

# WAYZATA PUBLIC SCHOOLS

Independent School District 284  
Wayzata, Minnesota

## BOARD OF EDUCATION

Regular - December 11, 2006 - 7:30 PM  
Wayzata City Hall, 600 Rice Street, Wayzata, MN 55391

### AGENDA

1.	CALL TO ORDER/ROLL CALL	3
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	Consent Agenda items are considered to be routine in nature and will be enacted by one motion. There will be no separate discussion of these items unless a Board member or citizen so requests, in which event the item will be removed as a Consent Agenda item and addressed. Consent Agenda Items are as follows:	
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POSTED 12/07/06

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**VISION**

***A model of excellence among learning communities***

**MISSION**

***The mission of the Wayzata School District is to prepare all students for the future by providing a challenging education which builds academic competence, develops responsible citizenship, encourages creativity, promotes lifelong learning, advances critical thinking skills, instills a commitment to personal wellness, and fosters respect for self and others.***

**DISTRICT DIRECTIONS for 2005-2007**

- ***Apply our vision to all components of the District***
- ***Erase organizational barriers that limit participation of all cultural groups***
- ***Strive for smaller class sizes***
- ***Work toward a more individualized model of education***
- ***Promote a “client-centered” District***

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

**Regular Meeting – December 11, 2006**

**AGENDA SECTION:** 1. Call to Order/Roll Call

**ITEM:** \_\_\_\_\_

**COMMENTS BY:** Board Chair Cohen

**Carter Peterson, Board Clerk, will call the roll:**

	<b><u>PRESENT</u></b>	<b><u>ABSENT</u></b>
Mr. Gregory D. Baufield	_____	_____
Ms. Linda A. Cohen	_____	_____
Ms. Susan J. Droegemueller	_____	_____
Ms. Patricia L. Gleason	_____	_____
Mr. Gary W. Landis	_____	_____
Mr. John A. Moroz	_____	_____
Ms. Carter G. Peterson	_____	_____
Mr. Robert J. Ostlund, Ex Officio	_____	_____

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

**Regular Meeting – December 11, 2006**

**AGENDA SECTION: 2. Approval of Agenda and Consent Agenda Items**

**ITEM: \_\_\_\_\_**

**COMMENTS BY: Board Chair Cohen**

Consent Agenda items are considered to be routine in nature and will be enacted by one motion. There will be no separate discussion of these items unless a Board member or citizen so requests, in which event the item will be removed as a Consent Agenda item and addressed. Consent Agenda Items are as follows:

- A. Approval of Minutes – November 13, 2006
- B. Finance and Business Recommendations
- C. Human Resource Recommendations
- D. Bid Award – Indoor Air Quality Improvements – Central Middle School

**RECOMMENDED ACTION:** Approve the agenda as presented (amended) and the Consent Agenda items as recommended.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_

Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_

Abstentions \_\_\_\_\_

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

**AGENDA SECTION: 2. Approval of Agenda and Consent Agenda Items**

**ITEM: A. Approval of Minutes – November 13, 2006**

**COMMENTS BY: Board Clerk Peterson**

Enclosed for Board review and approval are the minutes of the Regular Board Meeting of November 13, 2006.

**RECOMMENDED ACTION:** Approve the minutes of the Regular Board Meeting of November 13, 2006.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_

Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_

Abstentions \_\_\_\_\_

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

**Regular Meeting – November 13, 2006**

**MINUTES**

The Regular meeting of the Board of Education of Independent School District 284 was convened on Monday, November 13, 2006, 7:00 p.m. at Wayzata City Hall, 600 Rice Street, Wayzata, Minnesota, pursuant to due notice. The meeting was broadcast live on cable television Plymouth Channel 22 (Comcast) and Wayzata Channel 19 (Mediacom), and delayed broadcast on Minnetonka Channel 17 (Time Warner).

Regular Meeting

The meeting was called to order by Board Chair, Linda Cohen, and Carter Peterson, Board Clerk, called the roll. The following School Board members were present: Mr. Gregory D. Baufield, Ms. Linda A. Cohen, Ms. Susan Droegemueller, Ms. Patricia L. Gleason, Mr. John A. Moroz, Mr. Gary W. Landis, Ms. Carter G. Peterson, and Mr. Robert J. Ostlund, Superintendent of Schools and Ex Officio member of the School Board. School Board members absent: No one.

Others present: Colleen O. Erickson, Alan R. Hopeman, Jr., Jane L. Sigford, Bob Noyed, Rachel Schaeffer, Cindy Mohr, Amy Vold, Peter Vold, Jimmy Tam, Pik Tam, Carol Wyffels, D. Wyffels, Bev Gudrais, Tom Lindquist, Joyce Lindquist, Fred Kornahrens, Kathy Kornahrens, Julie Delliquanti, Dan Parks, Tracy Parks, Cathy Lindahl, Jack Lindahl, Chris Lindahl, Matt Fiedler, Caroline Fiedler, Judy Reiner, Allison Bolin, Leslie Swiggum, Kelli Olson, Clarice Hagen, Jodi Grack, Anne Komahrens, Joel Ellinger, Susan Sommerfeld, Jim Brandl, Marcia Treno, Sue Iverson, Linda Lankford, Pat Meridian, Joe Matson, Bev Borgstrom, Sarah Sanders, and Lynn Vettel.

**BOARD ACTION**

The following motions and resolutions were acted on by the School Board:

Board Chair Cohen reported that the Approval of Agenda and Consent Agenda items provided Board members and the Administration with the opportunity to amend the agenda by adding, withdrawing, or reordering the items. The Consent items were considered routine in nature, were indicated on the agenda with an asterisk (\*) and would be enacted with one motion. There would be no separate discussion of Consent items unless a Board member or citizen so requested, in which event the item would be removed from the Consent Agenda and addressed in sequence.

Agenda and Consent Agenda Amended

A motion was made by Mr. Landis to approve the Agenda and Consent Agenda items as presented. Mr. Moroz seconded the motion and the motion passed on a 6-1 vote, with Mr. Baufield voting no.

A motion was made by Mr. Landis and seconded by Mr. Moroz to approve the minutes of the Regular Board Meeting of October 9, 2006 and Special Board Meeting of October 23, 2006. The motion passed on a 6-1 vote, with Mr. Baufield voting no.

Minutes

During American Education Week, November 12-18, 2006, the National Education Association (NEA) – the nation’s largest educators’ organization-issued a nationwide call urging all Americans to do their part in providing a quality public education to children so that they can grow and achieve in the 21<sup>st</sup> century. NEA’s theme this year is: Great Public Schools: A Basic Right and Our Responsibility.

American  
Education  
Week

Throughout the week, NEA and its 2.7 million members hosted events across the country designed to raise awareness about the critical need for educators, parents, students, and communities to work together for great public education in America. As part of NEA’s call for quality public education, the Association is organizing individual celebration days throughout American Education Week to reinforce the importance of working together as a unified community to build great public schools. The week’s celebration days included:

- **Monday, November 13:** Nationwide Kick Off Celebration, **Tuesday, November 14:** Invite Parents to School Day, **Wednesday, November 15:** Education Support Professionals Day, **Thursday, November 16:** Educator for a Day, and **Friday, November 17:** Substitute Educators Day.
- Wayzata Public Schools will kick off American Education Week on Monday, November 13 at the School Board meeting at 7 PM at Wayzata City Hall. The Board adopted a Resolution recognizing American Education Week and invited our 21 National Merit Scholarship Semifinalists from the class of 2007 to honor their “Esteemed Teachers”.

American Education Week began in 1921 as a way to generate public awareness and support for education at a time when illiteracy was still a major problem in the United States.

A motion was made by Ms. Gleason and seconded by Mr. Moroz that the Board adopt the RESOLUTION – AMERICAN EDUCATION WEEK – NOVEMBER 12-18, 2006. Ms. Peterson, Board Clerk, read the Resolution and a roll call vote was taken. The following voted in favor thereof: Susan Droegemueller, Patricia Gleason, Gary Landis, John Moroz, Carter Peterson, Greg Baufield, and Linda Cohen, and the following voted against the same: no one; whereupon the motion passed on a 7-0 vote.

The Community Education Services Department presented its 26<sup>th</sup> Annual Report. Jim Brandl, Director of Community Education Services, Ms. Lynn Vettel, Advisory Council Vice Chair, and Marcia Treno, Family Learning Coordinator presented highlights from the 2005-2006 Annual Report. Board Chair Cohen thanked the presenters for all the hard work the department does, she stated, “It’s a wonderful program!”

Community  
Education  
Services  
(CES) Annual  
Report

No Board action was required.

Board Policy 415 - "Mandated Reporting Of Child Neglect Or Physical Or Sexual Abuse" - Second Reading and Adoption.

Board Policy  
and  
Regulations

Mr. Landis made a motion to accept administration’s recommendation, per required annual review, for the proposed minor changes to Board Policy 415 for Second Reading and Adoption. Mr. Moroz seconded the motion and the motion passed on a 6-1 vote, with Mr. Baufield voting no.

Board Policy 401 - "Drug-Free Workplace/Drug-Free School" - Second Reading and Adoption, Board Policy 404 - "Drug-Free Workplace/Drug-Free School" - Second Reading and Adoption, Board Policy 405 - "Staff Hiring" - Second Reading and Adoption, Board Policy 411 - "Staff Hiring" - Second Reading and Adoption, Board Policy 414 - "Students And Employees With Communicable Diseases" - Second Reading and Adoption, Board Policy 417 - "Employee Right To Know Exposure To Hazardous Substances" - Second Reading and Adoption, Board Policy 419 - "Policies Incorporated By Reference" - Second Reading and Adoption.

Mr. Landis made a motion to accept administration's recommendation, per the required 3-year cycle review, for the proposed minor changes to Board Policy 401, 404, 405, 411, 414, 417, and 419 for Second Reading and Adoption. Mr. Moroz seconded the motion and the motion passed on a 6-1 vote, with Mr. Baufield voting no.

Proposed Amendment to Board Policy 701 - "Budget Implementation" - Second Reading and Adoption, Proposed Amendment to Board Policy 708 - "Grant Applications" - Second Reading and Adoption, Proposed Amendment to Board Policy and Regulations 717 and 717-R - "Expense Reimbursement" - Second Reading and Adoption, Proposed Amendment to Board Policy 809 - "Authorized Use Of District-Owned Materials and Equipment" - Second Reading and Adoption

Mr. Landis made a motion to accept administration's recommendation for the proposed minor changes to Board Policies and Regulations 701, 708, 717, 717-R, and 809 for Second Reading and Adoption. Mr. Moroz seconded the motion and the motion passed on a 6-1 vote, with Mr. Baufield voting no.

Proposed Amendment to Board Policy and Regulations 720 and 720-R - "Disposal Of Surplus Property" - Second Reading and Adoption, Proposed Amendment to Board Policy and Regulations 727 and 727-R - "District Owned Vehicles" - Second Reading and Adoption

Mr. Landis made a motion to accept administration's recommendation for the proposed changes to Board Policies and Regulations 720, 720-R, 727, and 727-R for Second Reading and Adoption. Mr. Moroz seconded the motion and the motion passed on a 6-1 vote, with Mr. Baufield voting no.

Susan Sommerfeld, Principal at West Middle School, and representatives of the Shared Decisions Site Team representing West Middle School, presented the proposed Shared Decisions Agreement between West Middle School and the Wayzata School Board for the 2005-2008 school years. Principal Sommerfeld and representatives attended the October 23, 2006 Board work session and provided the School Board with a preview of the agreement and answered questions.

Approval of  
West Middle  
School Site  
Plan – Susan  
Sommerfeld

The proposed agreement was reviewed by the Superintendent, Executive Directors of Human Resources, Curriculum and Instruction, Finance & Business, and by the Wayzata Education Association leadership to ensure compliance with statutes, contracts, policies, and administrative regulations.

A motion was made by Ms. Gleason and seconded by Mr. Moroz to approve the Shared Decisions Agreement between West Middle School and the Wayzata School Board for

**Wayzata Board of Education  
Regular Meeting – November 13, 2006**

2005-2008 school years and authorize the School Board Chair to sign the document. The motion passed unanimously. The School Board received the following monthly financial reports for review and information:

Financial Reports

- Student Activity Fund Report of September 30, 2006

The following financial reports will be distributed after the audit is completed for Fiscal Year 2006:

- Monthly Financial Report
- 1994 Bond Issue Summary Report
- 1998 School Bond Issue Report

No Board action was required.

A motion was made by Mr. Landis and seconded by Mr. Moroz to approve the following Finance and Business Services recommendations. The motion passed on a 6-1 vote, with Mr. Baufield voting no.

Finance and Business

- Authorize the following Disbursements:  

General Checking Account for October, 2006	\$ 4,162,035.17
Wire Transfer for September, 2006	\$18,507,683.00

Accept the following gifts, which are in compliance with current District policy and guidelines, to be used as designated:

Gifts

<u>Amount</u>	<u>Donated By</u>	<u>Purpose</u>
\$ In Kind	John Moroz	Seventh Edition Version of National Geographic Atlas to West Middle School
2.00	Robert and Ruth Rusch	Attendance Boundary Map
50.00	Birrenbach Construction Inc.	Field Trip Expenses for Birchview Elementary students
91.18	Wells Fargo, Joel Gjevre, Katrina Hou, Lawrence Ruder and Tiffany Vansoyck	Wells Fargo Community Support Campaign
92.88	Wells Fargo and Charisse McPherson	Wells Fargo Community Support Campaign
100.00	Neil Ayotte and Medtronic Inc.	Medtronic Foundation Matching Gifts to Education Program
196.14	Wells Fargo, Cindy Mohr and Mark Ryshavy	Wells Fargo Community Support Campaign
200.00	East Middle School PTA	Sewing Kit Scholarships
261.55	Plymouth Creek Elementary PTA	Presentation Stand
1,000.00	Macy's Department Stores (Grant)	School Readiness Transportation and Books for the Family Learning Center at

		Central Middle School
1,692.75	Wright-Hennepin Cooperative Electric Association	High School Scholarships
1,840.00	Chase Crowder Duluth Scholarship Foundation	Scholarship for 5 <sup>th</sup> Grade Overnight Duluth Trip
3,000.00	Gleason Lake Elementary PTA	Field Trip Expenses from September 2006 through January 2007
8,650.00	The Kern Family Foundation	High School Project Lead the Way
12,000.00	Central Middle School PTA	Assist with cost of replacement of the sign in front of building

A motion was made by Mr. Landis and seconded by Mr. Moroz to approve the following Human Resource Services recommendations, which were reviewed by the Board Human Resources Committee. The motion passed on a 6-1 vote, with Mr. Baufield voting no.

Human  
Resources

**Employment**

Employment

- Malinde Althaus** – 1.0 Counselor, West Middle School  
Resignation – Kate Emmons
- Rosemary Beebe** – 1.0 Hour Special Education Teacher, Gleason Lake Elementary  
Nonrenew
- Leslie Blazing-Fox** – 2.5 Hour Special Education Para, Oakwood Elementary  
Resignation – Melanie Isaakson
- Melissa Elke** – 1.0 Math Teacher, Wayzata High School  
Leave of Absence – Todd Grams
- Jennifer Erickson** – 1.0 Hour ALC Special Education Teacher, West Middle School  
New Position
- H. Cresson Fazendin** – 3.0 Hour Instructional Para, Birchview Elementary  
New Hours
- Kim Gessner** – 3.0 Hour Instructional Para, Gleason Lane Elementary  
New Hours (2006-2007 only)
- Julianne Hargreaves** – Building Supervisor, Community Education  
Open Position
- David Holler** – 6.33 Hour Special Education Para, Wayzata High School  
Resignation – Beth Christofferson
- Linda Jensen** – 3.0 Hour Special Education Para, Sunset Hill Elementary  
Transfer – Kris Levi
- Anders Johnson** – 6.0 Hour Special Education Para, Sunset Hill Elementary  
New Student (2006-2007 only)
- Larissa Lampertz** – 6.5 Hour Special Education Para, Wayzata High School  
New Student (2006-2007 only)
- Joan Larson** – 6.0 Hour Greeter, East Middle School  
New Hours
- Janet Mancuso** – 3.0 Hour Instructional Para, Gleason Lake Elementary  
New Hours
- Julie Pedote** – 4.0 Hour Special Education Para, Oakwood Elementary  
New Hours (2006-2007 only)
- Nancy Richard** – 5.0 Hour Instructional Para, Sunset Hill Elementary

New Hours (Temporary position)

**Janan Schreiner** – 4.0 Hour Special Education Para, Oakwood Elementary  
New Hours (2006-2007 only)

**Terrie Silbaugh** – 6.33 Hours Instructional Para, Plymouth Creek Elementary  
New Hours Temporary position

**Ellison Smith** – 1.0 Health Teacher, West Middle School  
Resignation – Steve Witt (2006-2007 only)

**Megan Tripicchio** – 1.0 Social Studies (LTR), Wayzata High School  
Leave of Absence – Sarah Rudell

**Contract Modification**

**Keith Schwartz** – Extend .5 contract, Second Semester, Health Teacher, Central Middle School

Contract  
Modification

**Disability/Child Care Leave of Absence**

**Kristen Gendreau** – Second Grade Teacher, Plymouth Creek Elementary  
Requested a childcare leave of absence to begin with the birth of her baby which is due on February 12, 2007. She requested a disability leave followed by a four-week childcare leave of absence.

Disability/Child  
Care Leave of  
Absence

**Courtney LaRoche** – Math Teacher, Central Middle School  
Requested a childcare leave of absence to begin with the birth of her baby which is due on February 27, 2007. She requested a disability leave followed by a childcare leave of absence through May 11, 2007.

**Alison McKernan** – Social Worker, Central Middle School and Wayzata High School  
Requested a childcare leave of absence to begin with the birth of her baby which is due on April 28, 2007. She requested a disability leave followed by a childcare leave of absence through the end of the 2006-2007 school year.

**Gretchen Minnick** – Science Teacher, Wayzata High School  
Requested a childcare leave of absence to begin with the birth of her baby which is due on February 23, 2007. She requested a disability leave followed by a childcare leave of absence through the end of the 2006-2007 school year.

**Sheila Schultz** – Physical Education Teacher, Gleason Lake Elementary  
Requested to extend her childcare leave of absence through the end of the 2006- 2007 school year.

**LeAnne Schumacher** – Speech Pathologist, Kimberly Lane Elementary  
Requested to extend her childcare leave of absence through January 26, 2007.

**Sabrina Werremeyer** – Third Grade Teacher, Birchview Elementary  
Requested a childcare leave of absence to begin with the birth of her baby which is due on February 5, 2007. She requested a disability leave followed by a childcare leave of absence through March 30, 2007.

Leave of  
Absence  
Without  
Pay

**Leave of Absence Without Pay**

**Marnie Seleen** – Special Education Paraprofessional, West Middle School  
Effective: Extend through January 2, 2007

Retirement

**Retirement**

**James Max** – Custodian  
Effective: October 31, 2006

**Lydene Newquist** – Manager, Home Base  
Effective: June 8, 2007

Resignation

**Resignation**

**Sonya Johnson** – Culinary Express, Wayzata High School  
Effective: October 9, 2006

Because the District's total preliminary tax levy rose less than the rate of inflation, the Truth in Taxation public hearings are not required. The Truth in Taxation public hearings were scheduled for December 5, and December 14, 2006.

Changes to  
School  
Board  
Meeting  
Schedule

A motion was made by Mr. Landis and seconded by Mr. Moroz to cancel the Truth In Taxation public hearings scheduled for Tuesday, December 5, and Thursday, December 14, 2006 at the District Administration Building, beginning at 7:00 p.m. The motion passed on a 6-1 vote, with Mr. Baufield voting no.

## **OTHER BUSINESS**

Other business that came before the School Board included the following:

Other  
Business

### **Recognitions:**

- **Employee of the Month – November** - Carol Wyffels, Plymouth Creek Elementary, was honored as the November Employee of the Month. Carol is in her eighteenth year at Plymouth Creek having taught Vision 21 and is now a 5<sup>th</sup> grade teacher. Carol has been described as someone who “teaches from the heart” helping students gain confidence while enjoying learning. She is a talented and committed teacher, a wonderful role model with a great sense of humor, a quick smile, and a gift for serving others.
- **MASMS Supervisor of the Year – Joe Matson** - Mr. Joe Matson, Wayzata's Director of Buildings and Grounds, was chosen by the Minnesota Association of School Maintenance Supervisors (MASMS) as Supervisor of the Year. It was noted that this is a very high honor and Wayzata is very pleased and proud to have one of our employees selected. Mr. Matson was thanked for all his hard work and dedication to keep the District's facilities in fine condition to foster the high quality of learning that occurs in Wayzata. Joe thanked Alan Hopeman and all employees of the Building and Grounds Department for their encouragement and support.
- **Wayzata Music Education Boosters (WMEB)** – Mr. Pat Meridian, Chair of the Wayzata Music Education Boosters presented a check from the Boosters to Wayzata School District for \$11,000 in support of music education in the district. To celebrate this presentation, a brass quintet performed a piece of music for the School Board and audience. Members of the quintet were: Kevin Huseth, Hugh Shiplett, Garrett Johnson, June Li, and Rebecca Lindquist.
- **Blue Ribbon School – Gleason Lake Elementary** - Gleason Lake and Birchview elementary schools were chosen as two of nine K-12 schools in Minnesota and 291 schools nationwide named to the No Child Left Behind Blue Ribbon Schools program. Birchview elementary was honored at the October Board meeting and at this meeting Gleason Lake elementary was honored. Bev Borgstrom, principal at Gleason Lake elementary was present, along with members of her staff, to accept this recognition. Ms. Borgstrom thanked her staff and administration for making Gleason Lake a special place for learning. Both schools were honored at an awards ceremony in Washington, D.C., November 9 and 10. Students from Gleason Lake were present to share the plaque and flag that were received at the awards ceremony by both schools.

- **Lifesaver – Lynda Lankford – District Nurse** – Lynda Lankford, a district nurse based at Wayzata West Middle School, was recognized for using her skill and training to save the life of Caroline Fiedler the afternoon of October 6 at the Lunds grocery store in Wayzata. Fiedler became unconscious after choking on a piece of meat in the store. Lankford was also presented with an award from the American Heart Association for her life-saving effort.
- **Esteemed Teachers and National Merit Scholarship Semifinalists** – Twenty-one Wayzata seniors were recognized for qualifying as Fall 2006 National Merit Scholarship semifinalists. Those seniors were: Rohan Agrawal, Alex Batts, Meridith Bundul, Gina Choe, Blue Delliquanti, David He, Kelly Heitz, Bingjie Hu, Anne Kornahrens, Rebecca Lindquist, Michelle Neary, Hannah Parks, Michelle Patzelt, Hugh Shiplett, Laura Steefel-Moore, Carrie Su, Daniel Tam, David Thomas, Emily Vold, Ruobin Wu, and Rui Yang. These students were presented with a personalized medal of recognition of their hard work and dedication in achieving National Merit Scholarship status. The students introduced their choice of elementary, middle or high school “Esteemed Teachers” and presented each with a glass apple. Anchor Bank in Wayzata and the Wayzata High School Student Council were recognized for contributing to the purchase of these glass apples to recognize excellence in our schools.
  - The following teachers were named “Esteemed Teachers” by the 2006 National Merit Scholarship semifinalists: Bill Horgan, Clarice Hagen, Mark Ludvigson, Mick Bundul, Sara Erickson, Dale Dunnigan, Sharyn Doll, Leslie Hanson, Sue Iverson, Ruth Scheef, William Vieth, Leslie Swiggum, Nancy Camarote, Jodi Grack, John Danielson, Karen Nickel, Rachel Schaeffer, Kevin Johnson, Thanh Pham, Rebecca Wyffels, Courtney LaRoche, Sarah Rudell, Sarah Wohlrabe, Chip Williams, Dee Steele, Janifer Farquhar, Kristin Gorczynski, Tom Kilkelly, Joel Ellingson, Kari Wall, Joshua Fischer, Carolyn Grandpre, Gary Kollofski, Kelli Olson, and Jeff Prondzinski.
- **CES Annual Report** – The Community Education Services Department presented its 26<sup>th</sup> Annual Report. Jim Brandl, Director of Community Education Services, Ms. Lynn Vettel, Advisory Council Vice Chair, and Marcia Treno, Family Learning Coordinator presented highlights from the 2005-2006 Annual Report. Board Chair Cohen thanked the presenters for all the hard work the department does, she stated, “It’s a wonderful program!”
- **Reports from Organizations -**
  - Student Council: Sarah Sanders
- **Audience Opportunity to Address the School Board** - No one came forward.
- **Board Reports** - There were no reports.
- **New Business** - There was no new business.

