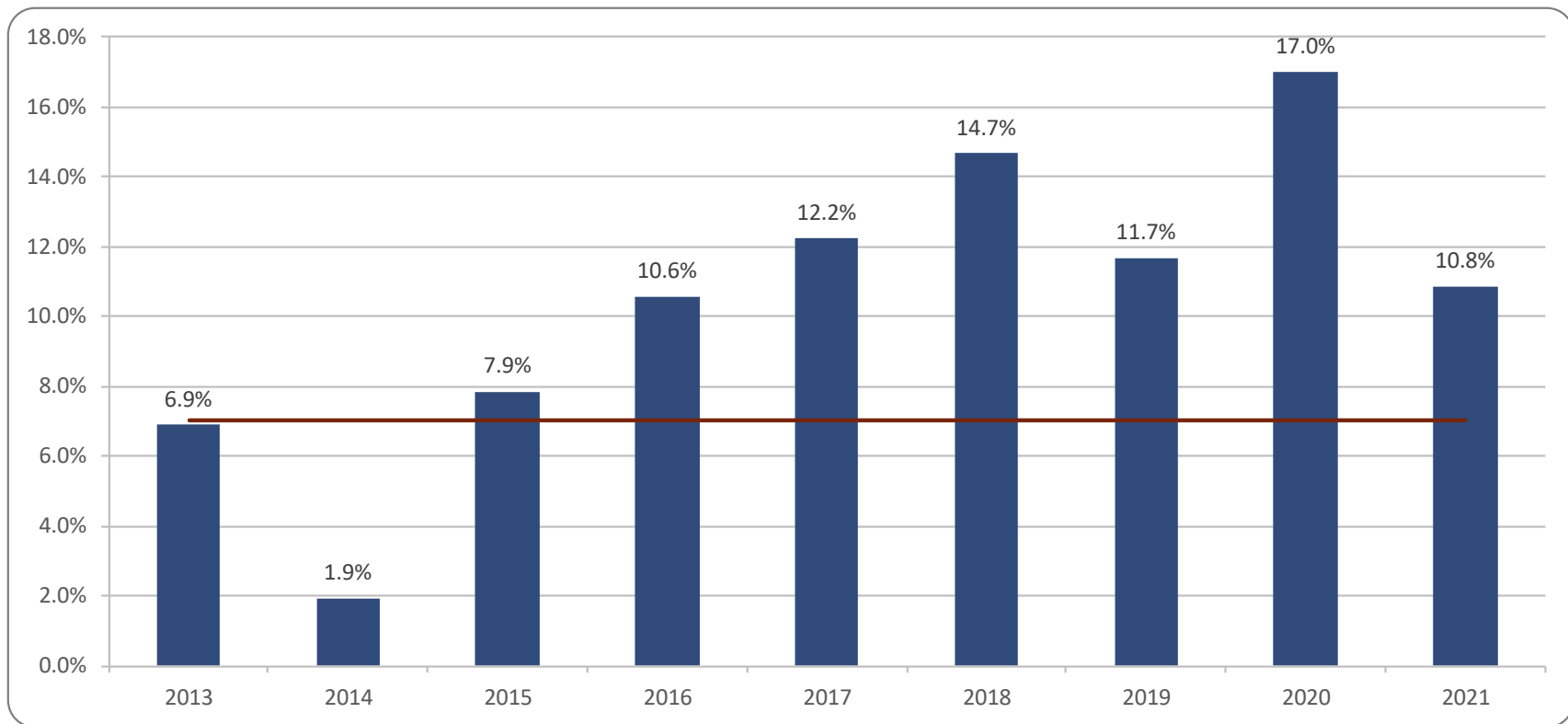
- Special Revenue Funds: approximately 35-50% of fund operating funds
- No less than 5 months of operating expenditures

Because MN school districts experience a more reliable flow of cash to fund operations, a recommended unrestricted fund balance for school districts may be less than the amounts recommended for other local governments.

The District's Policy: strive to maintain a minimum unassigned fund balance in an amount that shall be no less than 7% of the annual budget. For the current year that target amount is \$740k.

UNASSIGNED FUND BALANCE

The District's unassigned fund balance as a percentage of expenditures in the General Fund for the last 9 years



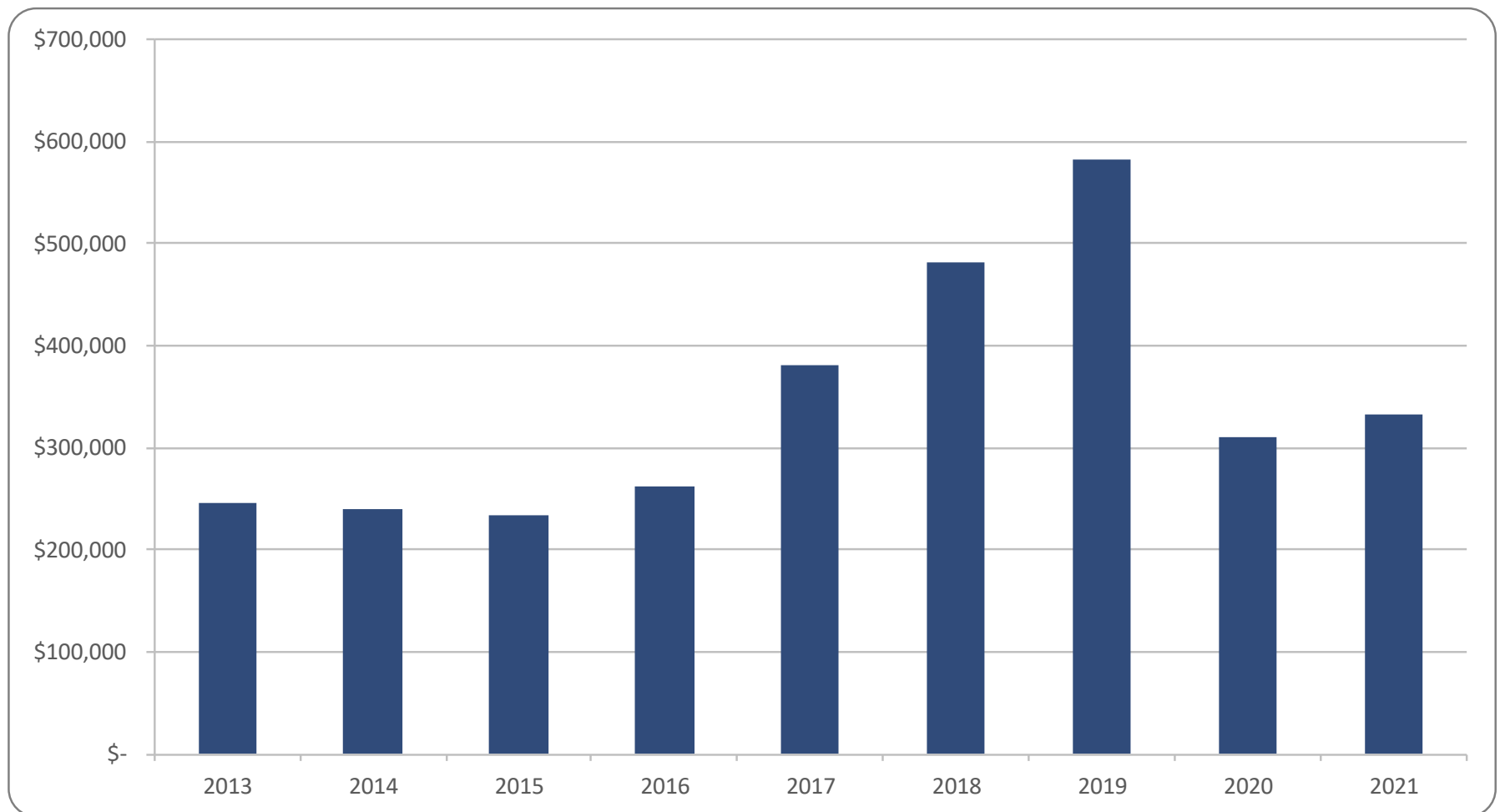
The maroon line indicates the District's fund balance policy of maintaining an unassigned fund balance of 7% of expenditures