There being no additional business before the School Board, a motion was made by Mr. Landis and seconded by Ms. Peterson that the meeting be adjourned. The motion passed unanimously. Ms. Cohen, Board Chair, adjourned the meeting at 9:25 p.m.

Upon approval by the School Board, complete minutes will be available at the District Administration Building, 210 County Road 101 North, Plymouth, on the District website, at all School Media Centers, and at the Public Libraries in Plymouth, Wayzata, and Ridgedale.

MM:bds

**Attachments:**

Resolution – American Education Week

**WAYZATA PUBLIC SCHOOLS**  
**Independent School District 284**  
**Wayzata, Minnesota**

**BOARD OF EDUCATION**

**Regular Meeting – December 11, 2006**

**AGENDA SECTION:** 2. Approval of Agenda and Consent Agenda Items

**ITEM:** B. Finance and Business Services

**COMMENTS BY:** Mr. Hopeman, Jr.

**Finance and Business Recommendations**

These routine items are presented for Board of Education review and approval through a single consent motion.

**Monthly Bills**

The attached lists itemize claims for which the Board of Education is requested to authorize payment.

General Checking Account for November 2006	\$ 3,754,349.03
Wire Transfer for October 2006	\$ 51,656,488.00

**RECOMMENDED ACTION:** Authorize payment as recommended.

**Gifts**

The District has received the following gifts, which are in compliance with current District policy and guidelines:

<b>Amount</b>	<b>Donated By</b>	<b>Purpose</b>
5.00	Gleason Lake PTA	Early Childhood Party
20.00	Waynette Wing and Dena Naylor	High School Band, In Memory of Marie Bushnell
25.30	Sara Pinske-Czech	Binders and Dividers for Plymouth Creek Elementary
30.00	Sondra Braden	High School Band, In Memory of Marie Bushnell
34.61	Lawrence Ruder and Wells Fargo	Wells Fargo Educational Matching Gift Program
100.00	Northwest Family physicians, PA	Ralph's World Sponsorship-Family Learning Center
193.74	East Middle PTA	Supplies for East Middle School Publishing Center
200.00	Caroline Fiedler	Wayzata School District Nurses
300.00	Noodles & Company	Family Learning Center

899.90	East Middle PTA	Sanders for Industrial Technology at East Middle School
2,000.00	Westcott and Laura Jones	Wells Fargo Community Support Campaign/United Way Campaign 2006
3,786.00	Greenwood Elementary PTA	Field Trip Transportation Costs at Greenwood Elementary
<u>8,000.00</u>	Kimberly Lane PTA	Field Trip Contribution for Kimberly Lane Elementary
<b>\$ 15,594.55</b>		

**RECOMMENDED ACTION:** Approve the above listed gifts to be used as designated.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_  
 Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_  
 Abstentions \_\_\_\_\_

WAYZATA PUBLIC SCHOOLS  
MONTHLY CHECK DISBURSEMENT SUMMARY  
NOVEMBER 2006

CHECK VENDOR	DESCRIPTION	DATE	AMOUNT
324015 FIRST STUDENT, INC	TRANSPORTATION	11/28/2006	615,148.30
323609 MN TEACHERS RETIREMENT ANNS	Payroll accrual	11/15/2006	188,501.75
323535 MN TEACHERS RETIREMENT ANNS	Payroll accrual	11/9/2006	178,054.17
324089 MN TEACHERS RETIREMENT ANNS	Payroll accrual	11/30/2006	176,099.20
323922 TIERNEY BROTHERS, INC.	TECH LABOR INSTALL 60 ROOMS WHS	11/21/2006	154,816.46
324225 DMJ CORP	PAVEMENT REHAB	11/30/2006	133,169.48
323513 INTERMEDIATE DIST 287	MONTHLY PAYMENT NOV 2006	11/9/2006	131,215.00
323992 ADAM SERVICES	TRANSPORTATION	11/28/2006	123,013.63
323575 XCEL ENERGY	MONTHLY SERVICE	11/9/2006	99,036.81
323615 PUBLIC EMPLOYEES RETIREMENT AS	Payroll accrual	11/15/2006	86,848.00
323552 PUBLIC EMPLOYEES RETIREMENT AS	Payroll accrual	11/9/2006	83,387.53
324097 PUBLIC EMPLOYEES RETIREMENT AS	Payroll accrual	11/30/2006	82,038.69
324270 CITY OF PLYMOUTH - FINANCE DEP	SCHOOL RESOURCE OFFICERS	11/30/2006	80,206.47
324075 FIDELITY INVESTMENTS	Payroll accrual	11/30/2006	59,271.16
324087 MN STATE RETIREMENT SYSTEM	Payroll accrual	11/30/2006	58,065.50
323934 UPPER LAKE FOODS	GROCERIES	11/21/2006	49,137.24
323626 WAYZATA EDUCATION ASSN	Payroll accrual	11/15/2006	42,557.17
324108 WAYZATA EDUCATION ASSN	Payroll accrual	11/30/2006	42,032.43
324059 US ENERGY SERVICES, INC	MONTHLY SERVICE	11/28/2006	37,383.10
323529 MAVO SYSTEMS, INC	06 ASBESTOS FLOORING WAYZATA SCHOOL	11/9/2006	34,933.56
323390 UPPER LAKE FOODS	GROCERIES	11/3/2006	31,527.45
323435 MILLS FORD, INC	NEW 07 FORD F-550	11/7/2006	28,125.00
324057 UPPER LAKE FOODS	GROCERIES	11/28/2006	27,702.27
324034 NW EVALUATION ASSN	STEPPING STONES WORKSHOP PACKETS	11/28/2006	26,104.00
323647 DIVERSIFIED SNACK DISTRIBUTION	GROCERIES	11/15/2006	24,498.89
323889 PARALLEL TECHNOLOGIES INC	TECH WIRING CLASSROOMS/LABS	11/21/2006	24,485.33
323597 FIDELITY INVESTMENTS	Payroll accrual	11/15/2006	24,009.60
324257 MN SCHOOL BOARDS ASSN - INSURA	DEDUCTIBLE BILLING	11/30/2006	22,803.86
324091 NORTH CENTRAL TRUST/FBO WAYZAT	Payroll accrual	11/30/2006	22,650.00
324294 WEST METRO LEARNING CONNECTION	PROF SERVICE	11/30/2006	22,000.00
323761 TIERNEY BROTHERS, INC.	TECH PRESENTERS AND WIRELESS MIC S	11/17/2006	17,543.38
324051 SCHROEDER CO, INC	GROCERIES	11/28/2006	17,406.60
323702 PETE'S REPAIR INC	LABOR & MATERIALS MDE#85090 DUST CO	11/15/2006	17,103.00
324077 FRANKLIN-TEMPLETON	Payroll accrual	11/30/2006	16,790.43
323599 FRANKLIN-TEMPLETON	Payroll accrual	11/15/2006	16,710.52
324285 SUN MECHANICAL, INC	INDOOR AIR QUALITY MDE#85148	11/30/2006	16,600.00
323840 HALLBERG ENGINEERING	PROF SERVICE MDE#85191	11/21/2006	16,285.50
324068 AMERIPRISE FINANCIAL SERVICES,	Payroll accrual	11/30/2006	15,854.08
323590 AMERIPRISE FINANCIAL SERVICES,	Payroll accrual	11/15/2006	15,790.66
324249 LARSON ALLEN WEISHAIR & CO,LLP	PROGRESS BILLING ON THE AUDIT	11/30/2006	15,000.00
323816 CORP EXPRESS	SUPPLIES	11/21/2006	14,547.18
324079 GREAT WEST LIFE & ANNUITY - US	Payroll accrual	11/30/2006	14,347.53
323601 GREAT WEST LIFE & ANNUITY - US	Payroll accrual	11/15/2006	14,077.59
323582 XEROX CORP	WMS COPIER BLANKET	11/9/2006	13,856.47
323900 RELATE COUNSELING CTR	CONT SERV	11/21/2006	13,805.00
323759 ST. LOUIS PARK TRANSPORTATION	TRANSPORTATION	11/17/2006	13,630.50
323586 RELIA STAR LIFE INS CO	Ins. Tracking Billing	11/10/2006	13,277.62
323619 T ROWE PRICE	Payroll accrual	11/15/2006	13,058.04
324101 T ROWE PRICE	Payroll accrual	11/30/2006	13,058.04
323733 FIRST STUDENT, INC	TRANSPORTATION	11/17/2006	12,779.16
323706 RELATE COUNSELING CTR	CONT SERV	11/15/2006	12,180.00
323928 TRUCK UTILITIES INC	VAN BODY & LIFTGATE FOR NEW FORD F-	11/21/2006	11,794.00
323809 BRIN NORTHWESTERN GLASS	STUDENT PLANNERS	11/21/2006	11,785.00
323471 SCHOOL DATEBOOKS, INC	HS - SUPPLIES	11/7/2006	11,389.92
324013 CORP EXPRESS	TECHNOLOGY A410 LAB FURNITURE	11/28/2006	10,998.88
323866 MC GRAW HILL COMPANIES	SH-MATH	11/21/2006	10,633.92
324098 SCHOOL SERVICE EMPLOYEES	Payroll accrual	11/30/2006	10,423.20
323616 SCHOOL SERVICE EMPLOYEES	Payroll accrual	11/15/2006	10,356.60
323465 RELIA STAR LIFE INSURANCE CO	Payroll accrual	11/7/2006	10,299.80
323870 MIDWEST MUSICAL IMPORTS	HS - REPAIR	11/21/2006	10,095.32

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323994 AIRPORT, PIONEER & TOWN TAXI	TRANSPORTATION	11/28/2006	9,389.00
323737 INTERMEDIATE DIST 287	05/06 FINAL INTENSIVE DAY CARE&TREA	11/17/2006	9,169.83
324298 XEROX CORP	WMS COPIER BLANKET	11/30/2006	8,868.71
324021 INSTITUTE OF ATHLETIC MEDICINE	ATH - TRAINER FOR THE FALL SEASON	11/28/2006	8,821.40
323627 ZURICH KEMPER/ANNUITY PREM RES	Payroll accrual	11/15/2006	8,685.00
324109 ZURICH KEMPER/ANNUITY PREM RES	Payroll accrual	11/30/2006	8,628.94
323878 MUSIC CONNECTION, INC.	TUBAS	11/21/2006	8,513.00
323623 VALIC	Payroll accrual	11/15/2006	8,248.59
324105 VALIC	Payroll accrual	11/30/2006	8,248.59
323855 J & F LANDSCAPING, INC	REINFORCED CONCRETE	11/21/2006	7,650.00
324273 RATWIK, ROSZAK & MALONEY, P.A.	PROF SERVICE	11/30/2006	7,348.97
323735 HIRE AUTHORITY LLC	PROF SERVICE	11/17/2006	7,221.00
324060 VOMAX	ATH - SKI SUITS	11/28/2006	6,945.50
323913 SPUNKMEYER INC., OTIS	GROCERIES	11/21/2006	6,862.83
323881 NEW FRENCH BAKERY - DIRECT	GROCERIES	11/21/2006	6,808.23
323419 GATEWAY COMPANIES INC	TECH COMPUTERS/WHS MONITORS	11/7/2006	6,795.49
323606 MET LIFE	Payroll accrual	11/15/2006	6,691.15
324084 MET LIFE	Payroll accrual	11/30/2006	6,691.15
323595 EQUITABLE LIFE	Payroll accrual	11/15/2006	6,307.44
323825 ENVIRONMENTAL PROPERTY AUDIT, I	PROF SERVICE MDE#85116	11/21/2006	6,299.80
324074 EQUITABLE LIFE	Payroll accrual	11/30/2006	6,266.72
323548 CITY OF PLYMOUTH - FINANCE DEP	WATER	11/9/2006	6,138.84
323698 ON CALL CLINICIANS	CONT SERV	11/15/2006	6,064.00
324267 PETE'S REPAIR INC	LABOR & MATERIALS MDE#85046	11/30/2006	5,872.00
323587 RELIA STAR LIFE INSURANCE CO	Ins. Tracking Billing	11/10/2006	5,341.45
323893 PMI CONSTRUCTION CO	GYM FLOORING EMS APPL#5	11/21/2006	5,316.60
323594 EDUCATION MN ESI BILLING TRUST	Payroll accrual	11/15/2006	5,276.08
324073 EDUCATION MN ESI BILLING TRUST	Payroll accrual	11/30/2006	5,276.08
324045 RED RYDER AGENCY LLC	CHECK FOR DEPOSIT(HALF OF FEE) FOR	11/28/2006	5,000.00
324242 ISD #284	ACTIVITY FUND - BAND BOOSTERS	11/30/2006	5,000.00
323654 ENVIROBATE METRO	LABOR & MATERIALS MDE#85115	11/15/2006	4,960.03
323431 LIFETIME FITNESS, INC.	DEC 06 LOCKER ROOM RENT	11/7/2006	4,919.30
323371 CITY OF PLYMOUTH - FINANCE DEP	SEPT 06 FUEL USAGE	11/3/2006	4,628.42
324080 HORACE MANN LIFE INSURANCE CO	Payroll accrual	11/30/2006	4,500.42
323602 HORACE MANN LIFE INSURANCE CO	Payroll accrual	11/15/2006	4,450.42
323368 MURRAY FLOOR COVERING CO	REPAIR	11/3/2006	4,371.00
323721 WAYZATA COMMUNITY CHURCH	LEASE	11/15/2006	4,362.05
323380 SIGNS ETC	SIGNS & MENU BOARDS FOR CMS	11/3/2006	4,320.00
323857 KARGES-FAULCONBRIDGE, INC. EN	PROF SERVICE	11/21/2006	4,300.97
323436 MINITEX	HS - SUPPLIES	11/7/2006	4,264.00
323662 HEEZEN, LAURA	CONT SERV	11/15/2006	4,257.50
324007 CLINICARE CORPORATION	TUITION	11/28/2006	4,245.36
323569 VERNIER SOFTWARE & TECHNOLOGY	BACK ORDERED ITEMS EASYLINK SOFTWARE	11/9/2006	4,132.50
324259 MULCAHY CO, B. J.	SUPPLIES BOILER CONTROL	11/30/2006	4,128.75
323926 TRIO SUPPLY CO	SUPPLIES	11/21/2006	4,080.97
323937 WATER POWER, LLC	BOTTLED WATER	11/21/2006	4,058.16
323931 TWIN WEST CHAMBER OF COMMERCE	BEP ANNUAL CONTRACT FEE	11/21/2006	4,000.00
323743 METRO ATHLETIC SUPPLY	ATH - UNIFORMS	11/17/2006	3,828.11
323549 PSAT/NMSQT	HS - TESTS	11/9/2006	3,763.00
323750 OSSEO/BROOKLYN SCHOOL BUS CO	ATH - TRANSPORTATION FOR G SOCCER	11/17/2006	3,539.00
323645 CORP EXPRESS	OW BOOKCASE FOR MEDIA CENTER	11/15/2006	3,536.54
323624 WADDELL & REED, INC.	Payroll accrual	11/15/2006	3,457.68
324106 WADDELL & REED, INC.	Payroll accrual	11/30/2006	3,457.68
323716 SCIENCE MUSEUM OF MN	CONFIRMING TICKETS FOR 8TH FIELD TR	11/15/2006	3,400.00
323620 TWENTIETH CENTURY INVESTORS	Payroll accrual	11/15/2006	3,251.13
324102 TWENTIETH CENTURY INVESTORS	Payroll accrual	11/30/2006	3,251.13
323925 TRI-K SERVICES/SPORTS	SUPPLIES FIELDS RESTORATION	11/21/2006	3,240.00
323588 AETNA LIFE INS & ANNUITY CO	Payroll accrual	11/15/2006	3,106.11
324066 AETNA LIFE INS & ANNUITY CO	Payroll accrual	11/30/2006	3,106.11
323898 QUALITY DOCUMENT SOLUTIONS COR	FACSIMILE MAINTENANCE	11/21/2006	3,012.00
323637 BIX PRODUCE CO	GROCERIES	11/15/2006	3,001.15
324213 BOILER SERVICES, INC	LABOR & MATERIALS	11/30/2006	2,995.04

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323412 D.C. DESIGN & GRAPHICS	SUPPLIES	11/7/2006	2,925.00
324263 ON CALL CLINICIANS	CONT SERV	11/30/2006	2,912.00
323474 SKYWARD INC	W2/1099 ORDER	11/7/2006	2,907.00
323417 FOLLETT LIBRARY RESOURCES	LIBRARY BOOKS	11/7/2006	2,891.09
323918 TEAM PERSONNEL SERVICES INC	PROF SERVICE	11/21/2006	2,835.00
323540 ON CALL CLINICIANS	PROF SERVICE	11/9/2006	2,832.00
323639 BROWN'S ICE CREAM CO	GROCERIES	11/15/2006	2,797.50
323906 SCHUMACHER WHOLESALE MEATS INC	GROCERIES	11/21/2006	2,731.75
323849 INSPEC, INC.	PROF SERVICE	11/21/2006	2,669.82
323936 WACHHOLZ, ANDREA	CONT SERV	11/21/2006	2,642.50
323611 NORTHERN LIFE INSURANCE	Payroll accrual	11/15/2006	2,584.03
324092 NORTHERN LIFE INSURANCE	Payroll accrual	11/30/2006	2,584.03
323416 FLINN SCIENTIFIC, INC.	HS - SUPPLIES	11/7/2006	2,471.86
323897 PROFESSIONAL INTERPRETING	TRANS/INTER	11/21/2006	2,433.20
324238 GOTH, LEANNE	CONT SERV	11/30/2006	2,400.00
323593 CITY COUNTY FEDERAL CREDIT UNI	Payroll accrual	11/15/2006	2,397.94
324071 CITY COUNTY FEDERAL CREDIT UNI	Payroll accrual	11/30/2006	2,397.94
323760 TEAM SPORTING GOODS, INC	ATH - HOODED JACKET FOR WEST MS	11/17/2006	2,397.54
323644 CORN, MARTHA	CONT SERV	11/15/2006	2,312.50
323462 PROQUEST INFORMATION & LEARNIN	TECH SOFTWARE ONLINE LICENSES	11/7/2006	2,275.00
323725 ADAM SERVICES	ATH - ADAPTED TRANSPORTATION	11/17/2006	2,254.90
323532 MINDPLANE	INSTALL DIALOGIC ON NEW COMPUTER, L	11/9/2006	2,235.00
324247 KENNEDY & GRAVEN CHARTERED	PROF SERVICE	11/30/2006	2,232.00
323742 LORENZ BUS CO	TRANSPORTATION	11/17/2006	2,197.31
323884 NORTH MEMORIAL HEALTH CARE	CONT SERV	11/21/2006	2,154.00
323909 SILVER TOOL BOX	HS - SUPPLIES	11/21/2006	2,112.08
323828 FOOD CONCEPTS INC, J.H.	GROCERIES	11/21/2006	2,068.86
323946 BARTELS, CHAD	WORKSHOP & 8TH GRD FIELD TRIP	11/22/2006	1,991.25
323853 INTA JUICE	SNACKS	11/21/2006	1,980.00
323607 MN CHILD SUPPORT - PAYMENT CTR	Payroll accrual	11/15/2006	1,964.25
324085 MN CHILD SUPPORT - PAYMENT CTR	Payroll accrual	11/30/2006	1,964.25
323919 TECHNICAL REPRODUCTIONS	PROF SERVICE	11/21/2006	1,928.30
323621 UNITED EDUCATORS CREDIT UNION	Payroll accrual	11/15/2006	1,928.00
324103 UNITED EDUCATORS CREDIT UNION	Payroll accrual	11/30/2006	1,928.00
323982 SARFF, GAIL	SUPPLIES	11/22/2006	1,870.23
323660 HANDKE, DAVID	CONSULTANT	11/15/2006	1,840.00
323454 ORANGE TREE EMPLOYMENT SCREENI	PROF SERVICE	11/7/2006	1,820.00
324040 CITY OF PLYMOUTH - FINANCE DEP	ATH - POLICE SERVICES	11/28/2006	1,816.92
323746 MN PRINT MANAGEMENT	PROF SERVICE	11/17/2006	1,777.08
323752 PLYMOUTH CREEK CTR	ATH - FIELD HOUSE RENTAL - GSOCER	11/17/2006	1,748.00
323839 GRAINGER INC., W. W.	SUPPLIES	11/21/2006	1,704.16
323515 JACKSON, HELEN	RETIREE HEALTH INS REIMBURSEMENT	11/9/2006	1,696.00
323833 GENERAL PARTS & SUPPLY CO #63	SUPPLIES	11/21/2006	1,688.64
323734 GURSTEL, STALOCH & CHARGO, PA	PAYROLL ACCRUAL	11/17/2006	1,619.76
323449 MUCHLINSKI, THOMAS	CONSULTANT OCT 2006	11/7/2006	1,600.00
324208 ANDERSEN INC., EARL F.	SUPPLIES MDE#84939	11/30/2006	1,577.00
323649 DOMINO'S PIZZA #1966	PIZZA	11/15/2006	1,508.00
323328 BRECK SCHOOL	TECH COMP CARTS	11/3/2006	1,500.00
324286 SWANSON EXCAVATING, D	DUG & REMOVED MATERIALS, SPEAD WOOD	11/30/2006	1,500.00
323865 MARS CO, W. P. & R.S.	SUPPLIES MDE#84945	11/21/2006	1,452.23
324293 WAYZATA COMMUNITY CHURCH	PRESCHOOL TUITION 06/07	11/30/2006	1,448.23
323500 CORP EXPRESS	FURNATURE	11/9/2006	1,445.99
324289 US BANK	ADMIN FEES	11/30/2006	1,437.50
323359 LOVELESS, PAULA	PROF SERVICE	11/3/2006	1,425.00
323830 GAGE FOOD PRODUCTS AND CRESTMA	GROCERIES	11/21/2006	1,423.04
323921 THERMO-DYNE, INC	LABOR & MATERIALS	11/21/2006	1,410.85
323879 NAKED JUICE	BEVERAGES	11/21/2006	1,370.16
323344 GLEWWE DOORS, INC.	SERVICE-TIME OUT ROOM WMS	11/3/2006	1,287.00
323886 ORANGE TREE EMPLOYMENT SCREENI	PROF SERVICE	11/21/2006	1,270.00
323883 NHA HEATING & AIR CONDITIONING	SUPPLIES	11/21/2006	1,264.00
324026 MIDWEST COCA-COLA BOTTLING CO.	POP DELIVERY	11/28/2006	1,255.95
323689 MN PRINT MANAGEMENT	VISITOR LABELS	11/15/2006	1,255.56

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323325 AUTOMATED LOGIC CORP	LABOR	11/3/2006	1,250.00
323856 JAY TECH, INC	SUPPLIES	11/21/2006	1,222.00
323508 GATEWAY COMPANIES INC	TECH LAPTOPS	11/9/2006	1,221.95
323396 AIM ELECTRONICS, INC	CMS - PARTS, RADIO CONVERSION KIT F	11/7/2006	1,215.41
323605 LUTHERAN BROTHERHOOD/THRIVENT	Payroll accrual	11/15/2006	1,214.17
324083 LUTHERAN BROTHERHOOD/THRIVENT	Payroll accrual	11/30/2006	1,214.17
323758 SPORRE, LAURIE	ATH - LAUNDRY SERVICE	11/17/2006	1,196.00
323748 ON SITE SANITATION	ATH - PORTABLE RESTROOMS	11/17/2006	1,189.16
323334 COMMERCIAL DOOR SYSTEMS, INC	SUPPLIES	11/3/2006	1,182.40
323411 CORPORATE HEALTH SYSTEMS, INC	FLEX PROCESSING FOR OCT 2006	11/7/2006	1,171.65
323358 LILLIE, KEVIN	PREP & PAINT VENTS MDE#85148	11/3/2006	1,170.00
324062 WAYZATA, CITY OF	WATER/SEWER	11/28/2006	1,157.73
324072 CORPORATE HEALTH SYSTEMS, INC	Payroll accrual	11/30/2006	1,153.40
323834 GLEWWE DOORS, INC.	SUPPLIES HS HARDWARE UPGRADES	11/21/2006	1,153.00
323456 OSTLUND, ROBERT	CELL PHONE & ROTARY DUES	11/7/2006	1,136.84
323632 ASSOCIATED SPEECH & LANGUAGE S	CONT SERV	11/15/2006	1,134.00
324221 CORPORATE HEALTH SYSTEMS, INC	FLEX PROCESSING FOR NOV 2006	11/30/2006	1,124.20
323652 DVM PIZZA, INC	PIZZA	11/15/2006	1,116.50
323954 FALLS, DENISE	REIMBURSE	11/22/2006	1,113.37
323364 MCKASY, MARY	FOOD	11/3/2006	1,099.14
323877 MTI DISTRIBUTING INC	SUPPLIES	11/21/2006	1,097.63
323844 HERC-U-LIFT, INC	RENTAL MDE#85043	11/21/2006	1,095.00
324291 WATER SPECIALTY OF MN, INC	POOL SUPPLIES	11/30/2006	1,089.60
323345 GOODIN CO	SUPPLIES	11/3/2006	1,061.83
323488 WAYZATA HIGH SCHOOL	HS - SUPPLIES	11/7/2006	1,042.97
323650 DOMINO'S PIZZA #1937	PIZZA	11/15/2006	1,036.00
323527 MATH MASTERS OF MN	PAY FOR MATH MASTERS TEAM REGISTRAT	11/9/2006	1,035.00
323589 AID ASSN FOR LUTHERANS	Payroll accrual	11/15/2006	1,022.65
324067 AID ASSN FOR LUTHERANS	Payroll accrual	11/30/2006	1,022.65
323603 INTERNAL REVENUE SERVICE US TR	Payroll accrual	11/15/2006	1,019.72
323613 ORCHARD TRUST CO AS	Payroll accrual	11/15/2006	1,007.71
324094 ORCHARD TRUST CO AS	Payroll accrual	11/30/2006	1,007.30
323643 COMMERCIAL KITCHEN SERVICES	LABOR & MATERIALS	11/15/2006	1,001.04
323473 SCIENCE EDUCATION CONSULTANTS	PROF SERVICE	11/7/2006	1,000.00
323885 NORTHFIELD LINES, INC.	CONFIRMING DEPOSIT FOR NEXT YEAR	11/21/2006	1,000.00
324279 SCIENCE EDUCATION CONSULTANTS	CONSULTING SERVICE	11/30/2006	1,000.00
323831 GATEWAY COMPANIES INC	TECH COMPUTER	11/21/2006	999.00
324029 MN CLAY USA - MIDWEST	HS - SUPPLIES	11/28/2006	985.50
323341 FILDES, LORI	REIMBURSE	11/3/2006	942.90
323700 OSSEO/BROOKLYN SCHOOL BUS CO	ATH - VB TRANSPORTATION	11/15/2006	926.00
323394 WAYZATA HIGH SCHOOL SENIOR	PARENT HOURS OCT 2006	11/3/2006	925.00
324222 CUSTOM HEADSETS, INC	HEADSETS	11/30/2006	921.00
323614 PHOENIX HOME LIFE MUTUAL INS	Payroll accrual	11/15/2006	912.99
324095 PHOENIX HOME LIFE MUTUAL INS	Payroll accrual	11/30/2006	912.99
324288 UNISOURCE	SUPPLIES CSF SHOP UPGRADES	11/30/2006	897.50
323445 MN PRINT MANAGEMENT	PROF SERVICE	11/7/2006	880.12
323820 DOMINO'S PIZZA #1937	PIZZA	11/21/2006	861.00
323667 INGRAM LIBRARY SERVICES	SUPPLIES	11/15/2006	854.25
323945 ACTION MAILING SERVICE	MAILING	11/22/2006	852.48
323740 KELLY SERVICES, INC.	PROF SERVICE	11/17/2006	846.19
324218 COMMERCIAL DOOR SYSTEMS, INC	SUPPLIES DOOR FRAME SPEC SVS CMS	11/30/2006	839.66
323756 SIGNS NOW	ATH -BANNERS FOR FOOTBALL	11/17/2006	835.00
323355 KRAEMER'S TRUE VALUE HOME CNTR	SUPPLIES	11/3/2006	831.48
323692 MN STATE COLLEGES & UNIVERSITI	STAFF DEV	11/15/2006	822.00
323333 COMMAND CENTER INC	LABOR	11/3/2006	812.80
323727 CORN, MARTHA	CONT SERV	11/17/2006	807.50
323697 OLSEN FIRE INSPECTION, INC	LABOR & MATERIALS MDE#85130	11/15/2006	779.00
323753 PLYMOUTH ICE CTR	ATH - G HOCKEY PRACTICE OCT 2006	11/17/2006	775.00
323600 GALIC DISBURSING CO	Payroll accrual	11/15/2006	774.21
324078 GALIC DISBURSING CO	Payroll accrual	11/30/2006	774.21
323719 TSP	PROF SERVICE	11/15/2006	759.65
323819 DOMINO'S PIZZA #1966	PIZZA	11/21/2006	754.00

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323441 MN HIGH SCHOOL QUIZ BOWL	HS - REGISTRATION	11/7/2006	750.00
324241 INTERMEDIATE DIST 287	WORKSHOP	11/30/2006	740.00
323920 THEATREWORKS/USA	ACT#0174328 THIRD GRADE FIELD TRIP	11/21/2006	734.50
323618 TRAVELERS CO, THE -PLAN 231	Payroll accrual	11/15/2006	727.03
324100 TRAVELERS CO, THE -PLAN 231	Payroll accrual	11/30/2006	727.03
323986 SUNBURST CHEMICALS, INC	SUPPLIES	11/22/2006	723.85
324261 NEW HORIZONS COMPUTER LEARNING	CLASS	11/30/2006	715.50
323867 METRO ATHLETIC SUPPLY	SHIRTS FOR BULLYING COMMITTEE	11/21/2006	712.85
323329 BREYER, CATHERINE	BOOKS	11/3/2006	711.42
323659 HAMEL BUILDING CTR	HS - SUPPLIES	11/15/2006	707.50
323424 HARRY S. TRUMAN HIGH SCHOOL	HS - BOOKS	11/7/2006	700.00
323935 US ENERGY SERVICES, INC	MGMT FEE NOV 2006	11/21/2006	700.00
323707 RENAISSANCE LEARNING, INC	SUPPLIES	11/15/2006	682.44
323352 JAY TECH, INC	SUPPLIES	11/3/2006	681.00
323942 WESTONKA ELECTRIC	REPAIR GL MDE#85196	11/21/2006	680.00
323438 MN DEPT OF HUMAN SERVICES	LICENSING FEE PEPPERMINT FENCE PRES	11/7/2006	675.00
323915 STAGES THEATRE CO	GW- 2ND GRADE FIELD TRIP	11/21/2006	670.60
323703 POSTMASTER	PERMIT	11/15/2006	660.00
323385 SUNBURST CHEMICALS, INC	SUPPLIES	11/3/2006	656.25
323347 GRAINGER INC., W. W.	SUPPLIES MDE#84945	11/3/2006	654.70
323437 MINITEX	GROLIER MULTIMEDIA ON LINE	11/7/2006	653.14
323894 PRECISION CLEANING INC.	SERVICE	11/21/2006	650.00
323610 NEW YORK LIFE	Payroll accrual	11/15/2006	642.25
324090 NEW YORK LIFE	Payroll accrual	11/30/2006	642.25
323943 WOOG, ALICE	REIMBURSE	11/21/2006	642.06
323807 BOOKCASE, THE	CMS - MEDIA CENTER BOOKS	11/21/2006	639.56
324044 PROFESSIONAL INTERPRETING	CONT SERV	11/28/2006	631.60
323479 SUN NEWSPAPERS	EMPLOYMENT AD	11/7/2006	626.18
323420 GENERAL ASP	ONLINE APPL W/ ATTACHMENT SYSTEM SE	11/7/2006	625.00
323805 BARTON SAND & GRAVEL CO	SAND / SALT	11/21/2006	604.42
323633 AVALON FORTRESS SECURITY CORP	ATH - SECURITY FOR FOOTBALL	11/15/2006	600.00
323641 CHILDREN'S INSTITUTE	PRIM PROJ	11/15/2006	600.00
323655 GJORAAS, DEB	CONT SER	11/15/2006	600.00
323823 EDINA FRIENDS OF FORENSICS	HS - BUS OCT 2006	11/21/2006	600.00
324237 GLEWWE DOORS, INC.	HARWARE UPGRADES - 2 EXIT DEVICES	11/30/2006	598.00
323726 ALLEGRA PRINT & IMAGING	ATH - ATHLETIC POSTERS	11/17/2006	596.00
323714 SCHOLASTIC INC	INST SUPP	11/15/2006	591.60
323754 SCHOLASTIC LIBRARY PUBLISHING	CMS - RESOURCE BOOKS	11/17/2006	588.00
323400 APPLE JACK ORCHARDS	GW-K FIELD TRIP	11/7/2006	586.00
323591 AMERICAN GENERAL ANNUITY INS.	Payroll accrual	11/15/2006	576.34
324069 AMERICAN GENERAL ANNUITY INS.	Payroll accrual	11/30/2006	576.34
323608 MN LIFE INSURANCE CO. ANNUITY	Payroll accrual	11/15/2006	575.30
324086 MN LIFE INSURANCE CO. ANNUITY	Payroll accrual	11/30/2006	575.30
323998 BARNES & NOBLE	BOOKS FOR STAFF USE	11/28/2006	573.47
323670 KELLY SERVICES, INC.	CONT SERV	11/15/2006	570.92
323668 INTERMEDIATE DIST 917	TUITION	11/15/2006	557.12
323908 SHAMROCK GROUP	GROCERIES	11/21/2006	554.60
323747 MUSKE, RICHARD L. ESQ	PAYROLL ACCRUAL	11/17/2006	546.19
323993 ADVANCED GRAPHIC	PRINTER CARTRIDGES FOR COMPUTER LAB	11/28/2006	541.00
323363 MCCARTHY, MARY	PROF SERVICE	11/3/2006	537.60
324272 PROFESSIONAL INTERPRETING	PAY PROFESSIONAL INTERPRETING FOR T	11/30/2006	536.40
323509 GREENE, PATRICIA	PC PROFESSIONAL DEVELOPMENT	11/9/2006	535.00
323398 ALPHA VIDEO & AUDIO, INC	TECH REPAIR VIDEO EQUIPMENT	11/7/2006	532.00
323949 BRADSHER, SUSAN	SUPPLIES	11/22/2006	524.25
323367 MOORHEAD MACHINERY & BOILER CO	LABOR & MATERIALS	11/3/2006	521.59
323592 AMERICAN UNITED LIFE	Payroll accrual	11/15/2006	518.97
324070 AMERICAN UNITED LIFE	Payroll accrual	11/30/2006	518.97
323950 CHRISTENSEN, JANELLE	CONFERENCE EXPENSE	11/22/2006	517.27
324240 H & B SPECIALIZED PRODUCTS	DISTRICT WIDE REPAIR KIT	11/30/2006	514.01
323567 TEATRO DEL PUEBLO	PAY TEATRO DEL PUEBLO FOR PROF. SVC	11/9/2006	510.00
324246 JONES, KRIS	SUPPLIES & FOOD	11/30/2006	506.40
323741 KOSTELECKY, TERI	PROF SERVICE	11/17/2006	500.00

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324063 WAYZATA HIGH SCHOOL-WAYAKO	HS - SUPPLIES	11/28/2006	499.67
323708 RETROFIT RECYCLING, INC	SERVICE MDE#85089	11/15/2006	499.61
323612 NORTHWESTERN MUTUAL LIFE	Payroll accrual	11/15/2006	499.34
324093 NORTHWESTERN MUTUAL LIFE	Payroll accrual	11/30/2006	499.34
323671 LANIN, PATRICK	ATH - WAXING BENCHES	11/15/2006	490.00
323938 WATER SPECIALTY OF MN, INC	POOL SUPPLIES	11/21/2006	485.50
323903 RUSSELL, WILLIAM	OFFICIAL-SUPERVISOR	11/21/2006	482.44
323455 ORONO COMMUNITY EDUCATION	PROF SERVICE	11/7/2006	468.00
323442 MN LANDSCAPE ARBORETUM	SH-1 FIELD TRIP	11/7/2006	465.00
324025 LIDSKY, AMY	ART SUPPLIES	11/28/2006	464.75
323631 APPLE COMPUTER, INC	TECH REPAIR BLANKET	11/15/2006	455.95
324229 ENVIROMENTAL PROPERTY AUDIT, I	PROF SERVICE MDE#85120	11/30/2006	450.00
323674 LEADER PRINTING	HS - PRINTING	11/15/2006	448.86
323520 KELLY SERVICES, INC.	PROF SERVICE	11/9/2006	448.58
323501 CUB FOODS	FOOD	11/9/2006	443.47
324269 PETTY CASH - ADMIN	MISC EXPENSE	11/30/2006	438.18
323486 TRIARCO ARTS & CRAFTS, INC.	HS - SUPPLIES	11/7/2006	437.39
323800 AK PARTS	SUPPLIES	11/21/2006	436.32
323824 EDUCATION TO GO	PROF SERVICE	11/21/2006	434.00
323808 BORDERS BOOK SHOP	HS - BOOKS	11/21/2006	429.36
323745 MILES, ELIZABETH	OFFICIAL-SEASON	11/17/2006	428.09
323846 HOME DEPOT/GECF	SUPPLIES	11/21/2006	425.15
323669 JOHNSON, SALLY	REIMBURSE	11/15/2006	423.64
323467 SAX ARTS AND CRAFTS	HS - SUPPLIES	11/7/2006	422.56
324081 INTERNAL REVENUE SERVICE US TR	Payroll accrual	11/30/2006	419.32
323859 KELLY SERVICES, INC.	CONT SERV	11/21/2006	418.00
323799 ADVANCED GRAPHIC SYSTEMS, INC	HS - SUPPLIES	11/21/2006	416.00
324290 VONESCHEN, PAULA	SUPPLIES	11/30/2006	415.29
323483 TIME FOR KIDS	SH-TIME FOR KIDS	11/7/2006	412.80
323538 NELSON, LEANNA	REIMBURSEMENT	11/9/2006	409.04
323929 TURF SUPPLY CO	SUPPLIES FIELDS RESTORATION	11/21/2006	403.00
323565 SMITH, TODD	OFFICIAL-SUPERVISOR SEASON	11/9/2006	400.00
323910 SMITH, TODD	OFFICIAL SUPERVISOR	11/21/2006	400.00
324283 SMITH, TODD	OFFICIAL SUPERVISTION SOCCER/FB	11/30/2006	400.00
323377 ROOT-O-MATIC	SERVICE	11/3/2006	397.00
323560 SCHINDLER ELEVATOR CORP	SERVICE MDE#84958	11/9/2006	394.86
323677 MARS CO, W. P. & R.S.	SUPPLIES MDE#84945	11/15/2006	394.28
323892 PEPSI-COLA	CONFIRMING POP/JUICE MACHINE	11/21/2006	394.27
323871 MN LANDSCAPE ARBORETUM	SH-K FIELD TRIP	11/21/2006	394.00
323562 SCHRADER, THOMAS	OFFICIAL-SEASON	11/9/2006	393.66
323598 FIRST TRUST CORP	Payroll accrual	11/15/2006	390.01
324076 FIRST TRUST CORP	Payroll accrual	11/30/2006	390.01
323353 KARKELA, KATIE	SUPPLIES	11/3/2006	389.08
323832 GENERAL BINDING CORP	HS - SUPPLIES	11/21/2006	384.48
323694 NATIONAL GEOGRAPHIC SCHOOL PUB	GW-1ST GRADE SUBSCRIPTION	11/15/2006	383.40
324219 CORN, MARTHA	CONT SERV	11/30/2006	380.00
323862 LAKE STATES ENVIRONMENTAL, LTD	PROF SERVICE MDE#85114	11/21/2006	375.00
324032 NATIONAL GEOGRAPHIC SCHOOL PUB	GL - 4th grade	11/28/2006	368.06
323728 CORP EXPRESS	CONFIRMING FURNITURE FOR MAIN OFFIC	11/17/2006	366.03
323522 KOMAREK, JOSEPH	OFFICIAL-SEASON ANNOUNCER	11/9/2006	361.26
323511 HOUGHTON MIFFLIN CO	SUPPLIES	11/9/2006	360.00
323564 SLATER, CURTIS	SUPPLIES/FOOD	11/9/2006	357.44
323470 SCHOLASTIC MAGAZINES	HS - SUPPLIES	11/7/2006	354.80
323490 WENGER	SH-VOCAL MUSIC	11/7/2006	353.00
323383 STAR TRIBUNE	WANT AD ACT#1000004929	11/3/2006	352.50
324019 HILL MURRAY HIGH SCHOOL	ATH - ENTRY FEE - GBB	11/28/2006	350.00
323836 GOPHER STATE ONE-CALL INC	TECH CABLE LOCATE BLANKET	11/21/2006	349.90
323381 SILENT KNIGHT SECURITY GROUP	SERVICE	11/3/2006	347.50
323423 GOPHER STAGE LIGHTING	HS - SUPPLIES	11/7/2006	340.86
323625 WASHINGTON NATL LIFE INSURANCE	Payroll accrual	11/15/2006	338.63
324107 WASHINGTON NATL LIFE INSURANCE	Payroll accrual	11/30/2006	338.63
323690 MN SAFETY COUNCIL	MEMBERSHIP DUES MDE#85102	11/15/2006	336.00

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324035 NSCA	ATH - MEMBERSHIP RENEWAL	11/28/2006	335.00
323335 COMMERCIAL KITCHEN SERVICES	SUPPLIES	11/3/2006	333.48
323495 BENKA, KIMBERLY	OFFICIAL-SEASON	11/9/2006	328.09
323634 BAKEMARK MN	GROCERIES	11/15/2006	325.10
323969 MARGET, DONNA	SUPPLIES & FOOD	11/22/2006	324.29
324064 WEEKLY READER	ACT#303608 SUBSCRIBE	11/28/2006	323.70
323948 BERGENSTAL, CAROL	FOOD & POSTAGE	11/22/2006	319.00
323738 INTERMEDIATE DIST 287	TIER III SERVICES	11/17/2006	316.26
323387 TURF SUPPLY CO	SUPPLIES	11/3/2006	315.00
323813 CONSTANTINE, DEAN	PROF SERVICE	11/21/2006	315.00
323422 GLS	SUPPLIES	11/7/2006	313.36
323930 TWIN CITY HARDWARE	SUPPLIES	11/21/2006	313.07
323711 ROSSAHAV, LORA	HOME BASE REFUND	11/15/2006	312.00
323426 INGRAM LIBRARY SERVICES	Library Books	11/7/2006	309.48
323516 JOHNSON, JERI	PARKING,FOOD, AIRFARE	11/9/2006	307.95
324233 FISHBANE, DAVID	JUDGEMENT FOR DAVID FISHBANE, SPOUS	11/30/2006	307.00
324281 SHEPARD, TYLER	CERTIFICATION	11/30/2006	306.00
323763 TREWICK, MICHAEL	REIMBURSE	11/17/2006	304.02
323354 KIEFER SPECIALTY FLOORING INC	SUPPLIES	11/3/2006	303.00
323461 PLYMOUTH DIAL-A-RIDE	DIAL A RIDE TICKETS	11/7/2006	300.00
323482 THUNDER COMMUNICATIONS DESIGN	PROF SERVICE	11/7/2006	300.00
323973 OLIMB, LARRY	OFFICIAL	11/22/2006	300.00
324228 EASTER, MARK	PIANO TUNING	11/30/2006	300.00
323452 NIELSEN, MARY	RETIREE HEALTH INSURANCE REIMBURSEM	11/7/2006	299.70
323882 NEW HORIZONS COMPUTER LEARNING	CLASS	11/21/2006	299.00
323959 HANILY-DOLAN, NANCY	SUPPLIES	11/22/2006	295.70
323863 LERN - LEARNING RESOURCE NETWO	MEMBERSHIP	11/21/2006	295.00
323330 BRIN NORTHWESTERN GLASS	SUPPLIES	11/3/2006	293.00
323905 SCHOLASTIC CLASSROOM MAGAZINES	SUBSCRIPTION RENEWAL	11/21/2006	292.67
324277 SCHAEFBAUER, RODGER	REIMBURSE	11/30/2006	290.14
323485 TRESTMAN MUSIC CTR	INSTRUMENT REPAIR	11/7/2006	289.00
323514 JACKSON, ALYSSA	OFFICIAL-SEASON	11/9/2006	281.22
323736 HOMESTEAD ORCHARDS	FIELD TRIP	11/17/2006	280.50
324206 ACME TOOLS	SUPPLIES	11/30/2006	279.99
324266 PEPPER & SON INC., J. W.	SUPPLIES	11/30/2006	279.78
323409 CANDID LIFE PHOTOGRAPHY	PEPPERMINT FENCE CLASS PHOTOS	11/7/2006	276.00
323604 KELLER, JASMINE	Payroll accrual	11/15/2006	275.00
324082 KELLER, JASMINE	Payroll accrual	11/30/2006	275.00
323858 K. D. & CO	CUSTOM MIX	11/21/2006	270.72
323904 SCHMITT MUSIC CO	HS - REPAIR	11/21/2006	267.00
323955 FISCHER, MARY	REIMBURSE	11/22/2006	265.22
323755 SCHOOL MATE	SUPPLIES	11/17/2006	265.20
323326 BOILER SERVICES, INC	LABOR & MATERIALS	11/3/2006	260.00
323822 ECOLAB PEST ELIMINATION DIV	PEST CONTROL	11/21/2006	260.00
323492 ANDERSON, MARY	REIMBURSE	11/9/2006	258.85
323826 FERRELLGAS, L.P.	ACT#49862495 GAS DELIVERY	11/21/2006	256.43
323443 MN MIDDLE SCHOOL ASSN	CONFIRMING REGISTRATION FOR 2006 ST	11/7/2006	250.00
324028 MN WRESTLING EVENTS	ATH - ENTRY FEE - WRESTLING	11/28/2006	250.00
324255 MN DEPT OF HEALTH - ASBESTIS A	ASBESTOS CERTIFICATION	11/30/2006	250.00
323939 WATSON CO INC., THE	GROCERIES	11/21/2006	249.02
324039 PEPSI-COLA	POP PURCHASES	11/28/2006	246.02
323421 GENESIS SCHOOL SALES	FUNDRAISER PRODUCT	11/7/2006	246.00
323584 ZUMBERGE, LACEY	OFFICIAL-SEASON	11/9/2006	244.51
323944 YOUNGBLOOD LUMBER CO	SUPPLIES	11/21/2006	241.00
323873 MN SAFETY COUNCIL	SUPPLIES	11/21/2006	240.00
323818 DECKER EQUIPMENT	SUPPLIES	11/21/2006	237.63
323451 NEOPOST INC.	AD BLDG MAIL MACHINE LEASE	11/7/2006	236.45
323680 METRO ATHLETIC SUPPLY	CONFIRMING ARROWS FOR PHY ED	11/15/2006	235.89
323391 VALSPAR PAINT	SUPPLIES	11/3/2006	234.92
323635 BARTELS, CHAD	REGISTRATION FEE	11/15/2006	232.00
323821 DVM PIZZA, INC	PIZZA	11/21/2006	232.00
323891 PCI EDUCATIONAL PUBLISHING	HS - SUPPLIES	11/21/2006	230.84