OTHER FUNDS

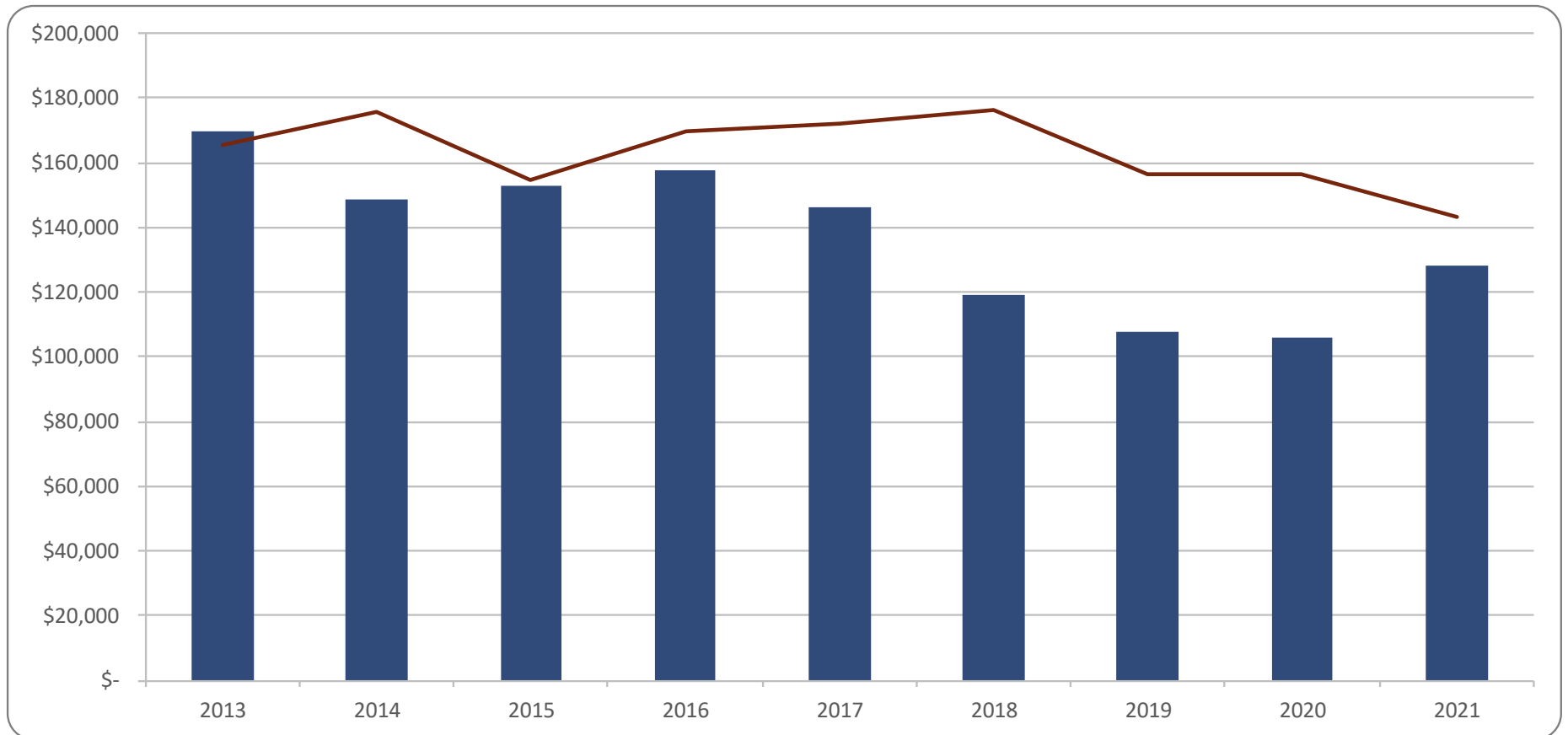
YEAR-END FUND BALANCE – COMMUNITY SERVICE FUND

Positive fund balance indicates that revenues of the community service programs are sufficient to cover the expenditures of the programs.



YEAR END FUND BALANCE – FOOD SERVICE FUND

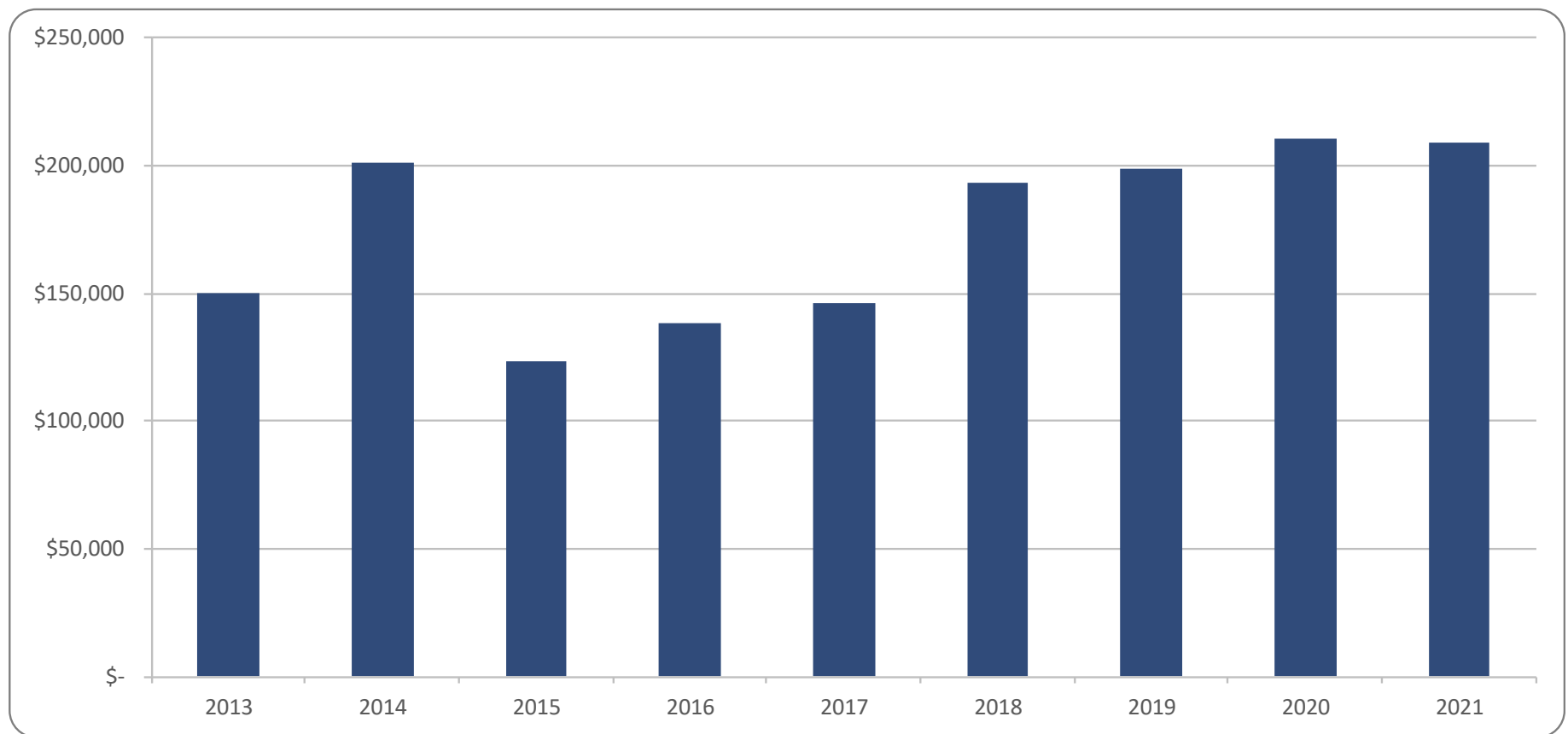
Positive fund balance indicates that revenues of the food service program are sufficient to cover the expenditures of the program.



The maroon line indicates the maximum allowable fund balance of three months expenditures.

YEAR END FUND BALANCE – DEBT SERVICE FUND

Positive fund balance indicates that revenues from property tax levies, state sources, and federal sources have been sufficient to meet the required debt service payments.





QUESTIONS?

This presentation is presented with the understanding that the information contained does not constitute legal, accounting or other professional advice. It is not intended to be responsive to any individual situation or concerns, as the contents of this presentation are intended for general information purposes only. Viewers are urged not to act upon the information contained in this presentation without first consulting competent legal, accounting or other professional advice regarding implications of a particular factual situation. Questions and additional information can be submitted to your Eide Bailly representative, or to the presenter of this session.



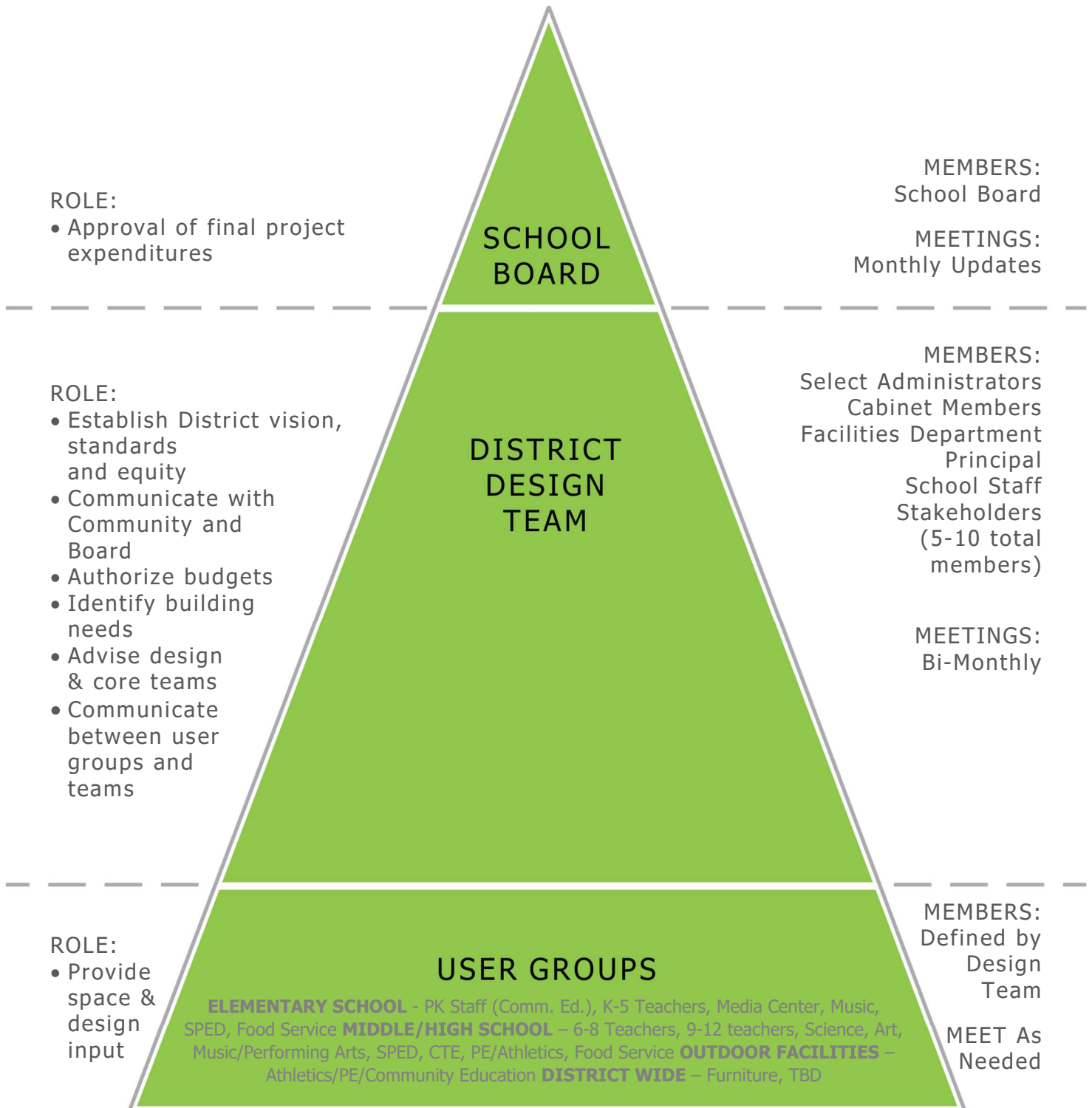
THANK YOU

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Design Process

nexus
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2022-23

Central Public Schools

Students	Teachers
1st Qtr 43	48
2nd Qtr 43	44
3rd Qtr 42	44
4th Qtr 39	40
167	176

July

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Aug. 8-11: Teacher Workshop

Aug 10: Transition Day K-5
(Conferences and open house individualized by appointment)

Aug 15: Transition Day K-5 by appointment. 6th, 9th grades at school. Bussing provided for 6th and 9th grade.