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324104 US DEPT OF EDUCATION	Payroll accrual	11/30/2006	227.44
323399 APPLE COMPUTER, INC	TECH REPAIR BLANKET	11/7/2006	225.95
323617 TEXAS CHILD SUPPORT DISBURSMEN	Payroll accrual	11/15/2006	225.00
323874 JOHN MOORMAN INC	TRAINING	11/21/2006	225.00
323995 ANOKA HIGH SCHOOL	ATH - ENTRY FOR BBB TOURNAMENT	11/28/2006	225.00
324000 BOOKCASE, THE	CMS - MEDIA CENTER BOOKS	11/28/2006	225.00
324099 TEXAS CHILD SUPPORT DISBURSMEN	Payroll accrual	11/30/2006	225.00
323498 CARTFORD, BARBARA	SUPPLIES	11/9/2006	224.62
324223 DALCO CORP	SUPPLIES	11/30/2006	223.73
323827 FLINN SCIENTIFIC, INC.	HS - SUPPLIES	11/21/2006	220.99
323798 ADI	SUPPLIES	11/21/2006	220.62
323705 REINHOFER, MARVEL	ATH - MENDING OF FOOTBALL PANTS	11/15/2006	217.50
323541 PAAR-OLSON, AIMEE	SUPPLIES	11/9/2006	216.99
323890 PBBS EQUIPMENT CORP	SUPPLIES	11/21/2006	215.89
324239 GRAINGER INC., W. W.	SUPPLIES	11/30/2006	215.81
324226 DOLL, SHARYN	SUPPLIES	11/30/2006	211.13
324024 LAGUNA CLAY CO	HS - SUPPLIES	11/28/2006	206.04
323460 PITSCO, INC	SCIENCE EXPERIMENT SUPPLIES	11/7/2006	205.15
323405 BLICK, DICK	HS - SUPPLIES	11/7/2006	205.11
323360 M WAVE.COM	TECH BLANKET NEW COMPUTER PARTS	11/3/2006	205.00
323801 ALLINA HOSPITALS&CLINICS/OCCME	ACT#70000880 HEPATITIS INJ MDE#8510	11/21/2006	204.75
324258 MP NEXLEVEL LLC	TECH CABLE LOCATE BLANKET	11/30/2006	203.40
324008 CONTINENTAL CLAY CO	ART ROOM SUPPLIES	11/28/2006	201.07
323432 LYNCH, MICHAEL W - WCCO RADIO	PROF SERVICE	11/7/2006	200.00
324004 CHAMPLIN PARK HIGH SCHOOL	ATH - ENTRY FEE - WRESTLING	11/28/2006	200.00
323439 MN ADMINISTATOR FOR SPECIAL ED	REGIS	11/7/2006	199.00
324047 SCHMITT MUSIC CO	ORCHESTRA SUPPLIES	11/28/2006	198.62
323681 METZGAR, HILARY	OFFICIAL-SUPERVISION	11/15/2006	196.83
323682 METZGAR, JASON	OFFICIAL-SUPERVISOR	11/15/2006	196.83
324017 HANSON, LESLIE	CONFERENCE EXPENSE	11/28/2006	196.60
324210 BDS LAUNDRY SYSTEMS	LABOR & MATERIALS	11/30/2006	191.79
323550 PUBLIC STORAGE	ACT#9215966 STORAGE RENTAL	11/9/2006	189.05
323622 US DEPT OF EDUCATION	Payroll accrual	11/15/2006	188.33
323544 PETERSON, JAMES	SUPPLIES	11/9/2006	187.85
323646 CUB FOODS	FOOD	11/15/2006	187.18
323481 THOMSON LEARNING	HS - BOOKS	11/7/2006	185.64
323395 ADVANCED GRAPHIC SYSTEMS, INC	Printer Cartridges Human Resource S	11/7/2006	185.00
323810 BUREAU OF EDUCATION & RESEARCH	SEMINAR	11/21/2006	185.00
324018 HARCOURT ACHIEVE	CMS - SOCIAL STUDIES RESOURCE MATER	11/28/2006	184.88
324050 SCHOOL SPECIALTY	HS - SUPPLIES	11/28/2006	183.90
323533 MN FUTURE PROBLEM SOLVING PROB	TWO COACH WORKSHOP REGISTRATIONS	11/9/2006	180.00
323585 INTERMEDIATE DIST 287	TRAINING	11/10/2006	180.00
324046 ROBBINSDALE COOPER HIGH SCHOOL	ATH - ENTRY FEE - WRESTLING	11/28/2006	180.00
323657 GREGORY'S FOOD, INC	GROCERIES	11/15/2006	179.80
323323 ANDERSEN INC., EARL F.	SUPPLIES	11/3/2006	179.00
323378 ROY C., INC	LABOR & MATERIALS	11/3/2006	177.00
324214 BRANDL, JAMES	ROTARY DUES	11/30/2006	175.50
323406 BOOKCASE, THE	CMS - MEDIA CENTER BOOKS	11/7/2006	175.20
323914 STAGES THEATRE CO	CMS - 8B FIELD TRIP DEPOSIT	11/21/2006	175.00
323996 ANOKA HIGH SCHOOL	ATH - ENTRY FEE - WRESTLING	11/28/2006	175.00
324002 BRUDNOY, RACHEL	MUSIC LESSONS	11/28/2006	175.00
323392 VIKING ELECTRIC SUPPLY, INC	SUPPLIES	11/3/2006	174.86
323797 1ST LINE/LEEWES VENTURES LLC	GROCERIES CUST#46734	11/21/2006	171.85
323640 BUSHNELL SR, MICHAEL	REIMBURSE	11/15/2006	168.66
323557 ROBBINS, LOIS	REIMBURSE	11/9/2006	167.77
323979 RIMINGTON, ROBERT	SUPPLIES	11/22/2006	165.93
323427 INTERMEDIATE DIST 287	DI COACH TRAINING	11/7/2006	165.00
323812 COMMERCIAL DOOR SYSTEMS, INC	SUPPLIES	11/21/2006	164.15
323555 RELIA STAR LIFE INSURANCE CO	COBRA PAYMENT MADE TO DISTRICT	11/9/2006	161.12
323927 TRIO SUPPLY CO	SUPPLIES	11/21/2006	161.10
323663 HENRY, ANGELA	SUPPLIES	11/15/2006	161.01
324271 POSTMASTER	RENEWAL FOR PERMIT #43	11/30/2006	160.00

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323447 MORIARTY, THOMAS	OFFICIAL	11/7/2006	159.00
323536 NAKAI, AMY	SUPPLIES	11/9/2006	157.45
323953 DONAHUE, DEBRA	SUPPLIES	11/22/2006	155.40
323956 FLIES, SARA	SUPPLIES	11/22/2006	155.40
323980 RINGATE, NICOLE	SUPPLIES	11/22/2006	155.40
323322 ACE SUPPLY CO, INC	SUPPLIES	11/3/2006	155.14
323458 PEPPER & SON INC., J. W.	SUPPLIES	11/7/2006	154.85
323494 BEATTY, KATHLEEN	FOOD	11/9/2006	150.96
324287 TECH DEPOT	SUPPLIES	11/30/2006	150.95
323415 EWOLDT, JOHN	PROF SERVICE	11/7/2006	150.00
323664 HOY, JUDITH	CONT SERV	11/15/2006	150.00
323960 HEGLAND, BETSY	OFFICIAL	11/22/2006	150.00
324016 FRIDLEY HIGH SCHOOL	ATH - ENTRY FEE - WRESTLING	11/28/2006	150.00
324020 HOY, JUDITH	CONT SERV	11/28/2006	150.00
324037 PARK GYMNASTICS BOOSTER CLUB	ATH - ENTRY FEE - GYMNASTICS	11/28/2006	150.00
324061 WACONIA HIGH SCHOOL	ATH - ENTRY FEE - WRESTLING	11/28/2006	150.00
323990 WILLAR, DAWN	UNIFORM ,CLASS & MEMBERSHIP	11/22/2006	149.74
324006 CLEARVIEW LAMINATING	GL - office	11/28/2006	149.70
323403 BATTS, ALEX	OFFICIAL	11/7/2006	147.00
323965 HRICKO, SANDRA	SUPPLIES	11/22/2006	145.43
323848 HOUCHEN BINDERY, LTD	HS - REBINDING	11/21/2006	145.05
323923 TIES	SH-STAFF DEV	11/21/2006	145.00
323453 OCCASIONAL SWEETS, LLC	PROF SERVICE	11/7/2006	143.00
323875 MORTENSON, SALLY K	PROF SERVICE	11/21/2006	143.00
323487 TWINROCKER HANDMADE PAPER	HS - SUPPLIES	11/7/2006	140.95
324005 CLASSROOM DIRECT	SH-WAY +	11/28/2006	140.57
323730 EASTER, MARK	SUPPLIES	11/17/2006	140.00
324042 PRINCETON HIGH SCHOOL	ATH - ENTRY FEE - GYM	11/28/2006	140.00
323583 ZIMMERMANN, ANDREA	REIMBURSE	11/9/2006	139.73
323366 MN ASSN OF SCHOOL ADMINISTRATO	CONFERENCE NOV 15-17, 2006	11/3/2006	139.00
323661 HANILY-DOLAN, NANCY	SUPPLIES	11/15/2006	138.89
324053 TRANS-MISSISSIPPI BIOLOGICAL	SUPPLIES	11/28/2006	137.85
323817 DAILY, JUDY	CMS - STOCK MARKET GAME REGISTRATIO	11/21/2006	135.32
323386 TOPIC, MARY	REIMBURSEMENT	11/3/2006	133.32
323574 WYFFELS, REBECCA	REIMBURSE	11/9/2006	131.72
323628 AIM ELECTRONICS, INC	ATH - DRIVER OA	11/15/2006	131.50
324038 PEPPER & SON INC., J. W.	MUSIC FOR VOCAL MUSIC CLASSES	11/28/2006	130.29
323324 ART EDUCATORS OF MN	CMS - ART FALL CONFERENCE	11/3/2006	130.00
323524 LO, DEE	CLASS CANCELLATION	11/9/2006	130.00
323687 MN COUNCIL FOR TEACHERS OF ENG	THERESA BADEMAN - THIS REPLACES LOS	11/15/2006	130.00
324041 PRINCETON HIGH SCHOOL	ATH - ENTRY FEE - WR	11/28/2006	130.00
323966 HUGHES, BARBARA	SUPPLIES	11/22/2006	129.50
323887 ORONO COMMUNITY EDUCATION	WORKSHOP	11/21/2006	126.00
323907 SECURITY PRODUCTS CO	TECH SECURITY HARD DRIVE	11/21/2006	126.00
323497 BUCHMAN, SANDRA	REIMBURSE	11/9/2006	125.09
323766 YOUNG, CAROLYN	ATH - REFUND FROM FB	11/17/2006	125.00
324030 MN MIDDLE SCHOOL ASSN	STATE CONFERENCE ON DEC. 7TH AND 8T	11/28/2006	125.00
324036 OWATONNA HIGH SCHOOL	ATH - ENTRY FEE WRESTLING	11/28/2006	125.00
323835 GOPHER GRAPHICS INC	PROF SERVICE	11/21/2006	123.80
323404 BAUDVILLE	CERTIFICATES FOR STUDENT STARS	11/7/2006	122.50
323729 DENFORD, INC	CONFIRMING MACHINE KEYS AND EMERG S	11/17/2006	122.50
323336 CROOK, ADRIENNE	SUPPLIES	11/3/2006	122.11
323868 METRO EDUCATIONAL COOP. SRV. U	SH - Karen Keffeler	11/21/2006	120.00
324216 BURKE, ROBERT	LUNCH ACCOUNT	11/30/2006	119.40
323981 ROGERS, JUDY	REIMBURSE	11/22/2006	119.17
323410 CONTINENTAL CLAY CO	HS - SUPPLIES	11/7/2006	119.10
323997 ASIA FOR KIDS	HS - BOOKS	11/28/2006	118.40
323510 HONZA, JONATHAN	REIMBURSE	11/9/2006	118.37
323699 OPHOVEN SAW SERVICE	SUPPLIES MDE#85042	11/15/2006	117.15
323372 PRENDERGAST, JOCELYN	REIMBURSE	11/3/2006	117.04
323491 WIECZOREK, DAN	PROF SERVICE	11/7/2006	116.00
323489 WAYZATA HIGH SCHOOL	HS - SUPPLIES	11/7/2006	112.00

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324284 STAR TRIBUNE	PAPER DELIVERY	11/30/2006	111.80
324227 DOYLE LOCK SUPPLY	PADLOCK	11/30/2006	110.80
323709 ROGERS, GARY	OFFICIAL	11/15/2006	110.00
323802 AMERICAN LIBRARY ASSN MEMBERSH	HS - MEMBERSHIP	11/21/2006	110.00
324031 MONTICELLO HIGH SCHOOL	ATH - ENTRY FEE - GYMNASTICS	11/28/2006	110.00
323804 ART OF PROBLEM SOLVING, INC	MATH ENRICHMENT	11/21/2006	108.45
323446 MN SCHOOL SOCIAL WORKERS ASSN	DUES	11/7/2006	108.00
323764 TRIARCO ARTS & CRAFTS, INC.	CONFIRMING ART CLASSROOM SUPPLIES	11/17/2006	107.01
323434 MIDDLE ZONE	ORDERING HORIZ HOLDER FOR LANYRDS	11/7/2006	105.95
323457 PARENT INSTITUTE, THE	PACK OF BROCHURES	11/7/2006	105.00
323984 STEVENS, PATRICIA	SHOES & MEMBERSHIP	11/22/2006	105.00
323841 HAMEL BUILDING CTR	SUPPLIES	11/21/2006	103.05
324282 SHOGER, MARGARET	REIMBURSE	11/30/2006	102.93
323480 TEACHER'S DISCOVERY	SUPPLIES	11/7/2006	101.84
323902 RETROFIT RECYCLING, INC	SERVICE MDE#85088	11/21/2006	100.75
323679 MERZ, IRENE	REIMBURSEMENT	11/15/2006	100.53
323382 ST PAUL PUBLIC SCHOOLS	METRO CAREERS PATHWAY CONFERENCE	11/3/2006	100.00
323642 CITI-CARGO & STORAGE	GW-STORAGE POD	11/15/2006	100.00
323686 MNCEC JOB FAIR	STAFF DEV	11/15/2006	100.00
323723 YAN, XIAOPING 'SARAH'	UNIFORM	11/15/2006	100.00
323842 HAMMAN, HELEN	PROF SERVICE	11/21/2006	100.00
324014 EASTVIEW HIGH SCHOOL	ATH - ENTRY FEE - GYMNASTICS	11/28/2006	100.00
324022 INTERMEDIATE DIST 287	WORKSHOP	11/28/2006	100.00
324280 SHEEHAN, JAMES	SCHOOL DISTRICT TAX SYSTEM FOR TRUT	11/30/2006	100.00
323916 SUCANSKY, JOHN	REIMBURSE	11/21/2006	99.79
323413 DECKER EQUIPMENT	SH-MISC	11/7/2006	99.62
323425 HAVISTO, MARY	CLASS CANCELLATION	11/7/2006	98.00
324275 RIES, CAROLE	REIMBURSE	11/30/2006	97.90
323519 KEFFELER, KAREN	FOOD	11/9/2006	97.79
323924 TRANS-MISSISSIPPI BIOLOGICAL	HS - SUPPLIES	11/21/2006	97.60
323572 WELK, JENNIFER	SUPPLIES	11/9/2006	95.60
324212 BELLE PLAINE HIGH SCHOOL	ATH - ENTRY FEE - WRESTLING	11/30/2006	95.00
323553 RANDALL, LIZABETH	UNIFORM	11/9/2006	94.46
324232 FISCHER, MARY	REIMBURSE	11/30/2006	93.45
323899 REALLY GOOD STUFF	WAY +	11/21/2006	92.46
323503 DOYLE, SEAN	OFFICIAL	11/9/2006	92.12
323963 HEUSER, CHARLES	REIMBURSEMENT	11/22/2006	92.12
323523 LARSON, SARA	REIMBURSE	11/9/2006	91.67
323369 OGREN, LINDSEY	SUPPLIES	11/3/2006	90.77
323444 MN PIONEER PARK	GW-DEPOSIT FOR 3RD GRADE FIELD TRIP	11/7/2006	90.00
323459 PETERSON, GREGORY	PROF SERVICE	11/7/2006	90.00
323811 CCSD 21	PAY CCSD FOR MATH EXTENSIONS PACKET	11/21/2006	90.00
323999 BEST PREP	HS - REGISTRATION	11/28/2006	90.00
324236 GARDEN & ASSOCIATES, INC.	INTERPRETTING	11/30/2006	90.00
323338 DOYLE LOCK SUPPLY	SUPPLIES	11/3/2006	89.98
323988 SWARTCHICK, KRISTINE	SUPPLIES	11/22/2006	89.58
323448 MP NEXLEVEL LLC	TECH CABLE LOCATE BLANKET	11/7/2006	88.99
323901 RESOURCES FOR READING	SH-RR	11/21/2006	86.45
323962 HERZOG, JORDAN	SUPPLIES	11/22/2006	85.52
323989 TUMA, KRISTINE	REIMBURSE	11/22/2006	85.44
324262 O'BRIEN, ERINN	REIMBURSE	11/30/2006	85.31
324248 KOSKELA, SARA	FOOD	11/30/2006	84.43
323718 SWENSON, AMY	POSTERS	11/15/2006	83.50
323987 SWANSON, ANIKA	SUPPLIES	11/22/2006	83.17
323340 EBERT, LISA	SUPPLIES	11/3/2006	82.06
323672 LANKFORD, LYNDA	REIMBURSE	11/15/2006	80.59
323539 NEWTON, RANDI	CLASS	11/9/2006	80.00
323558 RUCHTI, JULIE	CLASS	11/9/2006	80.00
323688 MN MUSIC EDUCATORS ASSN	HS - REGISTRATION	11/15/2006	80.00
324274 RETZLOFF, FREDERIC	REIMBURSE	11/30/2006	79.66
323869 MIDWEST COCA-COLA BOTTLING CO.	POP DELIVERY	11/21/2006	79.50
323402 BARNES AND NOBLE	HS - SUPPLIES	11/7/2006	78.36

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324217 CHRISTIANSON, KIM	POSTAGE	11/30/2006	78.00
323463 PUBLIC EMPLOYEES RETIREMENT AS	INVOICE FOR DELINQUENCY	11/7/2006	77.04
323701 PEPPER & SON INC., J. W.	SH-VOCAL MUSIC	11/15/2006	76.89
323521 KIMMEL, AMY	REIMBURSE	11/9/2006	76.76
323349 HANSON, LESLIE	FOOD	11/3/2006	76.61
323806 BECKER ARENA PRODUCTS, INC	SUPPLIES	11/21/2006	76.50
323537 NATL COUNCIL OF TEACHERS	SH-DUES	11/9/2006	76.00
323854 INTERMEDIATE DIST 287	REGIS	11/21/2006	75.00
323947 BENEZRA, BETH	SUPPLIES	11/22/2006	74.97
323967 JACKSON, SCOTT	GAS FOR ACTIVITY BUS	11/22/2006	74.00
323365 MICHALAK II, RICHARD	REIMBURSE	11/3/2006	73.70
323658 HACHEY, EILEEN	LUNCH ACCOUNT	11/15/2006	72.75
323526 MAAS, RENE	REIMBURSE	11/9/2006	72.40
323430 KOSOWSKI, MARY	OFFICIAL	11/7/2006	72.00
324292 WAYZATA CHAMBER OF COMMERCE	LUNCHEON FEE	11/30/2006	72.00
323712 SCHEUER, JAMES	REIMBURSE	11/15/2006	71.20
324231 FERRELLGAS, L.P.	ACT#49862495 GAS DELIVERY	11/30/2006	71.03
323466 SALLIOTTE, DIANE	MACHINE REPAIR AND PART	11/7/2006	70.90
323505 FALLS, DENISE	FOOD	11/9/2006	70.65
323666 HUME, AMANDA	REIMBURSE	11/15/2006	70.04
323744 METRO EDUCATIONAL COOP. SRV. U	WORKSHOP	11/17/2006	70.00
323384 STAR TRIBUNE	PAPERS FOR 6TH GRADE	11/3/2006	69.00
323972 MILLER, JANET	REIMBURSE	11/22/2006	67.77
324049 SCHOLASTIC BOOK CLUB, INC.	CMS - 6TH NOVELS	11/28/2006	66.20
323530 MEDINA ENTERTAINMENT CTR	FOR FIVE CIY STUDENT BOWLING FEES	11/9/2006	66.00
323917 SUCCESS BEYOND THE CLASSROOM	FIELD TRIP	11/21/2006	66.00
323478 STEVENS, BECKY	CANCELLATION	11/7/2006	65.00
323880 NATL MIDDLE SCHOOL ASSN	MEMBERSHIP	11/21/2006	65.00
323968 JOHNSON, JERI	REIMBURSE	11/22/2006	63.46
323525 LYBECK, KRISTINA	FOOD	11/9/2006	62.95
323414 EDUCATORS PUBLISHING SERVICE	HS - BOOKS	11/7/2006	62.40
324058 UPSTART	HS - SUPPLIES	11/28/2006	61.76
323566 SWARTCHICK, KRISTINE	SUPPLIES	11/9/2006	61.60
323563 SHERWOOD, JAIME	SUPPLIES	11/9/2006	61.56
323374 RETZLOFF, FREDERIC	REIMBURSE	11/3/2006	61.41
323397 AKYM, STANLEY	OFFICIAL	11/7/2006	61.00
323408 BRUDNO, GENE	OFFICIAL	11/7/2006	61.00
324027 MILLER, AMANDA	SUPPLIES	11/28/2006	60.90
324264 OSTLUND, ROBERT	CELL PHONE	11/30/2006	60.79
323713 SCHMITT MUSIC CO	ROSIN	11/15/2006	58.50
323373 R & R SPECIALTIES, INC.	ICE BLADE GRIND	11/3/2006	56.30
324023 ISD #284	REIMBURSE ACTIVITY FUND	11/28/2006	56.00
324205 ACADEMIC HALLMARKS	PAY KMO TEAM REGISTRATION FOR GL V2	11/30/2006	56.00
323656 GRAFT, SUZANNE	FOOD	11/15/2006	55.12
323407 BREWER, LOUISE	CLASS CANCELLATION	11/7/2006	54.00
323429 KNUTSON, CAROLE	REFUND FOR CLASS	11/7/2006	54.00
323554 RASSOULI, FARAH	SUPPLIES	11/9/2006	54.00
324252 MARK WAGAR VIOLINS	INSTRUMENT REPAIR	11/30/2006	54.00
323864 LINWORTH PUBLISHING INC	CMS - POSTERS	11/21/2006	53.80
323638 BOVITZ, DARCY	SUPPLIES	11/15/2006	53.61
323351 HUNT, BART	OFFICIAL	11/3/2006	53.00
323357 LEVASSEUR, MARK	OFFICIAL	11/3/2006	53.00
323648 DIXON, RALFORD	OFFICIAL	11/15/2006	53.00
324235 GALLAGHER, LARRY	OFFICIAL	11/30/2006	53.00
324250 LEVASSEUR, MARK	OFFICIAL	11/30/2006	53.00
323361 MADER, MICHELE	REIMBURSE	11/3/2006	52.91
324251 MADER, MICHELE	REIMBURSE	11/30/2006	52.91
323678 MCKERNAN, ALISON	REIMBURSE	11/15/2006	52.87
323531 MEINKE, ROBERT	SUPPLIES	11/9/2006	52.84
323433 MARTINEZ, CAMEY	PROF SERVICE	11/7/2006	52.80
323757 SOMMERFELD, SUSAN	REIMBURSE	11/17/2006	52.42
324234 FLIES, SARA	SUPPLIES	11/30/2006	52.36