Aug. 16: First Day of School

September

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Sept. 5: No School Labor Day

October

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Oct. 13: End of 1st Qtr.

Oct. 14: No School; Teacher workshop

Oct. 20 & 21: No School; Fall Recess

Oct. 18 & 27: Elementary Conferences

Oct. 27 & Nov. 3: HS/MS Conferences

November

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Nov. 23, 24 & 25: No School
Teacher Comp. & Thanksgiving Break

December

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Dec. 23: No School Teacher Workshop

Dec. 22: End of 2nd Qtr.

Dec. 24 - 31: No School:
Winter Break

Jan. 2: School Resumes

Jan. 16: No School

Jan. 19 & 26: Elementary Conferences

Jan. 26 & Feb. 2: MS/HS Conferences

Feb. 16: Kindergarten Registration

Feb. 17 & 20: No School President's Day

March 2: End of 3rd Qtr

March 3: No School Teacher Workshop

March 6: Teacher Comp
March 7-10:
No School Spring Break

April 7: No School

May 5: Last Day of School,
1/2 day, students released after
lunch

May 5: Graduation

January

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

June

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	



INDEPENDENT SCHOOL DISTRICT NO. 108

Executive Summary - June 30, 2021



CPAs & BUSINESS ADVISORS



AUDIT RESULTS

AUDIT OPINION

- The District received multiple opinions over opinion units
 - The District received an unmodified opinion (also known as a ‘clean’ audit opinion) for the General and Debt Service Funds. An unmodified opinion means that the financial statements are prepared using accounting principles generally accepted in the U.S. (GAAP)
 - The District received a qualified opinion for the Government-Wide Governmental Activities and the Aggregate Remaining Funds (which includes the Food Service and Community Service funds) A modified opinion means that the financial statements are prepared using GAAP with exceptions for certain areas
- Opinion is merely the auditor’s professional opinion, based on audit work, on whether the financial statements were prepared in accordance with GAAP, free from material misstatement, and fairly presented

AUDIT OF FEDERAL FUNDS

- All entities with federal award expenditures of \$750,000+ in a year are required to obtain an annual audit
- Single audit – considers compliance with rules and regulation of applicable federal awards
- The District received an unmodified opinion on compliance for the major federal awards programs report
- During 2021, the district expended approximately \$1,200,000 in Federal awards
- Programs tested were the Child Nutrition Cluster and Coronavirus Relief Fund



AUDIT FINDINGS

FINDINGS

Financial Statements:

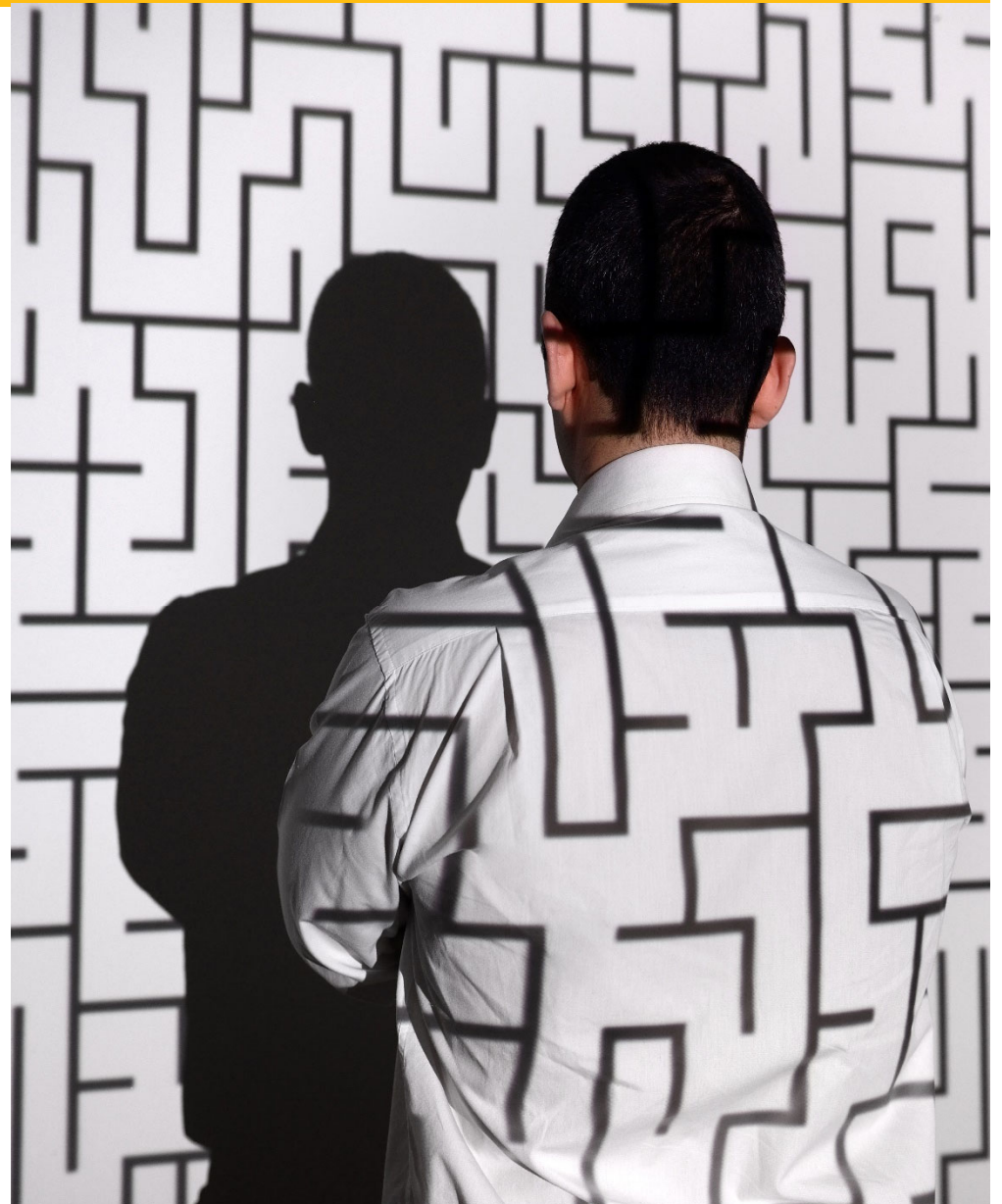
1. Segregation of Duties
2. Preparation of Financial Statements, including SEFA
3. Material Journal Entries
4. Insufficient Revenue Documentation

Minnesota Legal Compliance:

1. Conflicts of interest

Federal Awards:

1. None



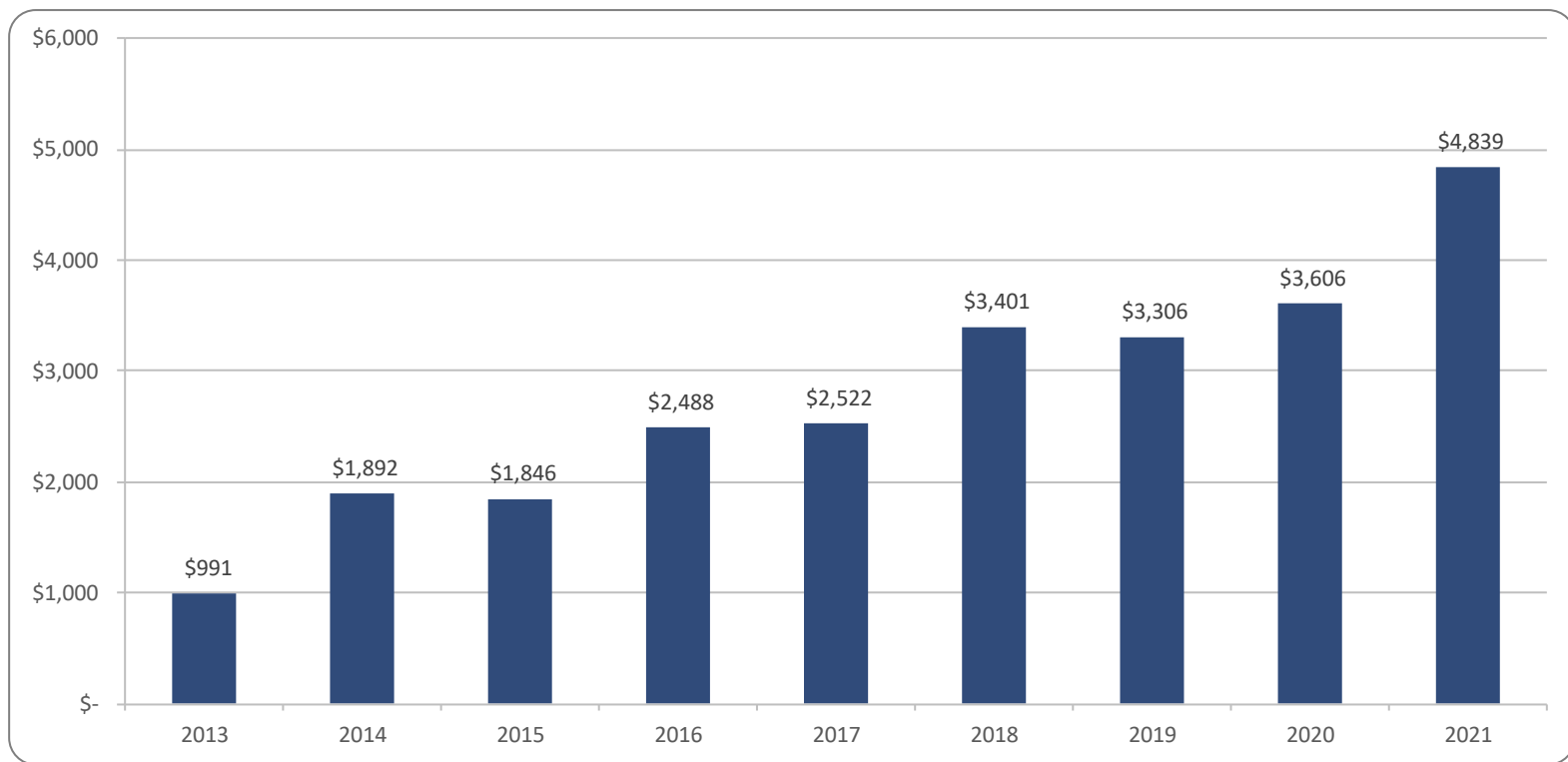


CASH AND INVESTMENTS

CASH/INVESTMENTS

Most significantly affected by the state aid payments structure.

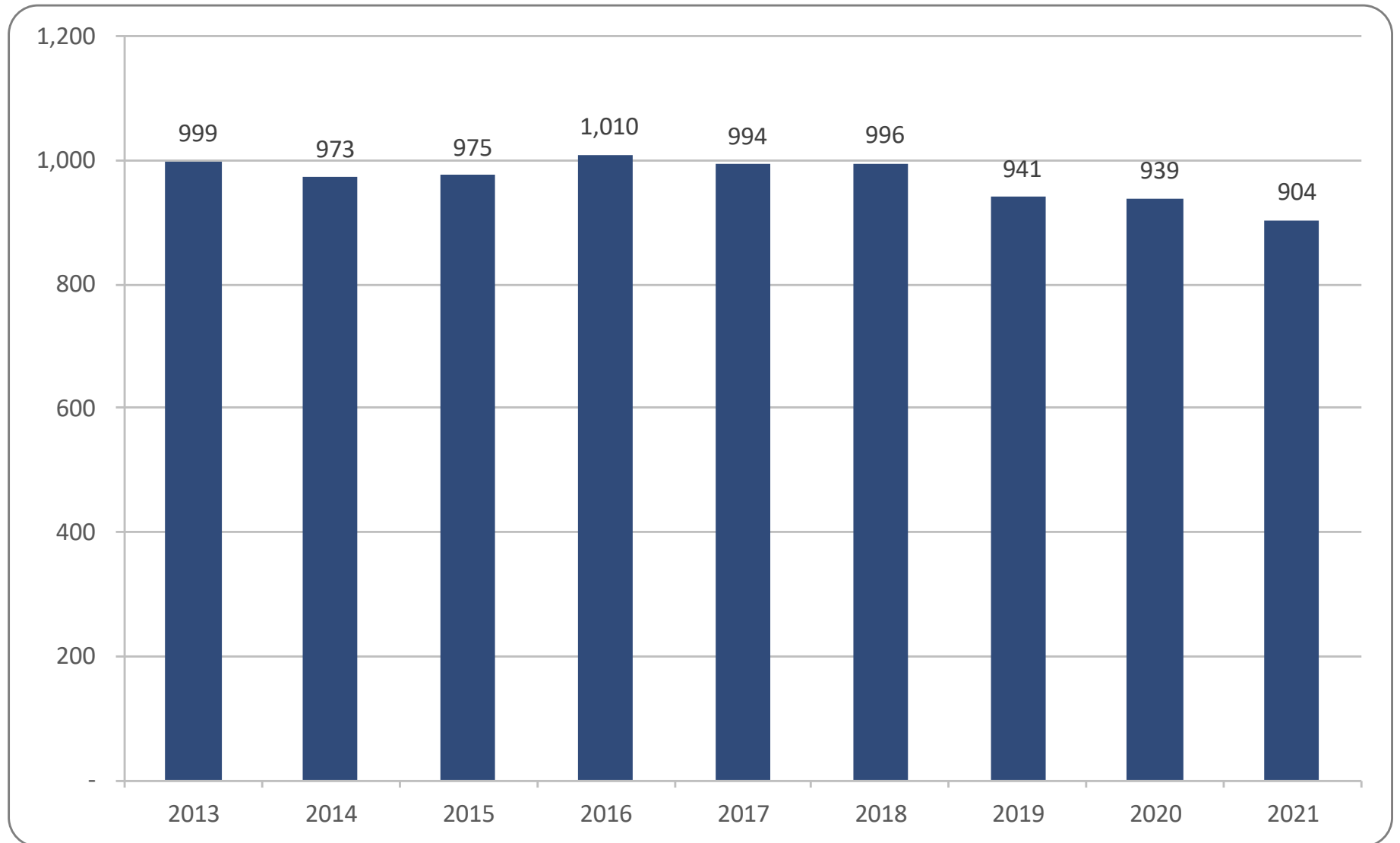
Balances (in thousands) of the District for the past 9 years:





GENERAL FUND

ADM SERVED



BUDGET TO ACTUAL

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
State sources	\$ 8,588,003	\$ 8,261,688	\$ 8,342,417	\$ 80,729
Local levies	2,228,259	2,271,925	2,238,095	(33,830)
Federal sources	359,396	805,663	775,827	(29,836)
Other	242,675	170,578	289,800	119,222
	<u>11,418,333</u>	<u>11,509,854</u>	<u>11,646,139</u>	<u>136,285</u>
				1.2%
				Positive
Expenditures				
Regular instruction	4,950,684	5,491,535	5,190,241	301,294
Administration and district support services	1,615,131	1,504,600	1,404,163	100,437
Special education instruction	1,926,261	1,881,145	1,822,100	59,045
Instructional and pupil support services	1,401,228	1,507,134	1,514,037	(6,903)
Sites and buildings	1,347,697	1,396,795	1,257,807	138,988
Other	57,500	95,414	82,616	12,798
	<u>11,298,501</u>	<u>11,876,623</u>	<u>11,270,964</u>	<u>605,659</u>
				5.1%
				Positive
Net Change in Fund Balance	<u>\$ 119,832</u>	<u>\$ (366,769)</u>	375,175	<u>\$ 741,944</u>
Fund Balance, Beginning of Year			<u>2,139,331</u>	
Fund Balance, End of Year			<u>\$ 2,514,506</u>	

A POSITIVE FUND BALANCE:

- 1** Contributes to a favorable bond rating
- 2** Produces investment income and provides a source of working capital to meet cash flow needs
- 3** Offers a cushion for unexpected expenditures or revenue shortfalls



CHANGES IN FUND BALANCES

Fund Balance: cumulative difference between fund assets and fund liabilities

	<u>Fund Balance Beginning of Year</u>	<u>Net Change in Fund Balance</u>	<u>Fund Balance End of Year</u>
Nonspendable	\$ 4,431	\$ 61,345	\$ 65,776
Restricted for student activities	109,199	391	109,590
Restricted for scholarships	34,705	(1,121)	33,584
Restricted for capital projects levy	-	77,282	77,282
Restricted for operating capital	-	113,666	113,666
Restricted for long-term facilities maintenance	100,000	120,739	220,739
Restricted for medical assistance	70,832	(6,941)	63,891
Assigned	-	607,182	607,182
Unassigned	<u>1,820,164</u>	<u>(597,368)</u>	<u>1,222,796</u>
	<u>\$ 2,139,331</u>	<u>\$ 375,175</u>	<u>\$ 2,514,506</u>