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324245 JOHNSTONE SUPPLY	SUPPLIES	11/30/2006	51.98
323860 KEY CURRICULUM PRESS	HS - SUPPLIES	11/21/2006	51.92
323762 TOTMAN, GISELE	REIMBURSE	11/17/2006	50.59
324003 CARD PARTY IN WAYZATA	CONFIRMING BALLOONS FOR STUDENT STA	11/28/2006	50.40
324001 BRADSHER, SUSAN	TO REPLACE LOST CHECK#323496	11/28/2006	50.37
323518 JOHNSON, PAMELA	CLASS	11/9/2006	50.00
323684 MILLER, JONATHAN	PROF DEV	11/15/2006	50.00
323872 MN DEPT OF EDUCATION	HS - REGISTRATION	11/21/2006	50.00
323991 ZRUST, DAN	DUES	11/22/2006	50.00
324278 SCHOLASTIC BOOK CLUB, INC.	GL - Gasch	11/30/2006	49.95
323653 EDUCATION WEEK	GW-SUBSCRIPTION RENEWAL	11/15/2006	49.94
324299 YOUNGS, INC	SUPPLIES	11/30/2006	49.57
323468 SCHALL, CARYN	CLASS CANCELLATION	11/7/2006	49.00
323484 TOWNSEND, ALEX	OFFICIAL	11/7/2006	49.00
323506 FRITZ, RAY	OFFICIAL	11/9/2006	49.00
323957 FRITZ, RAY	OFFICIAL	11/22/2006	49.00
323337 DOUGLAS, MITCH	OFFICIAL	11/3/2006	48.00
323376 ROBSON, JAMES	OFFICIAL	11/3/2006	48.00
323829 FORTIN HARDWARE	SUPPLIES	11/21/2006	47.05
323568 TILLOTSON, ADAM	CONFERENCE EXPENSE	11/9/2006	47.02
323630 ALL STRINGS ATTACHED	MUSIC	11/15/2006	46.80
323971 MILLER, JAMES	SUPPLIES	11/22/2006	46.32
323636 BERG, BRITTANY	OFFICIAL	11/15/2006	46.06
323450 MUSIC TREASURES CO	VOCAL MUSIC SUPPLIES	11/7/2006	45.92
323348 HANRAHAN, MARGARET	CONFERENCE	11/3/2006	45.00
323440 MN COMMUNITY ED ASSN. - EXEC O	JOB POSTING	11/7/2006	45.00
324253 MATTIOLI, VALERIE	REIMBURSE CIY STUDENT BASKETBALL FE	11/30/2006	45.00
324254 METRO EDUCATIONAL COOP. SRV. U	WORKSHOP	11/30/2006	45.00
323847 HOPE FOUNDATION	SH-KK	11/21/2006	44.95
323941 WEST MUSIC CO	SH-VOCAL MUSIC	11/21/2006	44.45
323976 REINKE, MICHELLE	SUPPLIES	11/22/2006	41.79
323964 HIEBERT, JULIE	FOOD	11/22/2006	41.36
324065 WIER, COLLEEN	REIMBURSE	11/28/2006	41.03
323559 SANDMEIER, HEIDI	CONF FEE & PARKING FEES	11/9/2006	40.00
323765 WELLS FARGO BROKERAGE SRVS,LLC	WORKSHOP/BREAKFAST	11/17/2006	40.00
323861 KUBITZ EDUCATIONAL SERVICES	SH-PROF DEV KUB	11/21/2006	39.25
323332 CHRISTENSON, ERIK	SUPPLIES	11/3/2006	38.79
324054 TRESTMAN MUSIC CTR	CMS - INSTRUMENT REPAIR	11/28/2006	38.36
323693 NANCY'S CRAFT CAPERS LLC	PROF SERVICE	11/15/2006	38.00
323370 PALMATIER, RACHEL	REIMBURSE	11/3/2006	36.44
323845 HIGHSMITH CO	CMS - MEDIA POSTERS	11/21/2006	36.38
323685 MN ASSN FOR SUPERVISION & CURR	MEMBERSHIP	11/15/2006	35.00
323545 PIERCE, LISA	UNIFORM	11/9/2006	34.99
324209 BARTELS, CHAD	SUPPLIES	11/30/2006	34.99
323958 GUDRAIS, BEVERLY	SUPPLIES	11/22/2006	34.08
324243 JAY TECH, INC	POOL SUPPLIES	11/30/2006	34.00
323961 HENRY, ANGELA	SUPPLIES	11/22/2006	33.97
323493 BACKES, BRENDA	REIMBURSE	11/9/2006	33.82
323517 JOHNSON, NICOLE	REIMBURSE	11/9/2006	33.82
323695 OLIVER, BRANDON	OFFICIAL	11/15/2006	32.94
323696 OLIVER, JERRY	OFFICIAL	11/15/2006	32.94
323573 WONG, MARGARET	REIMBURSEMENT	11/9/2006	32.93
323751 PEPPER & SON INC., J. W.	SUPPLIES	11/17/2006	32.90
323528 MATUSKA, LISA	REIMBURSE	11/9/2006	32.25
324260 NELSON, SHELLY	REIMBURSE	11/30/2006	31.86
323475 SNYDER, DEBORAH	PROF SERVICE	11/7/2006	30.00
323477 STATE TOURNAMENT BANQUET	GIRLS VOLLEYBALL BANQUET	11/7/2006	30.00
323507 GALLAGHER, CYNTHIA	CONFERENCE	11/9/2006	30.00
323691 MN SAFETY COUNCIL	HEALTH	11/15/2006	30.00
323739 INTERMEDIATE DIST 287	TRAINING	11/17/2006	30.00
323970 MCLEAN, WENDY	CLASS	11/22/2006	30.00
323720 VETHE, ROBYN	REIMBURSE REIMBURSE	11/15/2006	28.48

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323978 RIDLEHOOVER, JEFFERY	REIMBURSE	11/22/2006	28.33
324230 ETLING, BRIAN	SUPPLIES	11/30/2006	28.00
324048 SCHOLASTIC INC	SH-WAY+	11/28/2006	27.87
323476 SOMERSET MEDIA	POSTERS FOR COUNSELING OFFICE	11/7/2006	27.85
324220 CORP EXPRESS	SUPPLIES	11/30/2006	27.80
323974 RAA DT, LUCIA	REIMBURSE	11/22/2006	27.42
323362 MATSON, JOSEPH	RENTAL	11/3/2006	27.10
323951 COLLINGS, SHARON	REIMBURSE	11/22/2006	26.70
323343 GALE, CHRISTA	REIMBURSE	11/3/2006	26.26
323876 MP NEXLEVEL LLC	TECH CABLE LOCATE BLANKET	11/21/2006	25.43
323428 INTERMEDIATE DIST 287	REGIS	11/7/2006	25.00
323676 MAKE A DIFFERENCE, LLC	INST	11/15/2006	24.99
323401 AUTISM ASPERGER PUBLISHING CO.	HS - SUPPLIES	11/7/2006	24.95
324224 DECKER EQUIPMENT	SUPPLIES	11/30/2006	24.44
323472 SCHOOL SPECIALTY	CLASSROOM SUPPLIES	11/7/2006	24.24
324268 PETERSON, LINDA	STAMPS	11/30/2006	24.00
323683 MILLER, AMANDA	SUPPLIES	11/15/2006	23.40
323504 DVORAK, MARGARET	SUPPLIES	11/9/2006	23.31
323379 SELINGER, JUDITH	REIMBURSE	11/3/2006	22.65
323803 AMERICAN RED CROSS	HS - SUPPLIES	11/21/2006	22.00
323342 FRASER-OLAUSEN, CATHY	REIMBURSE	11/3/2006	21.98
323542 PAETZEL, PAUL	FOOD	11/9/2006	21.96
323331 BUCHER, KATHLEEN	REIMBURSE	11/3/2006	21.36
323675 LUNDGREN, CONRAD	LUNCH ACCOUNT	11/15/2006	20.75
323469 SCHMITT MUSIC CO	HS - SUPPLIES	11/7/2006	20.53
323975 RAVNHOLDT, TANYA	SUPPLIES	11/22/2006	20.35
323665 HRICKO, SANDRA	REIMBURSE	11/15/2006	20.11
323977 REJZER, LAURIE	FOOD	11/22/2006	20.02
323512 HRICKO, SANDRA	SUPPLIES	11/9/2006	19.98
323571 WAITE, WILLIAM	SUPPLIES	11/9/2006	19.97
323356 LEUER, JAMES	FOOD	11/3/2006	19.74
323418 FRASER, HARRIET	CLASS CANCELLATION	11/7/2006	19.00
323952 DELARIVA, EMMA	REIMBURSE	11/22/2006	18.60
323985 STEVENSON, SANDRA	REIMBURSE	11/22/2006	18.33
323393 VLATKOVICH, PAIGE	REIMBURSE	11/3/2006	18.16
323327 BRADFORD, KORENA	SUPPLIES	11/3/2006	18.13
323717 SKOGHEIM, DEBRA	PARKING	11/15/2006	18.00
324244 JOHNSON, KATHARINE	SUPPLIES	11/30/2006	17.98
323339 EBERHARDT, JAMES	SUPPLIES	11/3/2006	17.46
323350 HOLDAHL CO	SUPPLIES	11/3/2006	16.89
323499 CARYOTAKIS, PAULA	FOOD	11/9/2006	16.88
323375 RIES, CAROLE	SUPPLIES	11/3/2006	15.88
323556 RIDLEHOOVER, JEFFERY	REIMBURSE	11/9/2006	15.13
323722 WORNER, TOD	PROF SERVICE	11/15/2006	15.00
323715 SCHOOL SPECIALTY	PC SUPPLIES	11/15/2006	14.39
323561 SCHMIDT, AMY	REIMBURSE	11/9/2006	14.37
323543 PARKERS LAKE GOLF CTR	PAY GOLF FEE FOR CIY STUDENT WITH C	11/9/2006	14.00
323983 SCHULTZ, DAVID	SUPPLIES	11/22/2006	13.98
323724 ZIESEL, THERESA	REIMBURSE	11/15/2006	13.30
323502 DOWNING, ROSS	PARKING	11/9/2006	13.00
323710 ROSENBOOM, NANCY	PARKING	11/15/2006	13.00
324052 SWANSON, ANIKA	FOOD	11/28/2006	12.50
323704 RAVNHOLDT, TANYA	PARKING	11/15/2006	12.25
324033 NCS PEARSON INC	BST FEES FOR JULY 2006	11/28/2006	12.00
324207 AMMON, LAURA	LUNCH ACCOUNT	11/30/2006	10.25
324211 BEATTY, KATHLEEN	SEMINAR EXPENSE	11/30/2006	10.00
323673 LAROCHE, COURTNEY	PARKING	11/15/2006	9.00
324215 BRENNAN, M.	PARKING FEE	11/30/2006	7.75
323843 HEDBERG AGGREGATES INC	SUPPLIES	11/21/2006	5.73
323570 WAGNER, LAVONNE	REIMBURSE	11/9/2006	4.67
323629 ALLEN, STEPHANIE	REIMBURSEMENT	11/15/2006	4.67
324276 SAUNDERS, SHARON	REIMBURSE	11/30/2006	4.09

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323496 BRADSHER, SUSAN	VOIDED	11/28/2006	0.00
323651 DOYLE LOCK SUPPLY	VOIDED	11/15/2006	0.00
323940 WEEKLY READER	VOIDED	11/22/2006	0.00
322925 ACE (ADULT COMMUNITY EDUCATORS	MEMBERSHIP DUES	11/9/2006	(30.00)
323139 MN DEPT OF HEALTH ENVIRONMENTA	HOSPITALITY FEE	11/6/2006	(35.00)
323259 KOSOWSKI, MARY	OFFICIAL	11/7/2006	(69.50)
322297 MN COUNCIL FOR TEACHERS OF ENG	HS - REGISTRATION	11/14/2006	(130.00)
323160 SCHOLIA	HS - MEMBERSHIP	11/9/2006	(150.00)
323121 KARKELA, KATIE	SUPPLIES	11/3/2006	(389.08)
323276 OLSON, BRADLEY	REGISTRATION	11/17/2006	(430.00)

**3,754,349.03**

APPROVED BY: G. WILLIAM RUEBER  
CONTROLLER - ISD 284  
December 6, 2006

GARY W. LANDIS, TREASURER  
BOARD OF EDUCATION  
December 11, 2006

**WAYZATA PUBLIC SCHOOLS  
WIRE TRANSFER,EFT AND ACH ACTIVITY  
OCTOBER 2006**

FINBUS  
REPORTS

FROM	TO	DATE	AMOUNT
Wells Fargo-Checking	Wells Fargo-Payroll	Multiple	\$3,128,868
Wells Fargo-Checking	Federal P/R Taxes	10/2/2006 10/16/2006	\$557,345 \$574,292
Wells Fargo-Checking	State P/R Taxes (MN)	10/2/2006	\$89,958
	State P/R Taxes (MN)	10/16/2006	\$92,786
	State P/R Taxes (WI)	10/31/2006	\$495
Wells Fargo-Checking	Delta Dental - Dental Claims	10/10/2006	\$56,870
Wells Fargo-Checking	Preferred One - Health Claims	Multiple	\$665,670
Wells Fargo-Checking	Purchase Card Program	10/4/2006	\$266,547
Wells Fargo-Checking	MN Department Of Revenue - Sales & Use Tax	10/18/2006	\$7,133
Wells Fargo-Checking	Corporate Health Systems - Flex Benefits	Multiple	\$80,175
Wells Fargo-Checking	Preferred One - Broker/Reinsurance Fees	10/12/2006	\$48,518
Wells Fargo-Checking	Dain Rauscher - Investment Activity	10/13/2006 10/26/2006	\$997,028 \$6,888,867
Wells Fargo-Checking	Smith Barney - Investment Activity	10/26/2006	\$2,795,038
MSDLAF-General	Wells Fargo-Checking - Investments	Multiple	\$15,900,000
Dain Rauscher	Wells Fargo-Checking - Operating Funds	10/11/2006 10/14/2006	\$39,234 \$45,625
Smith Barney	Wells Fargo-Checking - Investment Activity	10/30/2006	\$3,000,000
PMA/MN Trust	Wells Fargo-Checking - Operating Funds	10/26/2006	\$4,000,000
Hennepin County	MSDLAF-General - Property Tax Distribution	10/25/2006	\$8,665,655
District Retirees	Wells Fargo-Checking - Health Insurance Premiums	10/12/2006	\$26,848
State of Minnesota	MSDLAF-General - State Aid Payments	Multiple	\$3,729,536
<b>TOTAL ACTIVITY - OCTOBER 2006</b>			<b>\$51,656,488</b>

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

AGENDA SECTION: 2. Approval of Agenda and Consent Agenda Items

ITEM: C. Human Resource Recommendations

COMMENTS BY: Ms. Annie Doughty

Employment

**Samuel Bass** .9 Vocal Music Teacher Sunset Hill  
Increased Enrollment and Transfers

**Crystal Gildea** 1.0 Social Studies Teacher (LTR) High School  
Leave of Absence – Caitlin Serrano

**Cameryn Robinson** 1.0 Art Teacher (LTR) Kimberly Lane  
Leave of Absence – Ericka Bachmeier

**Matalia Valiarovskaia** 3.75 hour Culinary Express Central Middle  
Transfer – Marie Beck

**Janette Wachs** 1.0 Kindergarten Teacher (LTR) Sunset Hill  
Leave of Absence – Molly Willihnganz

**Thomas Wallfred** 10-Month Technology Para High School  
Retirement – Pat Jenson

Leave of Absence Without Pay

**Barry Braun**, High School Art Teacher, has requested a leave of absence from February 8-9, 2007.

Disability/Child Care Leave of Absence

**Katie Gleason**, Special Education Paraprofessional at Oakwood Elementary School, has requested to reduce her leave of absence from eight to six weeks beginning with the birth of her baby which is due December 8, 2006.

**Amanda Johnson**, Special Education Teacher currently on childcare leave of absence, has requested to extend her leave through the end of the 2006-2007 school year.

**Melissa Nazal**, Special Education Paraprofessional at Kimberly Lane Elementary School, has requested a childcare leave of absence to begin with the birth of her baby which is due on May 3, 2007. She is requesting a leave of absence through the end of the 2006-2007 school year.

**Emily Semsch**, Non-public School Counselor at Providence Academy, has requested a childcare leave of absence to begin with the birth of her baby which is due on April 14, 2007. She is requesting a disability leave followed by a childcare leave of absence through the end of the 2006-2007 school year.

**Andrew Worth**, 5<sup>th</sup> Grade Teacher at Sunset Hill Elementary School, has requested a seven-day childcare leave of absence to begin with the birth of his baby which is due April 22, 2007.

**Heather Zenzen**, 3<sup>rd</sup> Grade Teacher at Birchview Elementary School, has requested a childcare leave of absence to begin with the birth of her baby which is due on March 19, 2007. She is requesting a disability leave followed by a childcare leave of absence through the end of the 2006-2007 school year.

Resignation

**Jane Hesslein**, Vision 21 Teacher currently on Mobility Leave of Absence, has resigned her position effective December 6, 2006.

**Jill Watson**, ELL Teacher at East Middle School, has resigned her position on a date to be determined, no later than January 25, 2007.

**Tara Willemsen**, Culinary Express at Gleason Lake Elementary School, has resigned her position effective December 8, 2006.

**RECOMMENDED ACTION:** Approve the Human Resource Actions as recommended.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_

Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_

Abstentions \_\_\_\_\_

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

**Regular Meeting – December 11, 2006**

**AGENDA SECTION: 2. Approval of Agenda and Consent Agenda Items**

**ITEM: D. Finance and Business Services**

**COMMENTS BY: Mr. Hopeman, Jr.**

**Bid Award – Central Middle School Indoor Air Quality Upgrades 2007**

The bid opening for Central Middle School Indoor Air Quality Upgrades 2007 was held at the Administration Building on Thursday, November 16, 2006, at 2:00 P.M. A total of four (4) contractors submitted bids, as follows:

<b><u>Name of Bidder</u></b>	<b><u>Base Bid</u></b>	<b><u>Alt #1</u></b>	<b><u>Alt #2</u></b>	<b><u>Alt #3</u></b>
General Sheet Metal Company, LLC	\$ 2,341,000	\$ 474,000	\$ 39,500	N/C
Thelen Heating and Roofing, Inc	\$ 2,590,000	\$ 375,000	\$ 23,700	N/C
Northern Air Corporation	\$ 2,795,300	\$ 420,000	\$ 27,500	\$20,000
Northwest Sheet Metal Co.	\$ 2,860,000	\$ 467,000	\$ 23,500	N/C

The scope of this project involves replacement of five (5) air handling units and temperature control systems at Central Middle School D-Wing and A-Wing, to comply with air quality standards. It is recommended the District accept Alt #3 for liquidated damages for no change in the contract cost, but **not** proceed with Alt #1 and Alt #2 for additional units in the E-Wing.

The project will be funded with Health & Safety revenue. Operating Capital funds will cover the portion of costs not eligible to be paid for with Health & Safety dollars.

**RECOMMENDED ACTION:** Award Central Middle School Indoor Air Quality Upgrades 2007 to General Sheet Metal Company, LLC for the base bid and Alternate #3, for the total amount of \$2,341,000.00.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_  
Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_  
Abstentions \_\_\_\_\_

**WAYZATA PUBLIC SCHOOLS**

Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

**Regular Meeting – December 11, 2006**

**AGENDA SECTION: 3. Recognitions**

**ITEM: A. Employee of the Month**

**COMMENTS BY: Superintendent Ostlund**

Kimberly Lane is proud to announce its choice for December Employee of the Month, **Ronda Gjestvang**.

Ronda has been a valuable member of the Kimberly Lane staff for eight years working tirelessly with Kindergarten and Second grade students. Besides her excellent work in the classroom, Ronda puts in the extra effort to make Kimberly Lane an exemplary school volunteering as a member of many school and district committees, including assembly and math committees, and shouldering many diverse responsibilities from daily bus duty to organizing yearly Twin's game nights for Kimberly Lane families.

Ronda has the rare ability to maintain both an active home life and remain dedicated to the students, facilities and staff at Kimberly Lane. She is a mother of four, a coach, a mentor, an active member of her church, but still has time to help any and all who seek out her help both personally and professionally. In spite of being a small town native North Dakotan, we still admire and value her as a tremendous addition to the Kimberly Lane and Wayzata communities.

Congratulations Ronda!

**WAYZATA PUBLIC SCHOOLS**

Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

**AGENDA SECTION:** 3. Recognitions

**ITEM:** B. 200 Meter Freestyle Relay State Girls Champions

**COMMENTS BY:** Superintendent Ostlund

Four athletes from Wayzata High School placed first at the Girls State diving meet held November 20 at the University of Minnesota's Aquatic Center.

The girls are seniors Rebecca Ney, Chelsea Wagner and Kasey Madden and junior Shelby Johnson. This team took first place at the state meet in the 200 meter Freestyle Relay with a time of 1:36.68.

Congratulations to this team!

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

**AGENDA SECTION:** 4. Reports from Organizations

**ITEM:** A. Student Council

**COMMENTS BY:** Board Chair Cohen

This section of the agenda provides an opportunity for parent, teacher, and/or student associations/organizations to provide the School Board with reports/updates.

**Student Council**

- Sarah Sanders

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

**Regular Meeting – December 11, 2006**

**AGENDA SECTION: 5. Superintendent's Reports and Recommendations**

**ITEM: B. Curriculum and Instruction**

**COMMENTS BY: Dr. Jane Sigford**

**1. Sunset Hill Elementary Student Presentation**

Tonight we have a presentation from the first grade at Sunset Hill. Ms. Mindy Crowe has several students who will talk about their writing. Ms. Crowe will introduce her students.

No Board action is required.

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

AGENDA SECTION: 5. Superintendent’s Reports and Recommendations

ITEM: B. Curriculum and Instruction

COMMENTS BY: Superintendent Ostlund

2) **Approval of Proposed Sunset Hill Elementary School Site Plan**

It is a pleasure to have with us this evening Karen Keffeler, Principal at Sunset Hill Elementary School, and representatives of the Shared Decisions Site Team representing Sunset Hill. She is here to present the proposed Shared Decisions Agreement between Sunset Hill Elementary School and the Wayzata School Board for the 2006-2008 school years. Principal Keffeler and representatives attended the November 27, 2006 Board work session and provided the School Board with a preview of the agreement and answered questions.

The proposed agreement has been reviewed by the Superintendent, Executive Directors of Human Resources, Curriculum and Instruction, Finance & Business, and by the Wayzata Education Association leadership to ensure compliance with statutes, contracts, policies, and administrative regulations.

As the agreement has been found to be in compliance, it is hereby recommended for School Board approval. We congratulate Sunset Hill Elementary School Shared Decisions Site Team on the completion of this collaborative process and look forward to their future progress reports.

**RECOMMENDED ACTION:** Approve the Shared Decisions Agreement between Sunset Hill Elementary School and the Wayzata School Board for 2006-2008 school years and authorize the School Board Chair to sign the document.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_

Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_

Abstentions \_\_\_\_\_



# SCHOOL IMPROVEMENT PLAN

**FOR**

**School Name:** Sunset Hill Elementary

**Principal's Name:** Karen Keffeler



Independent School District 284  
Wayzata, Minnesota

**VISION**

*A model of excellence among learning communities*

**MISSION**

*The mission of the Wayzata School District is to prepare all students for the future by providing a challenging education which builds academic competence, develops responsible citizenship, encourages creativity, promotes lifelong learning, advances critical thinking skills, instills a commitment to personal wellness, and fosters respect for self and others.*

**DISTRICT DIRECTIONS for 2005-2007**

- *Apply our vision to all components of District*
- *Erase organizational barriers that limit participation of all cultural groups*
- *Strive for smaller class sizes*
- *Work toward a more individualized model of education*
- *Promote a “client-centered” District*



**Shared Decision Agreement  
Between School and the Wayzata  
School Board for**

School Name: ***Sunset Hill Elementary***

This plan was reviewed on: \_\_\_\_\_

Signature of District Design Team \_\_\_\_\_

This plan was approved on: \_\_\_\_\_

Signature of School Board Chair \_\_\_\_\_



**Shared Decisions Agreement Review Team Check List Form**

Procedure:

Prior to presentation to the Board, Site Improvement Plans will be reviewed for compliance with statutes, contracts, policies, and administrative regulations. Site Teams are advised that plans should be submitted at least thirty (30) days prior to date of desired Board action.

- Site Improvement Plans are sent to the Office of the Superintendent of Schools.
- Copies of the Site Improvement Plan will be sent to the following members of the review team as designated by the District Shared Decisions Design Team.
- This response sheet will be returned by reviewer to the Superintendent’s Office within ten (10) days.
- Any areas of concern will be noted on response sheet along with suggestions for waivers where applicable.
- All response sheets will be forwarded to the chair of the site team.
- Review team members will decide if the Site Improvement Plan should be reviewed by any other departments such as Transportation, Food Service, Building and Grounds, etc. and forward a copy with a cover sheet for check-off response to the appropriate individual.

**Review Team Response**

**Office of the Superintendent**

Check here if an additional page is attached detailing questions or concerns.

\_\_\_\_\_  
Signature and Date

**Executive Director of Curriculum and Instruction**

Check here if an additional page is attached detailing questions or concerns.

\_\_\_\_\_  
Signature and Date

**Executive Director of Finance**

Check here if an additional page is attached detailing questions or concerns.

\_\_\_\_\_  
Signature and Date

**Executive Director of Human Resources**

Check here if an additional page is attached detailing questions or concerns.

\_\_\_\_\_  
Signature and Date

**Wayzata Education Association Representative**

Check here if an additional page is attached detailing questions or concerns.

\_\_\_\_\_  
Signature and Date



**Site Team Members:**

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Year</u></b>
<b>Jim Lansing</b>	<b>Parent</b>	<b>2005-2007</b>
<b>Traci Ortega</b>	<b>Parent/Chair</b>	<b>2005-2007</b>
<b>Joy Devens</b>	<b>Parent</b>	<b>2005-2007</b>
<b>Armetha Pihlstrom</b>	<b>Parent</b>	<b>2006-2008</b>
<b>Sonya Johnson</b>	<b>Parent</b>	<b>2006-2008</b>
<b>Jodi Glaser</b>	<b>Parent</b>	<b>2006-2008</b>
<b>Mari-Lynn Wilson</b>	<b>Teacher</b>	<b>2005-2007</b>
<b>Bonnie Hatton</b>	<b>Teacher</b>	<b>2005-2007</b>
<b>Jane Reynolds</b>	<b>Teacher</b>	<b>2006-2008</b>
<b>Theresa Walsworth</b>	<b>Teacher</b>	<b>2005-2007</b>
<b>Karen Keffeler</b>	<b>Principal</b>	



**School Name: Sunset Hill Elementary**

**School Year: 2006-2007**

**1. Integrated, ongoing, site-based and teacher-led professional development activities to improve instructional skills and learning that are aligned with student needs under section 122A.413 and 122A.60 and led during the day by trained teacher leaders.**

Directions: Select one main goal from the district’s education plan that will be the Q Comp focus. More than one goal may be selected with the understanding that each goal must link student achievement to teacher instruction, professional development and teacher evaluation. If two goals are selected, duplicate table below and fill out one table for each goal. If not all schools in the district have common goals because of disaggregated student data and different grade level needs, then each site should submit a separate table. *Note: A school site’s or district’s goals should be updated annually if necessary.*

Based on the selected focus, each school site will use their student data to develop a narrower focus for their site with a measurable objective.

*2.1 District goal for Q Comp focus*

Improve students’ achievement in the areas of reading, math and writing as measured by performance on Minnesota Comprehensive Assessments and NWEA.

*School Site goal for Q Comp focus*

One percent of the students in grades 3-5 at Sunset Hill will increase one level in reading as measured by the NWEA MAP (Measures of Academic Testing) assessment from fall 2006 to spring 2007.

*Disaggregated student data used to determine each measurable objective*

**NOTE: NWEA WILL BE THE NEW ASSESSMENT TOOL BEGINNING WITH THE 2006-2007 SCHOOL YEAR. IT IS VERY SIMILAR TO THE WALT IN CONTENT, RELIABILITY AND SCOPE.**

*The following data gives the number of students in each quartile of the various subtests in the WALT reading test. The percents of students given in each quartile is for the complete reading test.*

**WALT Reading Scores:  
Sunset Hill 2004**

				Evaluative Comprehension				Inferential Comprehension				Literal Comprehension				Word Acquisition			
Levels				1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
04	3	78		6	8	29	35	6	12	21	39	8	12	18	40	11	20	21	26
04	4	93		5	10	31	47	5	19	34	35	7	8	28	50	10	15	27	41
04	5	89		6	15	26	42	6	25	20	38	7	16	28	38	10	16	36	27
<b>04</b>	<b>3-5</b>	<b>260</b>		<b>17</b>	<b>33</b>	<b>86</b>	<b>124</b>	<b>17</b>	<b>56</b>	<b>75</b>	<b>112</b>	<b>22</b>	<b>36</b>	<b>74</b>	<b>128</b>	<b>31</b>	<b>51</b>	<b>84</b>	<b>94</b>

**Percent of Students in Each Quartile:**

1Q: 9%    2Q: 15%    3Q: 25%    4Q: 51%

**Sunset Hill 2005**

				Evaluative Comprehension				Inferential Comprehension				Literal Comprehension				Word Acquisition			
Levels				1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
05	3	82		1	10	21	50	7	6	26	43	6	6	26	44	6	18	26	32
05	4	80		11	15	21	33	16	13	23	28	14	9	19	38	14	13	25	28
05	5	90		4	14	20	52	7	16	29	38	9	13	30	38	7	17	29	37
<b>05</b>	<b>3-5</b>	<b>252</b>		<b>16</b>	<b>39</b>	<b>62</b>	<b>135</b>	<b>30</b>	<b>35</b>	<b>78</b>	<b>109</b>	<b>29</b>	<b>28</b>	<b>75</b>	<b>120</b>	<b>27</b>	<b>48</b>	<b>80</b>	<b>97</b>

**Percent of Students in Each Quartile:**

1Q: 12%    2Q: 10%    3Q: 24%    4Q: 54%

**Sunset Hill 2006 \*note that some of the headings changed from 05**

				Inferential Comprehension				Literal Comprehension				Word Acquisition			
Levels				1	2	3	4	1	2	3	4	1	2	3	4
06	3	84		11	14	17	42	8	22	18	36	4	17	27	36
06	4	88		5	9	14	60	8	15	12	53	5	11	26	46
06	5	83		12	9	28	34	15	8	28	32	17	20	21	25
<b>06</b>	<b>3-5</b>	<b>255</b>		<b>28</b>	<b>32</b>	<b>59</b>	<b>136</b>	<b>31</b>	<b>45</b>	<b>58</b>	<b>106</b>	<b>26</b>	<b>48</b>	<b>74</b>	<b>107</b>

**Percent of Students in Each Quartile:**

1Q: 13%    2Q: 13%    3Q: 23%    4Q: 51%

In examining disaggregated data, there was no statistical significance between any subgroup and the grade levels as a whole in terms of achieved expected growth. It was decided that the individual strands within the reading test would be the focus for improvement.

*Measurable objective based on student achievement gains (site-targeted goal)*

One percent of the students in grades 3-5 at Sunset Hill will increase one level in reading as measured by the NWEA MAP (Measures of Academic Testing) assessment from fall 2006 to spring 2007. The focus will be increasing the number of students who score above the designation of LO on the MAP in the area of word recognition, fluency and vocabulary.

<i>Number of Students</i>	<i>Number of Teachers</i>	<i>Number of Lead Teachers (see career ladder)</i>
568	40	2 Peer Coaches, 1 Literacy Specialist, 1.5 Reading Recovery Teachers, 1 district reading specialist

# Wayzata Public Schools

<p><i>Team configuration at elementary, middle school, high school, and other school sites</i> Elementary teams are by grade level or specialists</p>	<p><i>Number of teachers on the team</i> 4 or 5</p>	<p><i>Team meeting length and frequency</i> Each team meets 30 minutes per week, and has one team planning day per quarter.</p>										
<p><i>Professional Development Activities: (What types of activities will be included?)</i> Check all that apply and add others if needed.</p>	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; border: none;"><input checked="" type="checkbox"/> Team Meetings</td> <td style="width: 33%; border: none;"><input type="checkbox"/> Lesson Study</td> </tr> <tr> <td style="border: none;"><input checked="" type="checkbox"/> Modeling of Instructional Strategies Work</td> <td style="border: none;"><input checked="" type="checkbox"/> Analysis of Student</td> </tr> <tr> <td style="border: none;"><input checked="" type="checkbox"/> Demonstration Teaching Coaching</td> <td style="border: none;"><input checked="" type="checkbox"/> Peer or Cognitive</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Team Teaching</td> <td style="border: none;"><input type="checkbox"/> Content Coaching</td> </tr> <tr> <td style="border: none;"><input checked="" type="checkbox"/> Mentoring</td> <td style="border: none;"><input type="checkbox"/> Other</td> </tr> </table>		<input checked="" type="checkbox"/> Team Meetings	<input type="checkbox"/> Lesson Study	<input checked="" type="checkbox"/> Modeling of Instructional Strategies Work	<input checked="" type="checkbox"/> Analysis of Student	<input checked="" type="checkbox"/> Demonstration Teaching Coaching	<input checked="" type="checkbox"/> Peer or Cognitive	<input type="checkbox"/> Team Teaching	<input type="checkbox"/> Content Coaching	<input checked="" type="checkbox"/> Mentoring	<input type="checkbox"/> Other
<input checked="" type="checkbox"/> Team Meetings	<input type="checkbox"/> Lesson Study											
<input checked="" type="checkbox"/> Modeling of Instructional Strategies Work	<input checked="" type="checkbox"/> Analysis of Student											
<input checked="" type="checkbox"/> Demonstration Teaching Coaching	<input checked="" type="checkbox"/> Peer or Cognitive											
<input type="checkbox"/> Team Teaching	<input type="checkbox"/> Content Coaching											
<input checked="" type="checkbox"/> Mentoring	<input type="checkbox"/> Other											
<p>2.2 Describe how ongoing, site-based, and teacher-led professional development activities will be scheduled during the individual employment contract day for teachers at each site.</p> <p>See attached professional development calendar.</p>												
<p>2.3 Describe how the professional development model will ensure teacher’s continuous improvement in content knowledge, instructional strategies, and the use of best practices. Through the professional development model teachers will continuously focus on instructional strategies to accelerate student achievement. They will share these strategies and best practice techniques with their colleagues during the scheduled professional development allotted time. The structure of the staff development time will also provide an opportunity for educators to focus on and develop a deeper understanding of the identified content knowledge. Teachers will continuously focus on assessment of student performance throughout this process.</p> <ul style="list-style-type: none"> <li>• The terms <b>Career Ladder</b> and <b>Career Advancement Options</b> will be used interchangeably. The definition of both under the law is from 122A.414 subdivision 2 section b1: “describe how teachers can achieve career advancement and additional compensation...”</li> </ul>												



<i>Professional Development Program Evaluation Framework Worksheet (see Killion, manual references)</i>		
Objective: What is the goal of the professional development offered and how will it change teachers' knowledge and skills?	Change in Teacher's Knowledge and skills	Measures of Teacher Success
Ex. Teachers will demonstrate proficiency in implementing graphic organizer (ex. Hyerle's thinking map for double bubble) to increase student achievement in writing compare and contrast essays.	Ex. Teachers will model using thinking strategy. Teachers will develop teacher-made assessments to measure student progress.	Ex. Classroom Observation Rubric Individual Growth Plan with documentation of changes in teacher practice and pre/post student assessments using local standardized assessment.
<p>Teachers will demonstrate proficiency in implementing:</p> <ol style="list-style-type: none"> <li>1. Leveled text reading materials to increase student achievement in the area of word acquisition</li> <li>2. Supplemental materials to build skills in the areas of word acquisition and structural analysis.</li> <li>3. A word collection system within their classroom/content area to expand student vocabulary</li> </ol>	<p>Teachers will integrate leveled text reading materials into the curriculum.</p> <p>Teachers will use improved methods of teaching word acquisition and vocabulary in and out of context.</p> <p>Teachers will focus on building word walls, and implementing them effectively within their teaching.</p>	<p>Teachers' success will be determined by Observation Rubric, Professional Growth Plan and results from standardized assessment.</p>



**DATA ANALYSIS OF PREVIOUS ALT COMP GOAL**

**Goal:**

**Summary/Interpretation of Data Analysis:**

**Goal Achieved:      Yes      No**



**Please list other building initiatives.**

**Initiative:**

**Strategies/Activities:**

**Person/Group Responsible:**

**Timeframe:**

**Status:**  
**Date Completed:** \_\_\_\_\_ **Ongoing:** \_\_\_\_\_



**Sunset Hill Elementary**

**Student Demographics**

**Student Population by Grade**

	2005-2006			2004-2005			2003-2004		
<b>Grade</b>	<b># of Males</b>	<b># of Females</b>	<b>Avg. Class Size</b>	<b># of Males</b>	<b># of Females</b>	<b>Avg. Class Size</b>	<b># of Males</b>	<b># of Females</b>	<b>Avg. Class Size</b>
EC									
K	51	42	23.3	42	39	20.3	37	38	24.0
1	41	44	21.3	40	34	24.7	42	40	21.3
2	41	38	26.3	45	40	24.3	39	40	26.3
3	47	43	22.8	38	40	26.0	43	38	27.0
4	42	47	29.7	42	35	25.7	47	47	26.9
5	42	40	27.3	43	43	24.6	46	45	26.0
<b>Total</b>	<b>264</b>	<b>254</b>		<b>250</b>	<b>231</b>		<b>254</b>	<b>248</b>	



## Student Demographics

### Ethnic Distribution

	Fall 2006	2005-2006	2004-2005	2003-2004
White American	429	402	393	421
African American	55	56	41	39
Asian American	52	37	24	27
Hispanic/Latino American	22	22	21	15
Indian American	0	1	2	0

### Percent of Students on Free/Reduced

	Fall 2006	2005-2006	2004-2005	2003-2004
Free	17%	18%	13%	11%
Reduced Price	4%	3%	4%	8%

### Student Mobility

The percent of students entering and leaving during the year, computed by dividing the number of transfers by the enrollment on October 1.

2004 - 2005	2003 - 2004	2002 - 2003
10.72	11.95	15.59



## Student Demographics

### Average Daily Attendance

2004 - 2005				2003 - 2004				2002 - 2003			
1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
96.04	95.72	96.20	96.09	96.02	97.22	96.66	96.55	96.55	96.89	96.67	96.19

### Percent of Parents Attending Conferences

2005 - 2006		2004 - 2005		2003 - 2004	
Fall	Spring	Fall	Spring	Fall	Spring
98	97	98	97	98	97



## Student Achievement

### Minnesota Comprehensive Assessment (MCA)

#### READING GRADE 3

Year	1999-2000					2000-2001					2001-2002					2002-2003					2003-2004					2004-2005				
Average Score	1511					1543					1550					1567					1581					1633				
Percent Change	2.8%					2.1%					0.5%					1.1%					0.9%					3.3%				
% of Students in each level	I 11	IIa 25	IIb 7	III 47	IV 10	I 4	IIa 13	IIb 22	III 42	IV 18	I 11	IIa 9	IIb 16	III 42	IV 22	I 6	IIa 12	IIb 12	III 45	IV 25	I 9	IIa 11	IIb 10	III 42	IV 28	I 6	IIa 4	IIb 6	III 43	IV 41
Rank order of strands including the average percent correct (average points earned divided by total points possible).	Information Processing 72					Information Processing 88					Information Processing 88					Main Idea 83					Main Idea 84					Compare/Contrast 92				
	Inference 70					Analysis 82					Main Idea 82					Information Processing 82					Information Processing 80					Information Processing 88				
	Main Idea 64					Main Idea 82					Analysis 79					Compare/Contrast 78					Inference 75					Main Idea 87				
	Compare/ Contrast 63					Compare/ Contrast 79					Compare/ Contrast 78					Inference 78					Analysis 72					Inference 81				
	Analysis 62					Inference 78					Inference 76					Analysis 62					Compare/ Contrast 71					Analysis 78				

#### MATHEMATICS GRADE 3

Year	1999-2000					2000-2001					2001-2002					2002-2003					2003-2004					2004-2005				
Average Score	1552					1546					1586					1638					1563					1708				
Percent Change	2.3%					-0.4%					2.6%					3.3%					-4.6%					9.3%				
% of Students in each level	I 7	IIa 23	IIb 7	III 49	IV 14	I 4	IIa 24	IIb 13	III 40	IV 18	I 2	IIa 20	IIb 13	III 40	IV 25	I 4	IIa 14	IIb 10	III 39	IV 33	I 5	IIa 13	IIb 10	III 57	IV 15	I 4	IIa 7	IIb 4	III 32	IV 54
Rank order of strands including the average percent correct (average points earned divided by total points possible).	Procedures and Concepts 81					Measurement 84					Number Sense 82					Problem Solving 83					Procedures and Concepts 83					Number Sense 88				
	Measurement 73					Number Sense 81					Shape, Space & Measurement 79					Shape, Space & Measurement 83					Shape, Space & Measurement 82					Shape, Space & Measurement 87				
	Number Sense 73					Problem Solving 78					Procedures and Concepts 79					Number Sense 79					Number Sense 79					Problem Solving 87				
	Shape and Space 71					Procedures and Concepts 76					Problem Solving 78					Data Categorization 79					Data Categorization 77					Procedures and Concepts 86				
	Problem Solving 66					Shape and Space 40					Data Categorization 62					Procedures and Concepts 74					Problem Solving 77					Data Categorization 83				
	Chance and Data 62					Chance and Data 65																								



## Student Achievement

### Minnesota Comprehensive Assessment (MCA)

#### READING GRADE 5

Year	1999-2000					2000-2001					2001-2002					2002-2003					2003-2004					2004-2005									
Average Score	1631					1617					1679					1635					1699					1711									
Percent Change	6.3%					-0.9%					3.8%					-2.6%					3.9%					0.7%									
% of Students in each level	I	IIa	IIb	III	IV	I	IIa	IIb	III	IV	I	IIa	IIb	III	IV	I	IIa	IIb	III	IV	I	IIa	IIb	III	IV	1	2	3	4	5	1	2	3	4	5
	2	13	10	42	32	7	9	8	42	35	3	9	10	33	45	0	1	12	56	31	6	6	13	21	55	3	3	8	20	65					
Rank order of strands including the average percent correct (average points earned divided by total points possible).	Analysis		79			Main Idea		86			Compare/Contrast		90			Main Idea		89			Main Idea		87			Information Processing		91							
	Main Idea		76			Compare/Contrast		83			Main Idea		88			Information Processing		87			Information Processing		85			Main Idea		87							
	Information Processing		74			Information Processing		82			Information Processing		85			Inference		83			Inference		85			Inference		87							
	Inference		71			Inference		79			Inference		81			Compare/Contrast		79			Analysis		84			Analysis		87							
	Compare/Contrast		63			Analysis		71			Analysis		81			Analysis		65			Compare/Contrast		82			Compare/Contrast		61							

#### MATHEMATICS GRADE 5

Year	1999-2000					2000-2001					2001-2002					2002-2003					2003-2004					2004-2005									
Average Score	1635					1515					1642					1643					1659					1715									
Percent Change	7.4%					-7.3%					8.4%					0.1%					1.0%					3.4%									
% of Students in each level	I	IIa	IIb	III	IV	I	IIa	IIb	III	IV	I	IIa	IIb	III	IV	I	IIa	IIb	III	IV	I	IIa	IIb	III	IV	1	2	3	4	5	1	2	3	4	5
	3	7	10	43	36	7	12	8	41	32	0	16	7	36	41	0	5	17	42	36	3	9	13	31	44	3	7	8	22	60					
Rank order of strands including the average percent correct (average points earned divided by total points possible).	Shape and Space		85			Shape and Space		82			Procedures and Concepts		86			Procedures and Concepts		90			Procedures and Concepts		82			Chance and Data		84							
	Measurement		83			Procedures and Concepts		82			Shape, Space & Measurement		83			Number Sense		88			Chance and Data		81			Procedures and Concepts		81							
	Procedures and Concepts		80			Number Sense		81			Number Sense		83			Shape, Space & Measurement		84			Shape, Space & Measurement		80			Shape, Space & Measurement		80							
	Chance and Data		78			Measurement		75			Chance and Data		79			Chance and Data		79			Number Sense		78			Number Sense		80							
	Problem Solving		78			Problem Solving		75			Problem Solving		78			Problem Solving		79			Problem Solving		78			Problem Solving		80							
Number Sense		76			Chance and Data		74																												



## Student Achievement

### Minnesota Comprehensive Assessment (MCA)

#### Writing

Year	1999-2000					2000-2001					2002-2003				
	Percent of Students at each Level					Percent of Students at each Level					Percent of Students at each Level				
	I 3	Ia 20	Ib 8	III 65	IV 4	I 3	Ia 9	Ib 14	III 60	IV 13	I 4	Ia 8	Ib 4	III 65	IV 18
Type of writing	Descriptive	Narrative	Problem Solution	Clarification		Descriptive	Narrative	Problem Solution	Clarification		Descriptive	Narrative	Problem Solution	Clarification	
Average Score by type of writing	1661	1517	1555	1509		1668	1578	1693	1678		1643	1766	1883	1564	
Percent change	-1.0%	-0.8%	-3.0%	-6.3%		0.4%	4.0%	8.9%	11.2%		-1.5%	11.9%	11.2%	-6.8%	
* Composing	72	66	66	63		74	72	70	76		67	78	71	66	
Style	67	71	63	71		70	73	74	75		64	78	73	65	
Sentence Formation	75	69	69	75		82	72	68	80		84	88	80	79	
Usage/ Grammar	88	75	75	75		85	88	79	89		91	93	85	85	
Mechanics/ Spelling	88	75	75	75		78	81	76	81		86	93	84	78	