FUND BALANCE CATEGORIES

Nonspendable

Represents amounts that cannot be spent

Not in spendable form

Inventory, prepaid expenses

Restricted

Legally restricted by outside parties

Cannot be appropriated for other spending

Committed

Intended for a specific activity

Imposed by formal action of the school board but is not legally restricted

Assigned

Intended for a specific activity by school board or designated individuals

Not legally restricted

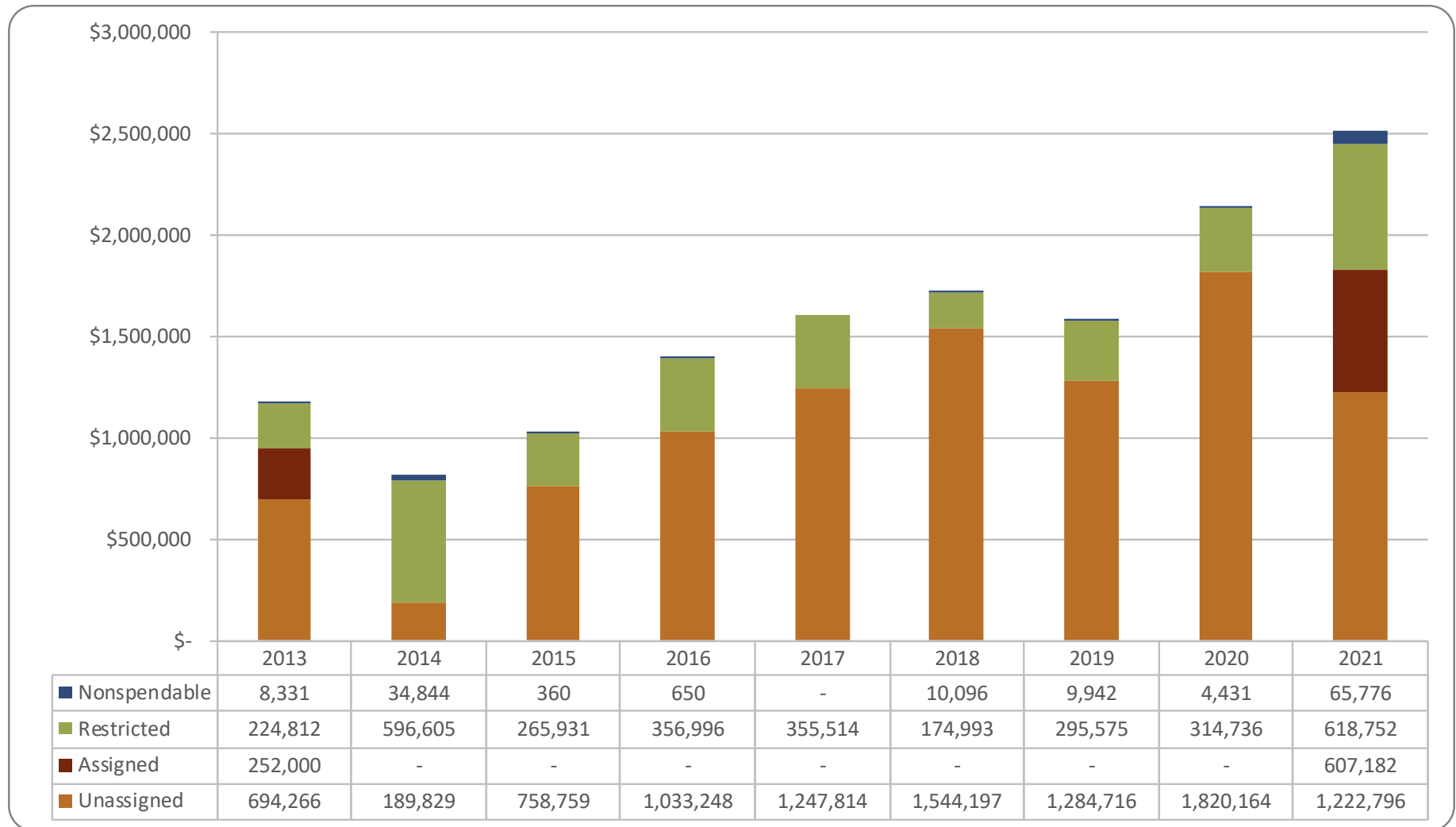
Unassigned

Reserves

“Rainy day” fund

TOTAL FUND BALANCES

Total fund balances of the General Fund for the past 9 years:



RECOMMENDATIONS REGARDING FUND BALANCES

State of Minnesota Office of the State Auditor (OSA): at year-end, local governments maintain an unrestricted fund balance in their general fund

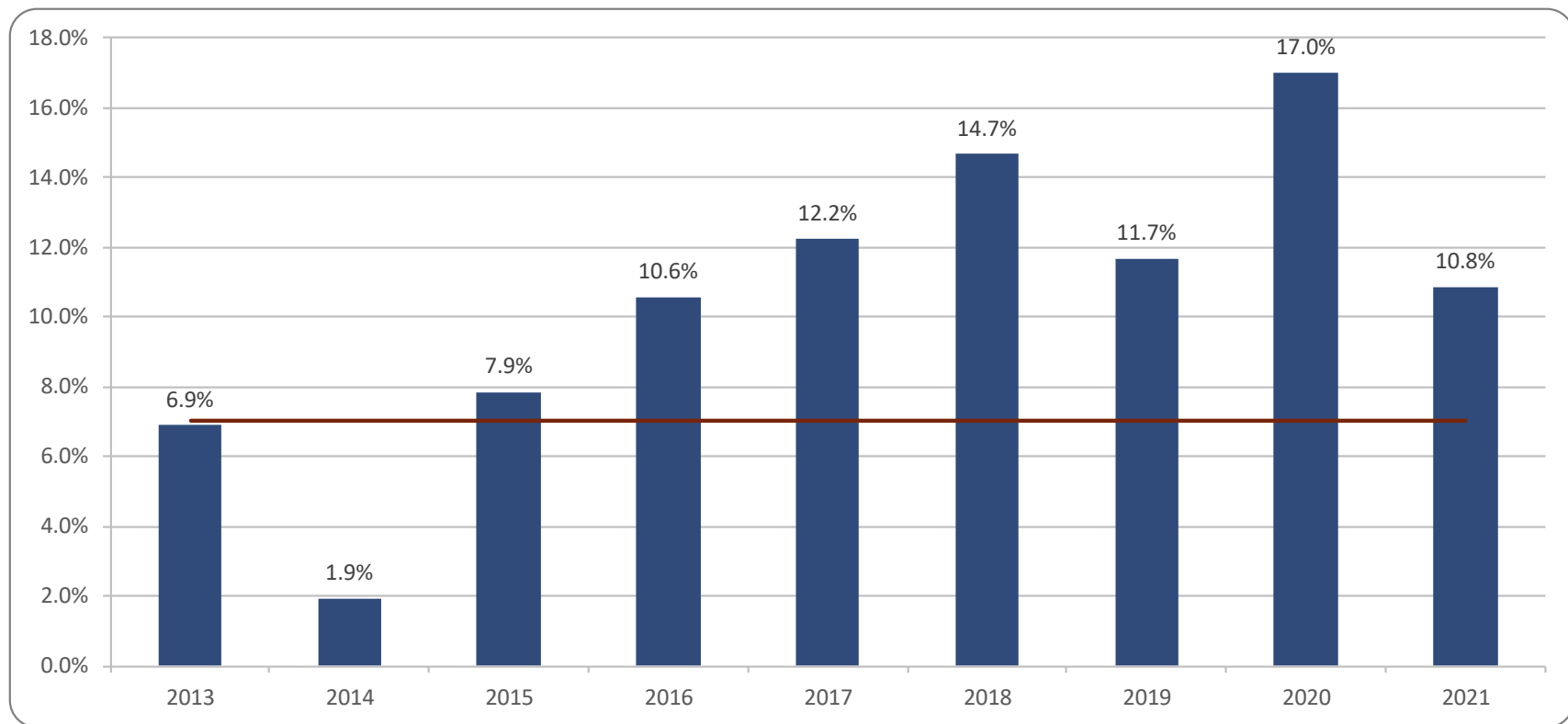
- Special Revenue Funds: approximately 35-50% of fund operating funds
- No less than 5 months of operating expenditures

Because MN school districts experience a more reliable flow of cash to fund operations, a recommended unrestricted fund balance for school districts may be less than the amounts recommended for other local governments.

The District's Policy: strive to maintain a minimum unassigned fund balance in an amount that shall be no less than 7% of the annual budget. For the current year that target amount is \$740k.

UNASSIGNED FUND BALANCE

The District's unassigned fund balance as a percentage of expenditures in the General Fund for the last 9 years



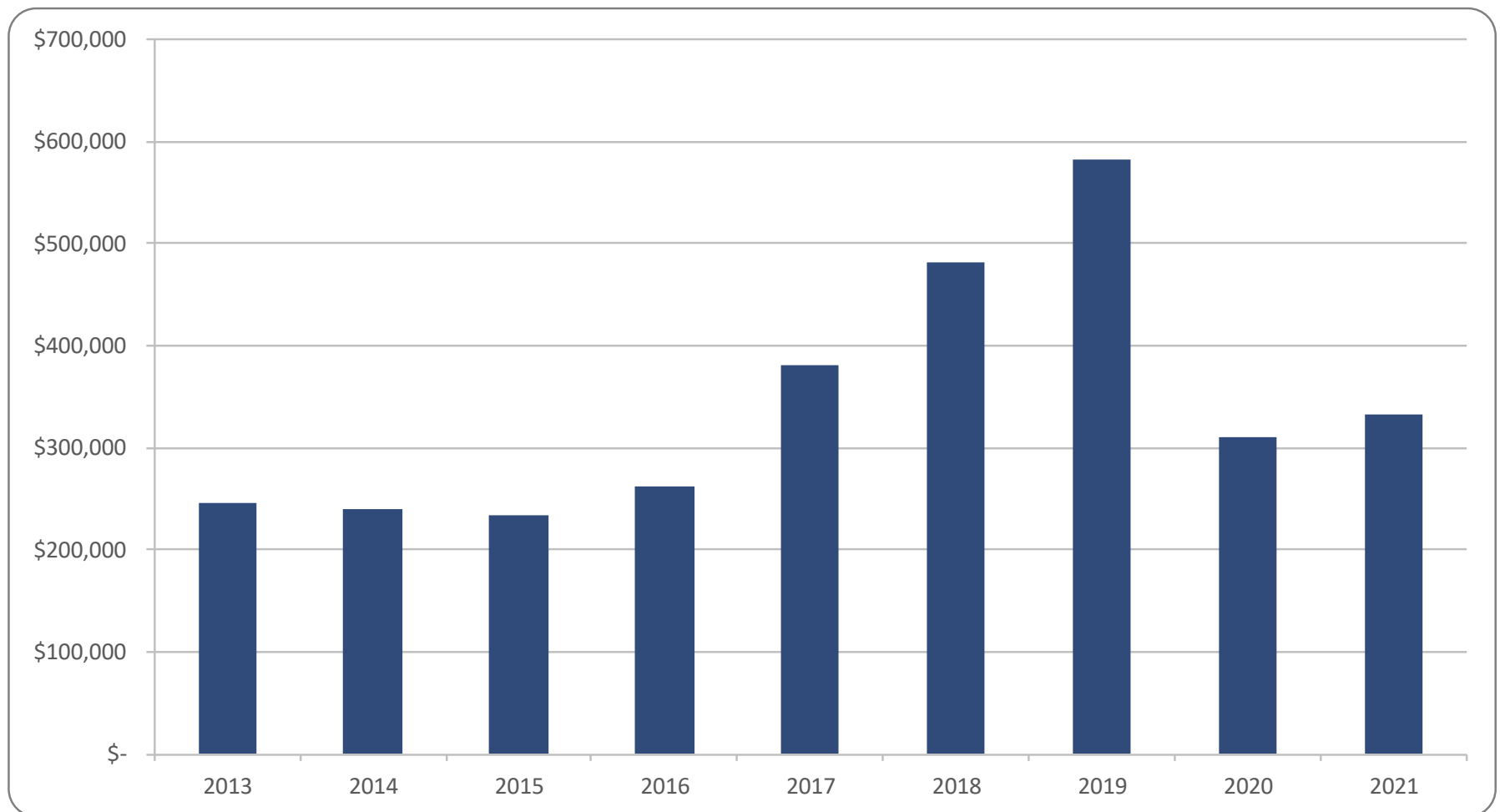
The maroon line indicates the District's fund balance policy of maintaining an unassigned fund balance of 7% of expenditures



OTHER FUNDS

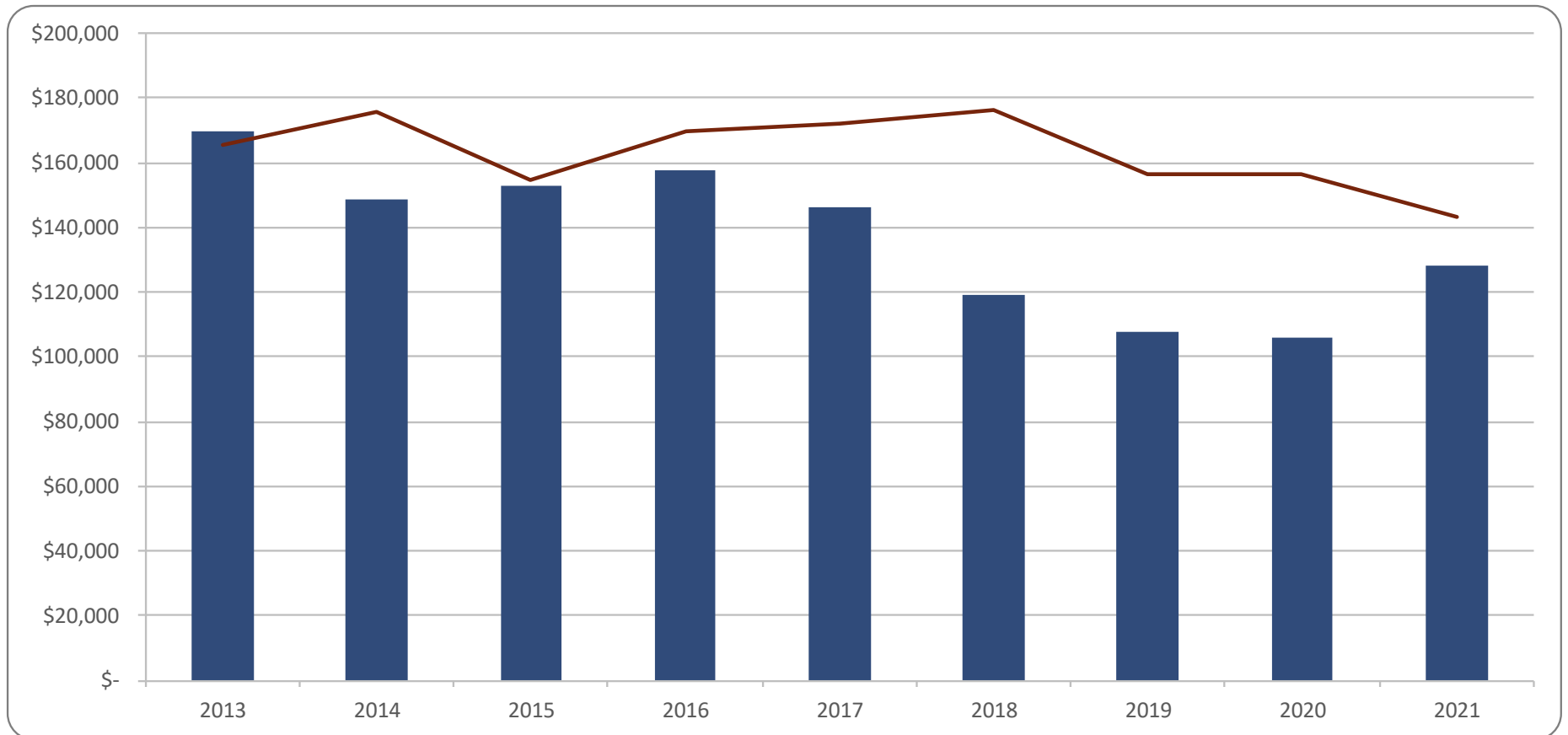
YEAR-END FUND BALANCE – COMMUNITY SERVICE FUND

Positive fund balance indicates that revenues of the community service programs are sufficient to cover the expenditures of the programs.



YEAR END FUND BALANCE – FOOD SERVICE FUND

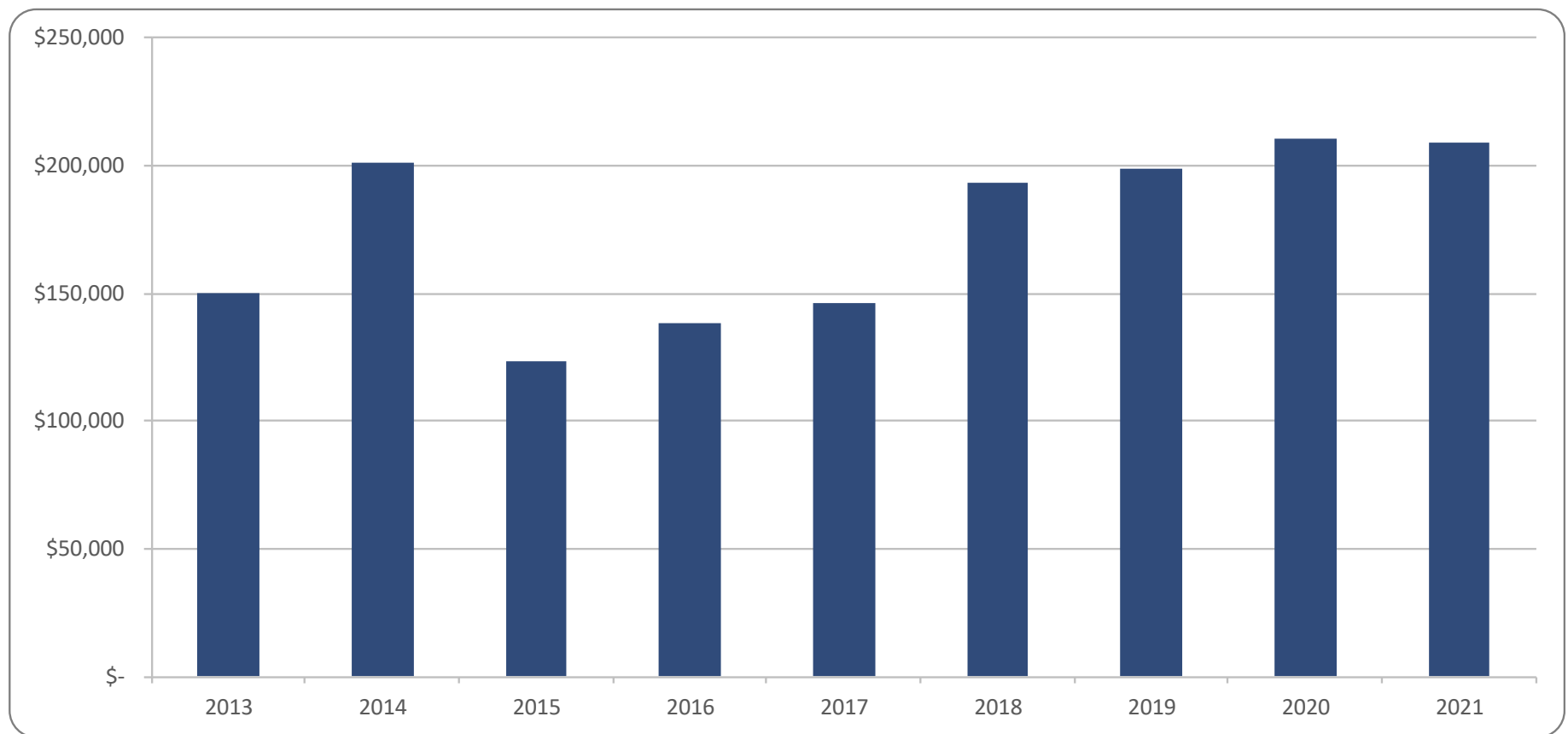
Positive fund balance indicates that revenues of the food service program are sufficient to cover the expenditures of the program.



The maroon line indicates the maximum allowable fund balance of three months expenditures.

YEAR END FUND BALANCE – DEBT SERVICE FUND

Positive fund balance indicates that revenues from property tax levies, state sources, and federal sources have been sufficient to meet the required debt service payments.





QUESTIONS?

This presentation is presented with the understanding that the information contained does not constitute legal, accounting or other professional advice. It is not intended to be responsive to any individual situation or concerns, as the contents of this presentation are intended for general information purposes only. Viewers are urged not to act upon the information contained in this presentation without first consulting competent legal, accounting or other professional advice regarding implications of a particular factual situation. Questions and additional information can be submitted to your Eide Bailly representative, or to the presenter of this session.



THANK YOU

eidebailly.com

SUPERINTENDENT CONTRACT
District 108 – Central Public Schools
July 1, 2022 – June 30, 2025

ARTICLE I
PURPOSE

This Contract is entered into between Independent School District No. 108, Norwood Young America, Minnesota, hereinafter referred to as the School District, and Timothy Schochenmaier, hereinafter referred to as the Superintendent, a legally qualified and licensed superintendent who agrees to perform the duties of the Superintendent of the School District.

ARTICLE II
APPLICABLE STATUTE

This Contract is entered into between the School District and the Superintendent in conformance with M.S. 123B.143.

ARTICLE III
LICENSE

The Superintendent shall furnish the School Board, throughout the life of this Contract, a valid and appropriate license to act as superintendent in the State of Minnesota as provided by applicable laws, rules, and regulations.

ARTICLE IV
DURATION, EXPIRATION, TERMINATION
DURING THE TERM, MUTUAL CONSENT, AND CONTINGENCY

Section 1. Duration: This Contract is for a term of three (3) years commencing on July 1, 2022 and ending on June 30, 2025. It shall remain in full force and effect unless modified by mutual consent of the School Board and the Superintendent or unless terminated as provided in this Contract.