Year	2002-2003					2003-2004					2004-2005				
	Percent of Students at each Level					Percent of Students at each Level					Percent of Students at each Level				
	I 6	Ia 11	Ib 10	III 44	IV 29	1 5	2 10	3 8	4 44	5 33	1 3	2 5	3 7	4 73	5 13
Type of writing	Descriptive	Narrative	Problem Solution	Clarification		Descriptive	Narrative	Problem Solution	Clarification		Descriptive	Narrative	Problem Solution	Clarification	
Average Score by type of writing	1971	1814	2054	1974		1813	1851	1748	1671		1753	1740	1631	1718	
Percent change	20.0%	2.7%	9.1%	26.2%		-8.0%	2.0%	-14.9%	-15.3%		-3.3%	-6.0%	-6.7%	2.8%	
* Composing	81	78	81	84		74	83	71	73		73	77	63	74	
Style	83	75	88	88		75	83	71	73		75	78	64	75	
Sentence Formation	81	75	81	81		82	82	71	71		72	75	71	74	
Usage/ Grammar	75	75	88	88		88	88	75	76		76	79	76	78	
Mechanics/ Spelling	75	75	75	88		85	85	76	70		79	76	76	74	



## Student Achievement

### Wayzata Achievement Level Testing

WALT Average Scale Scores and National Percentile Ranks: 2003-2006  
Mathematics

2005-06 WALT Math	Grade 3		Grade 4		Grade 5	
	SS	PR	SS	PR	SS	PR
Sunset Hill Elem	216	89	228	91	231	81
District	214	88	227	91	236	90
National	202	50	211	50	219	50

2004-05 WALT Math	Grade 3		Grade 4		Grade 5	
	SS	PR	SS	PR	SS	PR
Sunset Hill Elem	217	92	222	84	236	90
District	214	88	227	91	236	90
National	200	50	208	50	215	50

2003-04 WALT Math	Grade 3		Grade 4		Grade 5	
	SS	PR	SS	PR	SS	PR
Sunset Hill Elem	209	77	222	84	233	86
District	210	80	222	84	235	89
National	200	50	208	50	215	50

2002-03 WALT Math	Grade 3		Grade 4		Grade 5	
	SS	PR	SS	PR	SS	PR
Sunset Hill Elem	211	82	224	88	233	86
District	211	82	226	90	232	85
National	200	50	208	50	215	50



## Student Achievement

### Wayzata Achievement Level Testing

WALT Average Scale Scores and National Percentile Ranks: 2003-2006  
Reading

2005-06 WALT Reading	Grade 3		Grade 4		Grade 5	
	SS	PR	SS	PR	SS	PR
Sunset Hill Elem	206	70	216	79	215	60
District	207	73	215	75	221	76
National	200	50	207	50	212	50

2004-05 WALT Reading	Grade 3		Grade 4		Grade 5	
	SS	PR	SS	PR	SS	PR
Sunset Hill Elem	208	75	209	59	219	70
District	207	73	215	75	221	76
National	198	50	205	50	212	50

2003-04 WALT Reading	Grade 3		Grade 4		Grade 5	
	SS	PR	SS	PR	SS	PR
Sunset Hill Elem	205	67	214	73	219	70
District	207	73	215	75	221	76
National	198	50	205	50	212	50

2002-03 WALT Reading	Grade 3		Grade 4		Grade 5	
	SS	PR	SS	PR	SS	PR
Sunset Hill Elem	205	67	213	70	219	70
District	205	67	214	73	220	73
National	198	50	205	50	212	50



**Staff Demographics**

<b>Experience Profile of Staff (Percent of Licensed Staff by Years of Teaching Experience in ISD 284)</b>				<b>Education Profile of Staff (Percent of Licensed Staff by education/training)</b>		
<b>1<sup>st</sup> Year</b>	<b>2 - 7</b>	<b>8 - 20</b>	<b>20+</b>	<b>BA</b>	<b>Masters</b>	<b>Doctorate</b>
27%	39%	29%	5%	44%	56%	0%

**Staff Roster**  
See next page

## Sunset Hill Staff Demographics

*(Please insert data provided by Human Resources Department.)*

<b>Experience Profile of Staff</b> (Percent of Licensed Staff by Years of Teaching Experience)				<b>Education Profile of Staff</b> (Percent of Licensed Staff by education/training)		
<b>1<sup>st</sup> Year</b>	<b>2 - 7</b>	<b>8 - 20</b>	<b>20+</b>	<b>BA</b>	<b>Masters</b>	<b>Doctorate</b>
27%	39%	29%	5%	44%	56%	0%

The numbers above are for District experience only.  
 If I use District experience + the number of years we  
 Gave them credit for at the time of hire the % would  
 Be as follows:

7%            41%            37%            15%

These numbers do not include all of their years in  
 Other districts as we do not always give full credit.  
 I'm not sure what the best way to do this is. In the  
 Past I have given data for district years of exp only.

## Sunset Hill Professional Development Calendar 2006-2007

### Site Goal:

The students in grades 3-5 at Sunset Hill who score above the first quartile in reading as measured by NWEA testing will increase one percent (1%) from fall 2006 to spring 2007.

### Instructional Strategies:

1. Implement leveled text reading materials to increase student achievement in the area of word acquisition.
2. Integrate supplemental materials to build skills in the areas of word acquisition and structural analysis.
3. Implement a word collection system within each classroom or content area to expand student vocabulary and increase word acquisition.

### Summer 2006:

- Teacher leaders review disaggregated data, develops alternative compensation goal and identifies instructional strategies to meet goal
- Identify what professional development is needed in order to accomplish the goals and who will be trained.

**Summer 2006 8 Days of Training for Peer Coaches:** Peer Coaches will receive professional training in peer coaching, SMART goals, teacher evaluation and Data Warehousing (Just 5 Clicks)

---

### Workshop Week:

- **August 28, 2006** Building principal and leadership team will disseminate and discuss building alternative compensation goal and professional development calendar.
  - **August 29, 2006** Peer Coaches will meet with his/her assigned colleagues and training will include:
    - Teacher evaluation process
    - Professional growth plan
    - Peer coaching sessions- pre-conferencing, conferencing, post-conferencing
    - Goal writing
  - **August 29, 2006** All teachers will receive training on our data warehousing system (Just 5 Clicks).
- 

### September's focus:

**Goal setting, data collection, and familiarization of instructional strategies 1 and 3.**

### Week of September 5

- Peer Coach will receive four half days of training on literacy, math, NUA strategies and instructional strategies.

### **Week of September 11**

- Peer Coach focuses on the development of classroom management, rules, procedures & consequences, analyzing and interpreting student data (Just 5 Clicks)
- Peer Coach meets with each teacher and helps guide in the development of his/her Professional Growth Plan-include setting student achievement gains
- Training for leadership team by content specialists or others.

### **Week of September 18**

- Staff Meeting: Leadership Team will model instructional strategy #1 as identified in the site plan.

### **Week of September 25**

- Peer Coach will begin first formative observations of teachers and reflections.
  - Teacher reviews their classroom data to inform instruction.
  - Staff Meeting: Leadership Team will model instructional strategy #3 as identified in the site plan.
- 
- 

### **October's focus:**

**Implementation of instructional strategy #1 and data analysis**

### **Week of October 9**

- Peer Coach focuses on communication techniques (domain 4)
- Peer Coach will continue to do formative observations of teachers and reflections.
- Teams/Departments will meet and articulate progress on instructional strategy #1. Teachers will share related student work samples. (Documentation with leveled books)

### **Week of October 23**

- Teachers will complete Individual Professional Growth Plan
  - Peer Coach will complete the formative observations of teachers and reflections.
  - Leadership team will model instructional strategy #1 as identified in the site plan.
- 

### **November's focus:**

**Data analysis, examination of student progress and implementation of strategy #2.**

### **Week of November 6**

- Focus on questioning strategies (Bloom's Taxonomy) with support from Peer Coach
- November 9, Site Based Professional Development Day focusing on instructional strategy #1 and review of student samples.
- Teachers continue to implement instructional strategy #1 into daily lessons and reflect individually on progress.

### **Week of November 13**

- Teams/Departments will meet and articulate progress on instructional strategy #1. Teachers will share related student work samples.

**Week of November 20**

- First Formal Observations by Peer coaches of Teachers implementing instructional strategy #1 to meet Alt. Comp goal, reflecting on session

**Week of November 27**

- Staff Meeting: Leadership Team will model instructional strategy #2 as identified in the site plan.
- 
- 

**December's focus:****Progress update and discussion of instructional strategy #1****Week of December 11**

- Continue with First Formal Observations by Peer coaches of Teachers implementing instructional strategy #1 to meet Alt. Comp goal, reflecting on session
  - Staff Meeting: Leadership Team will engage in a formal discussion of what is working and not working with instructional strategy #1 as identified in the site plan.
- 
- 

**January's focus:****Implementation of instructional strategy #2.****Week of January 8**

- Peer coach focuses on differentiated instructional strategies for meeting the needs of all learners based on classroom and building data (grouping of students, tiered & scaffold assignments)
- Staff Meeting: Leadership Team will model instructional strategy #2 as identified in the site plan.

**Week of January 22**

- Peer Coach discusses progress of Teachers' Professional Growth Plans & provide support and resources
  - Peer Coach continues to focus on differentiated instructional strategies for meeting the needs of all learners based on classroom and building data (grouping of students, tiered & scaffold assignments.
  - Teachers implement instructional strategy #2
  - Teams/Departments will meet and articulate progress on instructional strategy #2. Teachers will share related student work samples.
- 

**February's focus:****Progress report and data analysis of instructional strategy #2.****Week of February 5:**

- Peer Coach focuses on Interactive Instruction which engage students for example they may include: Think-Pair- Share, Jigsaw
- Peer Coach will begin second formative observations of teachers and reflect on observation

**Week of February 19:**

- Peer Coaches will continue second formative observations of teachers and reflect on observation
  - Teams/Departments will meet and articulate progress on instructional strategy #2. Teachers will share related student work samples.
- 

**March's focus:**

**Implementation of instructional strategy #3, and continued discussion of progress on instructional strategy #2.**

**Week March 5:**

- Peer Coach focuses on Interactive Instruction which engage students for example they may include: Think-Pair- Share, Jigsaw
- Peer Coach will finish second formative observations of teachers and reflect on observation
- Staff Meeting: Leadership Team will engage in a formal discussion of what is working and not working with instructional strategy #2 as identified in the site plan.

**Week of March 12**

- Leadership Team will model instructional strategy #3 as identified in the site plan.

**Week of March 19**

- Teams/Departments will meet and articulate progress on instructional strategy #2. Teachers will share related student work
  - Classroom teachers will evaluate and summarize student work samples which incorporated instructional strategies #2 and #3 to determine progress.
- 

**April's focus:**

**Continued implementation of instructional strategies #2 and #3.**

**Week of April 9**

- Begin final formal observations by Peer coaches of Teachers implementing instructional strategy #2 to meet Alt. Comp goal, reflecting on session
- Peer Coach will review with Teachers their attainment of Professional Growth Plan
- Staff Meeting: Leadership Team will model instructional strategy #3 as identified in the site plan.

**Week of April 23**

- Continue with final Formal Observations by Peer Coaches of Teachers implementing instructional strategy #2 to meet Alt. Comp goal, reflecting on session
  - Teams/Departments will meet and articulate progress on instructional strategy #3.
-

## May's focus:

Data collection, analysis and recommendations for the 2007-2008 school year.

- Complete final Formal Observation by Peer Coach of Teachers Implementing Instructional Strategies to meet Q Comp goal and the Wayzata Frameworks for Effective Instruction
  - Peer Coaches develops a summary report indicating the amount of professional development colleagues received throughout the year and forms a board presentation for the June work session.
  - Peer Coaches reflect on alt comp., initiate and make recommendations for the following 07-08 year
  - Peer Coach and leadership team analyzes student data from MAP testing and MCA testing and begins to look at goals for the 2007-08 school year.
- 

### Team Planning Days

#### Round 1: September 26 – November 17: Day 1

5 <sup>th</sup> Grade	Tuesday, September 26
4 <sup>th</sup> Grade	Tuesday, October 3
3 <sup>rd</sup> Grade	Tuesday, October 10
2 <sup>nd</sup> Grade	Tuesday, October 17
1 <sup>st</sup> Grade	Thursday, October 26
Kindergarten	Thursday, November 2
Special Ed.	Wednesday, November 8

#### Round 2: November 20 – January 25: Day 1

5 <sup>th</sup> Grade	Monday, November 20
4 <sup>th</sup> Grade	Thursday, November 30
3 <sup>rd</sup> Grade	Thursday, December 7
2 <sup>nd</sup> Grade	Thursday, December 14
Special Ed.	Friday, January 12
1 <sup>st</sup> Grade	Thursday, January 18
Kindergarten	Thursday, January 25

#### Round 3: January 25 – March 19: Day 1

5 <sup>th</sup> Grade	Friday, February 2
4 <sup>th</sup> Grade	Friday, February 9
3 <sup>rd</sup> Grade	Friday, February 16
2 <sup>nd</sup> Grade	Monday, February 26
1 <sup>st</sup> Grade	Monday, March 5
Kindergarten	Monday, March 12
Special Ed.	Monday, March 19

#### Round 4: March 20 – May 16: Day 1

5 <sup>th</sup> Grade	Monday, March 26
4 <sup>th</sup> Grade	Wednesday, April 11
3 <sup>rd</sup> Grade	Wednesday, April 18
2 <sup>nd</sup> Grade	Friday, April 27
1 <sup>st</sup> Grade	Wednesday, May 2
Kindergarten	Wednesday, May 9
Special Ed.	Wednesday, May 16

### Specialists:

**Spanish @ Birchview**

**Technology @ Plymouth Creek**

Oct. 11 – Day 2

Dec. 5 – Day 4

Feb. 8 – Day 5

April 19 – Day 2

**Vocal Music @ Greenwood**

Oct. 13 – Day 4

Dec. 6 – Day 5

Feb. 5 – Day 2

April 23 – Day 4

**Art @ Gleason Lake**

**Physical Education @ Sunset Hill**

Oct. 16 – Day 5

Dec. 1 – Day 2

Feb. 7 – Day 4

April 24 – Day 5

**Vision 21 @ CMS** (will schedule specific days with Lois Robbins)

**Media @ Plymouth Creek** (will schedule specific days with Mark Manning)

**Literacy Specialists @ CMS** (will schedule specific days with Nancy McCoy)

Each round will require 7 days for grades K-5 and Sp. Services. Each building will determine their own schedule and procedure for scheduling reserve teachers.

Details of specific weekly meetings:

- 9/18/06: Leveled Book Room/Accelerated Reader Training
- 9/25/06: Word Walls in Content Areas
- 10/9/06: Each grade level shares how strategy #1 is incorporated and types of documentation used when listening to students read. Score Fall writing samples
- 10/23/06: Research review on sustained silent reading
- 11/6/06: Primary teachers view and discuss programs for reader's and writer's workshop.
- 11/13/06: Grade level meetings on interventions for struggling readers
- 11/27/06: Nancy McCoy to present in the area of word acquisition and structural analysis
- 1/22/07: Nancy McCoy continues professional development in the areas discussed on 11/27/06
- 2/19/07: Teachers share classroom strategies on vocabulary collections.
- 3/12/07: Teachers will review sample questions on the MCAII and results of the 2006 testing.
- 4/9/07: Nancy McCoy will present in the area of structural analysis

Name	Room	Assignment
Andersen, Karen	C	Instructional para
Anderson, Katie	A	RELATE counselor
Baker, Eileen	13	Third Grade
Barnes, Caroline	RR	Reading Recovery
Bass, Samuel	MUSIC	0.8 Music
Bhatia, Rachana	2	Special education para
Blake, Mary	S3	ELL Instructional para
Bloom, Patty	S5	speech/language
Bongoye, Gideon	CO	Custodian
Braeger, Michelle	B	Special education para
Brofford, Chip	21	Fourth Grade
Burdick, Cheryl	18	Fourth Grade
Carr, Charles	25	Fifth Grade
Cartwright, Kathy	OFC	Office para
Critzer, Cathi	10	Second Grade
Crow, Melinda	5	0.5 FTE First Grade
Doucet, Joanne	OFC	Secretary
Gilbertson, Liz	27	Kindergarten Plus
Gottlieb, Jill	S4	0.5 FTE Spec. Ed
Gregory, Jill	ART	0.9 Art
Haarklau, Mary Helen	11	Second Grade
Hamre, Cindee	C	Instructional para
Hatton, Bonnie	24	Vision 21
Hester, Vicki	C	Instructional para
Hewitt, Bonnie	C	Instructional para
Hoekstra, Kathleen	2	Special education para
Ice, Krista	MC	Literacy Specialist
Johnston, Joanna	S4	0.5 FTE Spec. Ed
Koskela, Sara	15	Third Grade
Kraemer, Kareena	20	0.3 FTE Tech
Larson, Sandy	MC	Media Specialist
Leonard, Anne	3	First Grade
Leuer, Jan	GYM	PE teacher
Levi, Kris	B	Special education para
Linsday, Beth	8	First Grade
Loechler, Theresa	B	Special education para
Manuell, Monica	17	Computer para
McQueeney, Gretchen	B	Special education para
Merz, Julie	C	Instructional para

Namur, Trudy	OFC	Health para
Oelke, Deb	2	Special education para
Parekh, Lesya	16	Fourth Grade
Petersen, Sue	S3	ELL
Peterson, Lindsey	6	First Grade
Reynolds, Jane	19	Fourth Grade
Risपालje, Joette	7	Second Grade
Ross, Roberta	2	Special education para
Sever, Rick	CO	Custodian
Shoultz, Lori	OFC	social worker
Stauffer, Louann	2	Special education para
Stewart, Amy	2	Setting III spec ed
Teitema, Pat	24	Fifth Grade
vanKoeverden, Erik	14	Third Grade
Vethe, Robyn	17	0.5 Spanish
Wachs, Janette	28	Kindergarten
Walker, Melody	26	Kindergarten
Walsh, Eileen	22	Fifth Grade
Walsworth, Theresa	12	Third Grade
Walton, Chris	MC	Media Center para
Weber, John	CO	Head Custodian
Wiegert, David	9	Second Grade
Wilson, Mari-Lynn	5	0.5 FTE First Grade
Wojtkiewicz, Kathie	A	Psychologist
Worth, Andrew	23	Fifth Grade
Wright, Susan	S2	1.0 Special Ed
Yates, Mary	B	Special education para
Yohnke, Carol	B	Special education para
York, Amy	4	First Grade
Young, Dianne	B	Special education para
Younghans, Kim	C	Instructional para
Zukor, Dave	20	0.4 FTE Tech

SCHOOL Sunset Hill

**SCHOOL IMPROVEMENT PLAN**

DATE 2005-2008

District Goal Addressed: Work toward a more individualized model of instruction

School Goal Related to Student Learning Improve academic achievement by utilizing data to differentiate instruction in writing

88

Baseline Data	Interventions/Strategies	Indicators of Success	Target Date	Resources Required	Success Rating
Grade Level writing samples Fall2005-Spring2008  New Students complete writing sample	<ul style="list-style-type: none"> <li>Continue 6+1 Traits of Writing in gr. K-5</li> <li>Continue Writer's Workshop K-5</li> <li>Continue periodic staff inservice in 6+1Traits and Writer's Workshop</li> <li>Encourage staff to attend professional dev. on the topic of writing</li> <li>Maintain and update teacher's resource notebook, including new teachers</li> <li>Organize staff study groups on a variety of titles</li> </ul>	<ul style="list-style-type: none"> <li>80% of students will improve 2 rubric levels from fall of K(05) to spring 2<sup>nd</sup> grade(08)</li> <li>80% of students will improve 1 rubric level from fall of 3<sup>rd</sup> grade(05) to spring of 5<sup>th</sup> grade (08)</li> <li>The average rubric score will increase by 2 levels from fall of K (05) to spring of 2<sup>nd</sup> grade (08)</li> <li>The average rubric score will increase by 1 level from fall of 3<sup>rd</sup> gr (05) to spring of 5<sup>th</sup> gr. (08)</li> </ul>	6/08	<u>The Writer's Workshop</u> by Katie Wood Ray	2
				<u>Spotlight on Literacy</u> (reading anthology)	2
				Lucy Caulkins materials	
				Nancie Atwell materials	2
				Writer's notebooks for students	2

Ratings:

- No activity or results/poor results
- Activities proceeding as per plan/results on target
- Activities consistently exceed plan/results exceed target

Jane Reynolds/David Wiegert

\_\_\_\_\_  
Chair/leader

SCHOOL Sunset Hill

**SCHOOL IMPROVEMENT PLAN**

DATE 2005-2008

District Goal Addressed: Work toward a more individualized model of instruction

School Goal Related to Student Learning Improve academic achievement by utilizing data to differentiate instruction in writing

Baseline Data	Interventions/Strategies	Indicators of Success	Target Date	Resources Required	Success Rating
	<ul style="list-style-type: none"><li>• Utilize writer's notebook and writing conference observations to plan differentiated instruction</li><li>• Utilize fall writing sample to identify writing goals for grade level/class</li></ul>				

69

Ratings:

- 4. No activity or results/poor results
- 5. Activities proceeding as per plan/results on target
- 6. Activities consistently exceed plan/results exceed target

\_\_\_\_\_  
Chair/lead

District Goal Addressed: Work towards a more individualized model of education

School Goal Related to Student Learning: Improve academic achievement by utilizing data to differentiate instruction in math

70

Baseline Data	Interventions/Strategies	Indicators of Success	Target Date	Resources Required	Success Rating
<ul style="list-style-type: none"> <li>• MCA test scores</li> <li>• Free/Reduced lunch</li> <li>• Mobility</li> <li>• WALT scores</li> <li>• Everyday Math secure skills inventory</li> </ul>	<p>Math committee will work to coordinate instruction using curriculum and supplemental materials, i.e.,</p> <ul style="list-style-type: none"> <li>• CGI</li> <li>• Minute Math</li> <li>• Math 4 Today</li> <li>• Math Journals, written response</li> <li>• Assessment CD</li> <li>• Study Links</li> <li>• Home Links</li> <li>• Calendar Math</li> <li>• Math Fact reinforcement with volunteers and IAs</li> </ul>	<p>Students in lowest quartile will meet or exceed growth expectations in grades 3-5.</p> <p>Decrease the number of students scoring at levels 1 and 2 by 2% at each grade level.</p>	6/08	<ul style="list-style-type: none"> <li>• End of the level math tests</li> <li>• Parent volunteer training</li> <li>• IAs participating in professional development opportunities in math</li> <li>• Math notebook</li> <li>• Periodic inservice opportunities for staff</li> </ul>	

Ratings:

1. No activity or results/poor results
2. Activities proceeding as per plan/results on target
3. Activities consistently exceed plan/results exceed target

\_\_\_\_\_  
Chair/leader

SCHOOL Sunset Hill

**SCHOOL IMPROVEMENT PLAN**

DATE 2005-2008

District Goal Addressed: Work towards a more individualized model of education

School Goal Related to Student Learning: Improve academic achievement by utilizing data to differentiate instruction in math

Baseline Data	Interventions/Strategies	Indicators of Success	Target Date	Resources Required	Success Rating
	<ul style="list-style-type: none"><li>• Written response in math notebooks 3x weekly with focus on problem solving and chance/data</li><li>• Use math games to target areas of concern</li></ul>	95% of students will meet grade level "secure" expectations as identified by Everyday Math	6/08		

Ratings:

1. No activity or results/poor results
2. Activities proceeding as per plan/results on target
4. Activities consistently exceed plan/results exceed target

Julie Potvin

Chair/leader



SCHOOL Sunset Hill

**SCHOOL IMPROVEMENT PLAN**

DATE 2005-2008

District Goal Addressed: Apply our vision to all components of the district

School Goal Related to Student Learning Develop Responsible Citizenship

Baseline Data	Interventions/Strategies	Indicators of Success	Target Date	Resources Required	Success Rating
Office Referrals Classroom Lunchroom Playground Bus	Fall Kindness Retreat for fifth grade	Decrease of behavior referrals	10/08	Behavior referral form and database	2
	Spring Kindness Retreat for fourth grade	Increase in the number of helping hands	10/08	Bus safety line leaders	2
Specialist Behavior Reports	Monthly focus on specific virtues			Announcements Skits Signs of Virtues Motivational speakers Embed virtues in health curriculum	2
Social Worker group referrals	Connect VOM to specialist reports				
Acknowledgement of positive behaviors	Teacher identification of at-risk students			Classroom service projects	2
	Helping Hands			Hands	2
				Project Wisdom	

Ratings:

1. No activity or results/poor results
2. Activities proceeding as per plan/results on target
3. Activities consistently exceed plan/results exceed target

Liz Gilbertson

Chair/leader



# School Improvement Plan

Sunset Hill Elementary School

December 11, 2006

# Sunset Hill 2006-2007

- Increase of 40 students from the boundary change and open enrollment students
- Sixteen teachers who are new to the building or new to the position.
- From 1.0 FTE Reading Recovery to 1.5 FTE to promote early literacy.