Section 2. Expiration: This Contract shall expire at the end of the term specified in Section 1. above. At the conclusion of its term, neither party shall have any further claim against the other, and the School District's employment of the Superintendent shall cease, unless a subsequent Contract is entered into in accordance with M.S. 123B.143, Subd. 1. Six (6) to nine (9) months prior to the expiration of this Contract, at the Superintendent's written request, the School board shall conduct a performance evaluation of the Superintendent pursuant to M.S. 13D.05, Subd. 3.

Section 3. Termination During the Term: The Superintendent's employment may be terminated during the term of this Contract only for cause as defined in M.S. 122A.40, Subd. 9. and Subd. 13., but, except for purposes of describing grounds for discharge, the provisions of M.S. 122A.40 shall not be applicable. If the School Board proposes to terminate the Superintendent during the term of this Contract for cause as described in M.S. 122A.40, Subd. 9. or Subd. 13., it shall notify the Superintendent in writing of the proposed grounds for termination. The Superintendent shall be entitled to a hearing before an arbitrator provided the Superintendent makes such a request in writing to the School Board Chair within fifteen (15) calendar days after receipt of the written notice of the proposed termination. In such event, the parties shall jointly petition the Minnesota Bureau of Mediation Services (BMS) for a list of five (5) arbitrators. The arbitrator shall be selected by the parties through the striking process as provided by BMS rules. The arbitrator shall conduct a hearing under arbitration procedure rules and issue a written decision. The decision of the arbitrator shall be final and binding on the parties, subject to judicial review of arbitration decisions as provided by law. The Superintendent may be suspended with pay pending final determination by the arbitrator. If the Superintendent fails to request a hearing as provided in this section within the fifteen (15)-day calendar period, he/she shall be deemed to have acquiesced to the School Board's proposed action, and the proposed action shall become final on such date as determined by the School Board, and the

Superintendent shall have no further claim or recourse.

Section 4. Mutual Consent: This Contract may be terminated at any time by mutual consent of the School Board and the Superintendent.

Section 5. Contingency: If this Contract is a subsequent Contract entered into prior to the completion of an existing Contract, this subsequent Contract is contingent upon the Superintendent completing the terms of the existing Contract.

ARTICLE V DUTIES

Section 1. Duties: The Superintendent shall have charge of the administration of the schools under the direction of the School Board. The Superintendent shall be the chief executive officer of the School District; shall direct and assign teachers and other School District employees under the Superintendent's supervision; shall organize, reorganize, and arrange the administrative and supervisory staff, including instruction and business affairs, as best serves the School District subject to the approval of the School Board; shall select all personnel subject to the approval of the School Board; shall, from time to time, suggest policies, regulations, rules, and procedures deemed necessary for the School District; and, in general, perform all duties incident to the office of the Superintendent and such other duties as may be prescribed by the School Board from time to time. The Superintendent shall abide by the policies, regulations, rules, and procedures established by the School Board and the State of Minnesota. The Superintendent shall have the right to attend all School Board meetings and all School Board and citizen committee meetings, serve as an ex-officio member of the School Board and all School Board committees, and provide administrative recommendations on each item of business considered by each of these groups.

Section 2. Evaluation: The Superintendent will be evaluated on an annual basis and will follow the timelines established in the evaluation tool agreed to by both parties, outside of this contract.

ARTICLE VI DUTY YEAR AND LEAVES OF ABSENCE

Section 1. Basic Work Year: The Superintendent's duty year shall be for the entire twelve (12)-month Contract year, and the Superintendent shall perform duties on those legal holidays on which the School Board is authorized to conduct school if the School Board so determines. The Superintendent shall be on duty during any emergency, natural or unnatural, unless otherwise excused in accordance with School Board administrative policy.

Subd. 1: When it is necessary to calculate the per diem rate for the purposes of this agreement, such a per diem will be determined by taking the superintendent's annual salary divided by 224.

Section 2. Vacation: The Superintendent shall earn twenty-five (25) working days of annual paid vacation each Contract year. Upon voluntary termination of employment, the Superintendent shall be entitled to payment for any unused vacation days earned and accrued pursuant to the provisions of this section; however, if the Superintendent is involuntarily terminated, he/she shall not be entitled to unused earned and accrued vacation days.

Section 3. Holidays: The Superintendent shall be entitled to eleven (11) paid holidays as designated by the School Board each Contract year. The School Board, however, reserves the right, if school is in session, to cancel any of the holidays and establish another holiday in lieu thereof with the understanding, however, that the Superintendent under this provision will be guaranteed eleven (11) paid holidays per year.

1. New Year's Day
2. President's Day
3. Memorial Day
4. Independence Day
5. Labor Day

6. Thanksgiving Day
7. Day after Thanksgiving Day
8. Christmas Eve Day
9. Christmas Day
10. New Year's Eve Day
11. Floating Holiday (district designated)

Section 4. Sick Leave: The Superintendent shall earn paid sick leave at the rate of 1.75 day(s) each working month, and earned sick leave may accumulate to a maximum of 70 days.

Section 5. Workers' Compensation: Pursuant to M.S. Chapter 176, the Superintendent injured on the job in the service of the School District and collecting workers' compensation insurance may draw sick leave and receive full salary from the School District, the salary to be reduced by an amount equal to the insurance payments, and only that fraction of the days not covered by insurance will be deducted from accrued sick leave.

Section 6. Bereavement Leave: The Superintendent shall be granted bereavement leave for a death within the Superintendent's immediate family. The time utilized shall be in an amount to be determined after conferring with the School Board Chair. Days utilized will be deducted from the Superintendent's sick leave. "Immediate family" is defined as the Superintendent's spouse, child, parent, brother, sister, or other relative who was living in the same household as the Superintendent.

Section 7. Emergency Leave: The Superintendent may be granted paid emergency leave at the discretion of the School Board.

Section 8. Jury Service: The Superintendent who serves on jury duty shall be granted the day or days necessary as stipulated by the court to discharge this responsibility without any salary deduction or loss of basic leave allowance. The compensation received for jury duty service shall be remitted to the School District.

Section 9. Military Leave: Military leave shall be granted pursuant to applicable law.

Section 10. Disability: If the Superintendent is unable to perform his/her regular duties because of personal illness or disability and has exhausted all accumulated sick leave, the School Board shall provide additional paid sick leave at a salary equal to 66 2/3 percent of the Superintendent's regular salary until the expiration of the waiting period for long-term disability insurance.

Section 11. Medical Leave: Pursuant to M.S. 122A.40, Subd. 12., the Superintendent shall have a right to a leave of absence for health reasons.

Section 12. Insurance Application: A Superintendent on unpaid leave is eligible to continue to participate in group insurance programs if permitted under the insurance policy provisions. The Superintendent shall pay the entire premium for such insurance commencing with the beginning of the leave and shall pay to the School District the monthly premium in advance. In the event the Superintendent is on paid leave from the School District under Section 4. above or supplemented by sick leave pursuant to Section 5. above, the School District will continue insurance contributions as provided in this Contract until sick leave is exhausted. Thereafter, the Superintendent must pay the entire premium for any insurance retained.

ARTICLE VII INSURANCE

Section 1. Health and Hospitalization and Dental Insurance: The School District shall provide the Superintendent and the Superintendent's dependents/family with health and hospitalization and dental insurance coverage under the School District's group health and hospitalization and dental insurance plans at the expense of the School District.

Section 2. Alternatively, for each contract year during an open enrollment period, the superintendent may

waive dependent/family health and hospitalization insurance. In the event the Superintendent waives dependent/family coverage, the Superintendent must take single health and hospitalization insurance. The School District shall provide to the Superintendent an amount equal to the difference between the single and dependent/family School District's group health and hospitalization and dental insurance plans ("School District Costs"). The School District shall purchase on behalf of the Superintendent an HRA or HSA or other post retirement health savings product and deposit those School District Costs not to exceed limits set forth by the IRS. Any annuity funded under this provision shall be owned by the Superintendent, and the choice of program or programs, as well as the tax consequences, shall be the sole responsibility of the Superintendent. There will be no cash in lieu of health insurance to the Superintendent.

Section 2. Life Insurance: The School District shall provide, at its own expense, term life insurance for the Superintendent under the School District's group term life insurance plan in the amount of \$100,000, payable to the Superintendent's named beneficiary(ies).

Section 3. Long-Term Disability Insurance: The School District shall provide, at its own expense, long-term disability insurance for the Superintendent under the School District's group long-term disability insurance plan.

Section 4. Eligibility: The eligibility of the Superintendent and the Superintendent's dependent(s) and beneficiary(ies) for insurance benefits shall be governed by the terms of the insurance policies purchased by the School District pursuant to this article.

Section 5. Claims Against the School District: The School District's only obligation is to purchase the insurance policies described in this article, and no claim shall be made against the School District as a result of denial of insurance benefits by an insurer if the School District has purchased the policies and paid the premiums described in this article.

Section 6. Liability Insurance: The School District shall provide, at School District expense, liability insurance naming the Superintendent as an insured, along with the School District, in an amount not less than that which is required by the law for the School District.

ARTICLE VIII OTHER BENEFITS

Section 1. Tax-Sheltered Annuities: The Superintendent is eligible to participate in a tax-sheltered annuity plan through payroll deduction established pursuant to Section 403(b) of the Internal Revenue Code of 1986, M.S. 123B.02, Subd. 15., School District policy, and as otherwise provided by law. The School District shall contribute up to 4% of the superintendent's salary in matching funds each year into the 403(b) matching fund on behalf of the Superintendent and as described and allowed by Minnesota Statute. The maximum the school district would contribute under this provision would be \$50,000 for all years the superintendent is employed in the district.

Section 2. Vehicle: The School District shall compensate the Superintendent for business use of his/her private vehicle at the rate of \$833 per month. This provision ends at the resignation or retirement of Superintendent Schochenmaier.

Section 3. Conferences and Meetings: The School District shall pay all legally valid expenses and fees for the Superintendent's attendance at professional conferences and meetings with other educational agencies when such attendance is required, directed, or permitted by the School Board. The Superintendent shall periodically report to the School Board relative to all meetings and conferences attended. The Superintendent shall file itemized expense statements to be processed and approved as provided by School Board policy and law. The Superintendent may attend the National Convention with all expenses paid after being employed by the district for three (3) years. After that the Superintendent will be able to attend the National Convention yearly.

ARTICLE IX SALARY

The Superintendent shall be paid an annual salary of \$146,873 for the 2022-2023 Contract year, \$146,873 for the 2023-2024 Contract year, and \$146,873 for the 2024-2025 Contract year. During the term of this Contract, the annual salary may be modified but shall not be reduced. The annual salary shall be paid in twenty-four (24) equal installments during the contract year.

ARTICLE X OTHER PROVISIONS

Section 1. Outside Activities: While the Superintendent shall devote full time and due diligence to the affairs and the activities of the School District, he/she may also serve as a consultant to other school districts or educational agencies, lecture, engage in writing and speaking activities, and engage in other activities if, as solely determined by the School Board, such activities do not impede the Superintendent's ability to perform the duties of the superintendency. However, the Superintendent may not engage in other employment, consultant service, or other activity for which a salary, fee, or honorarium is paid without the prior approval of the School Board.

Section 2. Indemnification and Provision of Counsel: In the event that an action is brought or a claim is made against the Superintendent arising out of or in connection with his/her employment and the Superintendent is acting within the scope of employment or official duties, the School District shall defend and indemnify the Superintendent to the extent provided by law. Indemnification, as provided in this section, shall not apply in the case of malfeasance in office or willful or wanton neglect of duty, and the obligation of the School District in this regard shall be subject to the limitations as provided in M.S. Chapter 466.

Section 3. Dues: The Superintendent is encouraged to belong to and participate in appropriate professional, educational, economic development, community, and civic organizations when such membership will serve the best interests of the School District. Accordingly, the School District will pay the membership dues for such organizations as are required, directed, or permitted by the School Board. The Superintendent shall present appropriate statements for approval as provided by law.

Section 4. Medical Examination: The Superintendent shall have a comprehensive medical examination not less than yearly. A summary document from the physician certifying the fitness of the Superintendent to perform the duties of the position shall be provided to the School Board Chair. The cost of said examination not covered by the School District's insurance program shall be paid by the School District.

Section 5. Cell-Phone Allowance: \$120 per month will be allowed for business cell-phone use.

Section 6. Unused Sick and Vacation Pay: Upon resignation or retirement, the Superintendent will receive payment from the District for all unused sick, personal and vacation leave, payment will be based on the Superintendent's annual salary at the time of resignation or retirement divided by 224 days. Payment shall be made within 45 working days to the account of the superintendent's choosing. Any combination of sick or vacation days accumulated over 70 days on June 30th shall be paid at the daily rate of pay of that current year.

In the event of a death of superintendent, the employee's total dollar amount of unused sick, personal, and vacation shall be given to the employee's designated beneficiary, if any, otherwise to his estate.

Section 7. Construction/Referendum Pay: In the event the school board directs the superintendent to conduct a school election (levy, bond, or capital project), or if the district is commencing construction projects above the base long term facilities amount, the superintendent will receive compensation of 10% based on the current year salary in the calendar year of the election or construction project on or before December 31.

ARTICLE XI
SEVERABILITY

The provisions of this Contract shall be severable, and if any such provision or the application of any such provision under any circumstances is held invalid, it shall not affect any other provisions of this Contract or the application of any provision thereof.

IN WITNESS WHEREOF, I have subscribed
my signature this ____ day of
_____, 20____.

Superintendent

IN WITNESS WHEREOF, we have subscribed
our signatures this ____ day of
_____, 20____.

School Board Chair

School Board Clerk

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF THE
DISTRICT'S GENERAL OBLIGATION SCHOOL BUILDING BONDS**

ISSUER: INDEPENDENT SCHOOL DISTRICT NO. 108
(CENTRAL PUBLIC SCHOOLS)
STATE OF MINNESOTA

GOVERNING BODY: SCHOOL BOARD

KIND, DATE, TIME AND PLACE OF MEETING:

A regular meeting held November 22, 2021, at 6:00 o'clock p.m., held in the High School Media Center in Norwood Young America, Minnesota.

MEMBERS PRESENT:

MEMBERS ABSENT:

Documents Attached: Extract of Minutes of said meeting.

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF THE DISTRICT'S GENERAL
OBLIGATION SCHOOL BUILDING BONDS (MINNESOTA SCHOOL DISTRICT CREDIT
ENHANCEMENT PROGRAM); AUTHORIZING THE NEGOTIATION FOR THE SALE OF
SUCH BONDS; AND COVENANTING AND OBLIGATING THE DISTRICT TO BE BOUND BY
AND TO USE THE PROVISIONS OF MINNESOTA STATUTES, SECTION 126C.55 TO
GUARANTEE THE PAYMENT OF THE PRINCIPAL AND INTEREST ON SUCH BONDS**

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the obligations referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting, so far as they relate to said obligations; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS MY HAND officially as such recording officer this ____ day of November, 2021.

School District Clerk

**EXTRACT OF MINUTES OF A MEETING
OF THE SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. 108
(CENTRAL PUBLIC SCHOOLS)
STATE OF MINNESOTA**

HELD: NOVEMBER 22, 2021

Pursuant to due call and notice thereof, a regular scheduled meeting of the School Board of Independent School District No. 108 (Central Public Schools), State of Minnesota, was held on November 22, 2021 at 6:00 o'clock p.m.

Member _____ introduced the following resolution and moved its adoption:

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF THE DISTRICT'S GENERAL OBLIGATION SCHOOL BUILDING BONDS (MINNESOTA SCHOOL DISTRICT CREDIT ENHANCEMENT PROGRAM); AUTHORIZING THE NEGOTIATION FOR THE SALE OF SUCH BONDS; AND COVENANTING AND OBLIGATING THE DISTRICT TO BE BOUND BY AND TO USE THE PROVISIONS OF MINNESOTA STATUTES, SECTION 126C.55 TO GUARANTEE THE PAYMENT OF THE PRINCIPAL AND INTEREST ON SUCH BONDS

BE IT RESOLVED by the School Board of Independent School District No. 108 (Central Public Schools), State of Minnesota (the "District"), as follows:

Section 1. Purpose.

It is hereby determined to be in the best interests of the District to issue its General Obligation School Building Bonds, in one or more series, in the aggregate principal amount of not to exceed \$38,855,000 (the "Bonds"), pursuant to Minnesota Statutes, Chapters 475, as approved by the electors of the District at the special election held on November 2, 2021.

Proceeds of the Bonds will be used to (i) finance acquisition and betterment of school sites and facilities, including but not limited to, safety and security enhancements, the completion of various deferred maintenance projects, environmental systems improvements, energy efficiency upgrades, technology infrastructure improvements, parking expansion, expansion and modernization of special education spaces, a new boys and girls locker room, weight room, fitness center; and, modernization of classrooms, including the creation of flexible learning spaces, STEM labs and new furniture and construction of an additional two-court auxiliary gymnasium at the High School; construction of a new athletic stadium for track, soccer, and football with concessions,

visitor seating, synthetic turf, and parking; construction of a new wrestling training room; and creation of an additional ball field with bleachers; and (ii) pay costs of issuance associated with the issuance of the Bonds.

Section 2. Sale. The School Board, desires to proceed with the sale of the Bonds by direct negotiation to Robert W. Baird & Co. (herein “Baird”). Baird will purchase the Bonds in an arms-length commercial transaction with the District. The School Board will obtain fee quotes for an independent municipal advisor to provide bond pricing opinion services for the purposes set forth in Minnesota Statutes, Section 475.60, Subdivision 2(9), as amended. The Superintendent or Business Manager is hereby authorized to approve an independent municipal advisor. Baird is authorized to prepare an Official Statement related to the sale of the Bonds.

The Superintendent or the Business Manager and a School Board officer are hereby authorized to approve the sale of the Bonds, to be issued in one or more series, in an aggregate principal amount not to exceed \$38,855,000 and to execute a Bond Purchase Agreement with Baird for the purchase of the Bonds, provided that the True Interest Rate of this issue does not exceed 2.86%.

Section 3. Approval Meeting. Upon approval of the sale of the Bonds by the Superintendent or Business Manager and a School Board officer, the School Board will meet at its next regularly scheduled meeting to adopt the necessary approving resolution as drafted by the District's Bond Counsel.

Section 4. State Credit Enhancement Program.

(a) The District hereby covenants and obligates itself to be bound by and to use the provisions of Minnesota Statutes, Section 126C.55 (the “**Credit Enhancement Act**”) to guarantee payment of the principal of, the premium, if any, and the interest on the Bonds when due. The District shall comply with all procedures now or hereafter established by the Minnesota Department of Management and Budget and the Minnesota Department of Education pursuant to subdivision 2(c) of the Credit Enhancement Act and to take such actions as necessary to comply with the Credit Enhancement Act. The Chair of the School Board and the clerk, the superintendent and the business manager of the District are each authorized to execute any applicable forms of the Minnesota Department of Management and Budget or the Minnesota Department of Education. The District understands and acknowledges that the provisions of the Credit Enhancement Act shall be binding on the District as long as any Bonds are outstanding.

(b) The District further covenants to deposit with any registrar and paying agent for the Bonds (the “**Registrar**”), at least three (3) business days prior to the date on which any payment of principal of, premium, if any, or interest on the Bonds is due, an amount sufficient to pay such payment. If the District believes it may be unable to pay the principal of, the premium, if any or the interest on the Bonds on the date any such payment is due, the District

shall notify the Commissioner of the Department of Education as soon as possible, but not less than 15 business days before the date such payment is due. The District shall authorize and direct the Registrar to notify the Commissioner of the Department of Education if (i) the Registrar becomes aware of a potential payment default with respect to the Bonds or (ii) two (2) business days prior to the date a payment is due on the Bonds the Registrar does not have sufficient funds to make the payment due on such date.

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

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.