# Wayzata Schools Mission

The mission of the Wayzata School District is to prepare all students for the future by providing a challenging education which builds academic competence, develops responsible citizenship, encourages creativity, promotes lifelong learning, advances critical thinking skills, instills a commitment to personal wellness, and fosters respect for self and others.

...providing a challenging education  
which builds academic competence...

- One percent of the students in grades 3-5 will increase one level in reading as measured by the MAP from Fall 2006 to Spring 2007.

...providing a challenging education which builds academic competence...

- One percent of the students in grades 3-5 will increase one level in reading as measured by the MAP from Fall 2006 to Spring 2007.
- School focus is on vocabulary acquisition through reading and word work.

...providing a challenging education which builds academic competence...

- One percent of the students in grades 3-5 will increase one level in reading as measured by the MAP from Fall 2006 to Spring 2007.
- School focus is on vocabulary acquisition through reading and word work.
- Teacher study groups in the areas of reading and word acquisition.

...providing a challenging education  
which builds academic competence...

## Volunteer programs K-5.

- Volunteer Literacy Program
- Hallway readers
- 7<sup>th</sup> grade math tutors
- Y.E.S. homework helpers

...develops responsible citizenship...

Be

A leader

A Helper

A Friend



Project Wisdom

...encourages creativity, promotes  
lifelong learning...



...advances critical thinking skills...

- Math Masters
- Word Masters

# ...advances critical thinking skills...

- Math Masters
- Word Masters
- Continental Math League
- Geography Bee



...instills a commitment to personal wellness..

## 2006 Governor's Fit School

- Promote health and wellness among students and staff
- Nutrition education and healthy food options



...fosters respect for self and others...

- Virtue of the month
  - Respect, self-control, kindness, tolerance, empathy, fairness, conscience

...fosters respect for self and others...

- Virtue of the month
  - Respect, self-control, kindness, tolerance, empathy, fairness, conscience
- 5<sup>th</sup> Grade Kindness Retreat



...fosters respect for self and others...

- Virtue of the month
  - Respect, self-control, kindness, tolerance, empathy, fairness, conscience
- 5<sup>th</sup> Grade Kindness Retreat
- 4<sup>th</sup> Grade Baker Park Experience





**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

**Regular Meeting – December 11, 2006**

**AGENDA SECTION: 5. Superintendent’s Reports and Recommendations**

**ITEM: B. Curriculum and Instruction**

**COMMENTS BY: Dr. Jane Sigford**

**3. Open Enrollment and Non-Resident Agreements**

According to Minnesota Statute 124.03, Subdivision 2, “A Board may, by resolution, limit the enrollment of nonresident pupils in its schools or program according to this section to a number not less than the lessor of:

- 1) one percent of the total enrollment at each grade level in the district; or
- 2) The number of district’s residents at that grade level enrolled in a non-resident district according to this section.”

After reviewing current enrollments, projected enrollments, and building capacities, building principals made the following recommendations for school year 07-08:

- The following elementary schools will be closed to open enrollment: Greenwood, Kimberly Lane, and Plymouth Creek.
- At the middle level, East Middle School is closed at 8<sup>th</sup> grade.
- Wayzata High School is closed whenever the enrollment of a grade level exceeds 800. At this point that means that 9<sup>th</sup> and 10<sup>th</sup> will be closed.
- Enrollment at the other schools will be accepted on a space available basis which means that we will not accept open enrollees if it means adding another section or going over the suggested class size used for staffing purposes.
- Nonresident students would be assigned to schools after applications and enrollments are reviewed

For the remainder of school year 06-07, the following is recommended:

- Kimberly Lane, Greenwood, and Plymouth Creek are closed
- Close 8<sup>th</sup> grade across the district
- Close 7<sup>th</sup> grade at East
- At the high school any grade level whose numbers exceed 800 is closed.

**Recommended Action:** For the remainder of school year 06-07, Kimberly Lane, Greenwood, and Plymouth Creek are closed. Eighth grade is closed across the district; 7<sup>th</sup> grade at East is closed. Any grade whose numbers exceed 800 is closed at the high school.

For school year 07-08, Kimberly Lane, Greenwood, and Plymouth Creek are closed. East would be closed at 8<sup>th</sup> grade. Wayzata High School would be closed whenever the numbers in a grade exceed 800. Currently, grades 9 and 10 would be closed.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_  
Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_  
Abstentions \_\_\_\_\_

**WAYZATA PUBLIC SCHOOLS**

Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

**AGENDA SECTION: 5. Superintendent's Reports and Recommendations**

**ITEM: C. Finance and Business Services**

**COMMENTS BY: Mr. Hopeman, Jr.**

**1) Monthly Financial Reports**

Enclosed for School Board review and information is the following financial report:

- Student Activity Fund Report of October 31, 2006.

The following financial reports will be distributed after the audit is completed for Fiscal Year 2006:

- Monthly financial Report
- 1994 Bond Issue Summary Report
- 1998 School Bond Issue Report

No School Board action is required.

**Wayzata Public Schools**  
**Student Activity Fund Summary**  
**October 31, 2006**

**PROGRAM/LOCATION : MISCELLANEOUS**

								Balance as Of	FY'2006/07	FY'2006/07	Balance as Of
Fund	Type	Org	Prg	Crs	Fin	Obj/Src	Account Name	06/30/06	Revenue	Expend	10/31/06
21	E/R	018	000	000	000	899/099	AD BUILDING	725.78	101.80	84.80	742.78
21	R	018	000	000	000	092	INTEREST/BANK CHARGES	-			-
<b>TOTAL MISCELLANEOUS</b>								<b>725.78</b>	<b>101.80</b>	<b>84.80</b>	<b>742.78</b>

**PROGRAM/LOCATION : WAZATA HIGH SCHOOL**

								Balance as Of	FY'2006/07	FY'2006/07	Balance as Of
Fund	Type	Org	Prg	Crs	Fin	Obj/Src	Account Name	06/30/06	Revenue	Expend	10/31/06
21	E/R	251	280	001	000	899/099	DRAMA	4,454.25	1,389.00	3,334.57	2,508.68
21	E/R	251	280	003	000	899/099	WAYAKO	15,416.22	92,070.99	38,823.40	68,663.81
21	E/R	251	280	005	000	899/099	CERAMICS	327.73			327.73
21	E/R	251	280	007	000	899/099	CHEERLEADERS	872.82	1,298.25	887.79	1,283.28
21	E/R	251	280	008	000	899/099	CHOIR	9,317.66	31,296.25	21,657.39	18,956.52
21	E/R	251	280	009	000	899/099	DANCELINE	21,175.35	660.00	3,603.80	18,231.55
21	E/R	251	280	010	000	899/099	CLASS OF 2008	2,199.22		100.00	2,099.22
21	E/R	251	280	011	000	899/099	CLASS OF 2009	298.51	7,900.00	100.00	8,098.51
21	E/R	251	280	012	000	899/099	CLASS OF 2010	-		100.00	(100.00)
21	E/R	251	280	013	000	899/099	CLASS OF 2006	3,258.90			3,258.90
21	E/R	251	280	014	000	899/099	CLASS OF 2007	34,816.81		29,804.04	5,012.77
21	E/R	251	280	016	000	899/099	ACTIVITY SUPPORT	63,733.43	11,088.24	11,960.74	62,860.93
21	E/R	251	280	017	000	899/099	DECA	19,064.71	24,236.00	13,962.42	29,338.29
21	E/R	251	280	019	000	899/099	FRENCH	1,170.26			1,170.26
21	E/R	251	280	020	000	899/099	GERMAN	7,734.17	563.68	5,448.80	2,849.05
21	E/R	251	280	021	000	899/099	LETTERMAN	12,036.54	9,731.38	6,525.93	15,241.99
21	E/R	251	280	022	000	899/099	FINE ARTS	1,571.37	465.00	2,080.25	(43.88)
21	E/R	251	280	023	000	899/099	LOCK DEPOSIT	18,394.38	757.50		19,151.88
21	E/R	251	280	024	000	899/099	BAND	55,772.16	37,982.50	56,385.86	37,368.80
21	E/R	251	280	025	000	899/099	SMOKING FINES	211.07	147.00		358.07
21	E/R	251	280	026	000	899/099	NATIONAL HONOR	3,561.97		663.65	2,898.32
21	E/R	251	280	027	000	899/099	STUDENT SERVICES	17,606.49			17,606.49
21	E/R	251	280	028	000	899/099	ORCHESTRA	6,312.71	22,313.50	15,015.29	13,610.92
21	E/R	251	280	030	000	899/099	STUDENT COUNCIL	3.18	19,445.00	5,769.03	13,679.15
21	E/R	251	280	031	000	899/099	SPANISH	1,451.47			1,451.47
21	E/R	251	280	035	000	899/099	MUSICAL	12,555.06	6,188.00	8,739.81	10,003.25
21	E/R	251	280	037	000	899/099	RARE	4,139.05	1,500.00	504.00	5,135.05
21	E/R	251	280	038	000	899/099	SCHOLARSHIPS	780.98			780.98
21	E/R	251	280	039	000	899/099	THEATRE ARTS	5,286.98	500.00		5,786.98
21	E/R	251	280	040	000	899/099	BUSINESS PROFESS	1,372.61	7,669.00	1,372.72	7,668.89
21	E/R	251	280	041	000	899/099	SCHOOL STORE	1,162.11			1,162.11
21	E/R	251	280	042	000	899/099	VICA	13,942.79	2,140.00	2,126.57	13,956.22
21	E/R	251	280	043	000	899/099	ART CLUB	824.00	200.00		1,024.00
21	E/R	251	280	044	000	899/099	LINK 4	2,874.33	1,119.75	448.86	3,545.22
21	E/R	251	280	045	000	899/099	BPA/DECA	8,293.93	3,461.36	1,867.29	9,888.00
21	E/R	251	280	047	000	899/099	HIGH MILEAGE TEAM	(820.00)	790.00	98.05	(128.05)
21	E/R	251	280	048	000	899/099	Y.E.S.	53.19			53.19
21	E/R	251	280	049	000	899/099	CREATIVE WRITING	809.00	860.00	1,390.18	278.82
21	E/R	251	280	050	000	899/099	DECA - SPIRITWARE	-	8,106.00	39.96	8,066.04
<b>TOTAL WAZATA HIGH SCHOOL</b>								<b>352,035.41</b>	<b>293,878.40</b>	<b>232,810.40</b>	<b>413,103.41</b>

**Wayzata Public Schools**  
**Student Activity Fund Summary**  
**October 31, 2006**

**PROGRAM/LOCATION : WAZATA HIGH SCHOOL ATHLETICS**

								Balance as Of	FY'2006/07	FY'2006/07	Balance as Of
<i>Fund</i>	<i>Type</i>	<i>Org</i>	<i>Prg</i>	<i>Crs</i>	<i>Fin</i>	<i>Obj/Src</i>	<i>Account Name</i>	<i>06/30/06</i>	<i>Revenue</i>	<i>Expend</i>	<i>10/31/06</i>
21	E/R	251	280	070	000	899/099	BASEBALL	2,218.19	1,162.00	253.50	3,126.69
21	E/R	251	280	071	000	899/099	BASKETBALL - BOYS	4,861.70	1,677.00	3,514.20	3,024.50
21	E/R	251	280	072	000	899/099	BASKETBALL - GIRLS	2,802.58	3,720.00	2,206.63	4,315.95
21	E/R	251	280	073	000	899/099	CROSS COUNTRY - BOYS	4,027.32	6,391.62	6,982.66	3,436.28
21	E/R	251	280	074	000	899/099	CROSS COUNTRY - GIRLS	3,249.34	8,314.75	9,432.17	2,131.92
21	E/R	251	280	075	000	899/099	FOOTBALL	35,874.62	9,750.00	30,266.24	15,358.38
21	E/R	251	280	076	000	899/099	GYMNASTICS	97.62	597.00		694.62
21	E/R	251	280	077	000	899/099	GOLF - BOYS	1,114.14	127.00	212.10	1,029.04
21	E/R	251	280	078	000	899/099	GOLF - GIRLS	257.77	243.00	97.75	403.02
21	E/R	251	280	079	000	899/099	HOCKEY - BOYS	3,081.48	9,472.00	2,790.00	9,763.48
21	E/R	251	280	080	000	899/099	HOCKEY - GIRLS	3,517.10	5,298.00		8,815.10
21	E/R	251	280	081	000	899/099	SKIING - ALPINE	2,021.97	541.00		2,562.97
21	E/R	251	280	082	000	899/099	SKIING - NORDIC	3,580.99	392.00		3,972.99
21	E/R	251	280	083	000	899/099	SOFTBALL	1,006.69	2,129.00		3,135.69
21	E/R	251	280	084	000	899/099	SWIMMING/DIVING - BOYS	449.05	337.00	500.00	286.05
21	E/R	251	280	085	000	899/099	SWIMMING/DIVING - GIRLS	9,271.52	13,062.99	5,495.48	16,839.03
21	E/R	251	280	086	000	899/099	SOCCER - BOYS	4,386.10	9,209.00	9,854.69	3,740.41
21	E/R	251	280	087	000	899/099	SOCCER - GIRLS	4,150.61	482.00		4,632.61
21	E/R	251	280	088	000	899/099	SYNCHRONIZED SWIMMING	5,221.26	3,026.00	144.83	8,102.43
21	E/R	251	280	089	000	899/099	TENNIS - BOYS	6,761.61	1,112.00	424.61	7,449.00
21	E/R	251	280	090	000	899/099	TENNIS - GIRLS	4,159.88	3,876.50	5,178.23	2,858.15
21	E/R	251	280	091	000	899/099	TRACK/FIELD - BOYS	5,758.65	1,442.00	2,062.62	5,138.03
21	E/R	251	280	092	000	899/099	TRACK/FIELD - GIRLS	5,307.30	754.00	4,448.28	1,613.02
21	E/R	251	280	093	000	899/099	VOLLEYBALL	3,631.70	6,213.00	6,148.20	3,696.50
21	E/R	251	280	094	000	899/099	WRESTLING	(24.19)	42.00		17.81
21	E/R	251	280	095	000	899/099	ADAPTIVE ATHLETICS	1,552.88			1,552.88
<b>TOTAL HIGH SCHOOL ATHLETICS</b>								<b>118,337.88</b>	<b>89,370.86</b>	<b>90,012.19</b>	<b>117,696.55</b>

**PROGRAM/LOCATION : CENTRAL MIDDLE SCHOOL**

								Balance as Of	FY'2006/07	FY'2006/07	Balance as Of
<i>Fund</i>	<i>Type</i>	<i>Org</i>	<i>Prg</i>	<i>Crs</i>	<i>Fin</i>	<i>Obj/Src</i>	<i>Account Name</i>	<i>06/30/06</i>	<i>Revenue</i>	<i>Expend</i>	<i>10/31/06</i>
21	E/R	253	280	152	000	899/099	MUSICAL	15,764.90			15,764.90
21	E/R	253	280	155	000	899/099	VALLEYFAIR	4,727.79	195.50		4,923.29
21	E/R	253	280	156	000	899/099	STUDENT COUNCIL	1,446.99	832.00	237.38	2,041.61
21	E/R	253	280	157	000	899/099	BAND	1,309.19	3,680.00	423.40	4,565.79
21	E/R	253	280	158	000	899/099	CHOIR	635.31			635.31
21	E/R	253	280	161	000	899/099	YEARBOOKS	5,060.77	15,539.00	5,854.80	14,744.97
21	E/R	253	280	165	000	899/099	STUDENT SERVICES	10,802.34	10,344.00	9,126.65	12,019.69
21	E/R	253	280	166	000	899/099	FAMILY CONSUMER SCIENCE	-			-
21	E/R	253	280	167	000	899/099	MINI COURSES	4,237.85		170.06	4,067.79
<b>TOTAL CENTRAL MIDDLE SCHOOL</b>								<b>43,985.14</b>	<b>30,590.50</b>	<b>15,812.29</b>	<b>58,763.35</b>

**PROGRAM/LOCATION : WEST MIDDLE SCHOOL**

								Balance as Of	FY'2006/07	FY'2006/07	Balance as Of
<i>Fund</i>	<i>Type</i>	<i>Org</i>	<i>Prg</i>	<i>Crs</i>	<i>Fin</i>	<i>Obj/Src</i>	<i>Account Name</i>	<i>06/30/06</i>	<i>Revenue</i>	<i>Expend</i>	<i>10/31/06</i>
21	E/R	351	280	201	000	899/099	BAND	9.91	2,885.00	845.08	2,049.83
21	E/R	351	280	202	000	899/099	CHOIR	10,453.31	3,714.00	4,130.09	10,037.22
21	E/R	351	280	203	000	899/099	STUDENT SERVICES	6,720.46	1,872.73	5,323.42	3,269.77
21	E/R	351	280	204	000	899/099	SCHOOL STORE	-	15.00		15.00

**Wayzata Public Schools**  
**Student Activity Fund Summary**

**October 31, 2006**

21	E/R	351	280	209	000	899/099	STUDENT COUNCIL	1,935.13	108.00	755.23	1,287.90
21	E/R	351	280	212	000	899/099	YEARBOOK	7,532.71	13,013.00	5,389.20	15,156.51
21	E/R	351	280	213	000	899/099	THEATER	14,287.83	636.15	10,130.83	4,793.15
<b>TOTAL WEST MIDDLE SCHOOL</b>								<b>40,939.35</b>	<b>22,243.88</b>	<b>26,573.85</b>	<b>36,609.38</b>
<b>PROGRAM/LOCATION : EAST MIDDLE SCHOOL</b>											
								<b>Balance as Of</b>	<b>FY'2006/07</b>	<b>FY'2006/07</b>	<b>Balance as Of</b>
<b>Fund</b>	<b>Type</b>	<b>Org</b>	<b>Prg</b>	<b>Crs</b>	<b>Fin</b>	<b>Obj/Src</b>	<b>Account Name</b>	<b>06/30/06</b>	<b>Revenue</b>	<b>Expend</b>	<b>10/31/06</b>
21	E/R	352	280	100	000	899/099	STUDENT SERVICES	9,687.24	5,912.50	5,116.93	10,482.81
21	E/R	352	280	102	000	899/099	LOCKERS	104.32	64.00		168.32
21	E/R	352	280	104	000	899/099	BAND	784.78	185.00		969.78
21	E/R	352	280	105	000	899/099	STUDENT COUNCIL	1,846.27	1,059.00	1,019.89	1,885.38
21	E/R	352	280	107	000	899/099	VARIETY FUND	8,736.85			8,736.85
<b>TOTAL EAST MIDDLE SCHOOL</b>								<b>21,159.46</b>	<b>7,220.50</b>	<b>6,136.82</b>	<b>22,243.14</b>
<b>PROGRAM/LOCATION : BIRCHVIEW</b>											
								<b>Balance as Of</b>	<b>FY'2006/07</b>	<b>FY'2006/07</b>	<b>Balance as Of</b>
<b>Fund</b>	<b>Type</b>	<b>Org</b>	<b>Prg</b>	<b>Crs</b>	<b>Fin</b>	<b>Obj/Src</b>	<b>Account Name</b>	<b>06/30/06</b>	<b>Revenue</b>	<b>Expend</b>	<b>10/31/06</b>
21	E/R	404	280	251	000	899/099	STUDENT SERV - K	948.29			948.29
21	E/R	404	280	253	000	899/099	STUDENT SERV - GR 1	182.33	38.25	258.00	(37.42)
21	E/R	404	280	254	000	899/099	STUDENT SERV - GR 2	117.53	684.50	735.63	66.40
21	E/R	404	280	255	000	899/099	STUDENT SERV - GR 3	599.04	651.50	694.56	555.98
21	E/R	404	280	256	000	899/099	STUDENT SERV - GR 4	837.15	733.00	759.07	811.08
21	E/R	404	280	257	000	899/099	STUDENT SERV - GR 5	1,795.61		778.32	1,017.29
21	E/R	404	280	259	000	899/099	STUDENT COUNCIL	579.16		444.00	135.16
21	E/R	404	280	260	000	899/099	STUDENT SERV - GENERAL	1,811.78	500.00	184.41	2,127.37
21	E/R	404	280	261	000	899/099	MEDIA	768.92	0.00	737.40	31.52
<b>TOTAL BIRCHVIEW</b>								<b>7,639.81</b>	<b>2,607.25</b>	<b>4,591.39</b>	<b>5,655.67</b>
<b>PROGRAM/LOCATION : GREENWOOD</b>											
								<b>Balance as Of</b>	<b>FY'2006/07</b>	<b>FY'2006/07</b>	<b>Balance as Of</b>
<b>Fund</b>	<b>Type</b>	<b>Org</b>	<b>Prg</b>	<b>Crs</b>	<b>Fin</b>	<b>Obj/Src</b>	<b>Account Name</b>	<b>06/30/06</b>	<b>Revenue</b>	<b>Expend</b>	<b>10/31/06</b>
21	E/R	406	280	307	000	899/099	KINDERGARTEN	165.93			165.93
21	E/R	406	280	311	000	899/099	MEDIA	289.04			289.04
21	E/R	406	280	312	000	899/099	STUDENT SERVICES	7,358.29			7,358.29
21	E/R	406	280	315	000	899/099	STUDENT COUNCIL	-			-
<b>TOTAL GREENWOOD</b>								<b>7,813.26</b>	<b>-</b>	<b>-</b>	<b>7,813.26</b>
<b>PROGRAM/LOCATION : OAKWOOD</b>											
								<b>Balance as Of</b>	<b>FY'2006/07</b>	<b>FY'2006/07</b>	<b>Balance as Of</b>
<b>Fund</b>	<b>Type</b>	<b>Org</b>	<b>Prg</b>	<b>Crs</b>	<b>Fin</b>	<b>Obj/Src</b>	<b>Account Name</b>	<b>06/30/06</b>	<b>Revenue</b>	<b>Expend</b>	<b>10/31/06</b>
21	E/R	407	280	451	000	899/099	STUDENT SERV - GR 1	-			-
21	E/R	407	280	456	000	899/099	STUDENT SERV - K	-			-

**Wayzata Public Schools**  
**Student Activity Fund Summary**

**October 31, 2006**

21	E/R	407	280	459	000	899/099	STUDENT SERV - GR 2	-			-
21	E/R	407	280	461	000	899/099	STUDENT SERV - GR 4	-			-
21	E/R	407	280	464	000	899/099	STUDENT SERV - GR 5	4.95			4.95
21	E/R	407	280	468	000	899/099	STUDENT SERV - GR 3	111.18	8.00		119.18
21	E/R	407	280	469	000	899/099	STUDENT COUNCIL	713.45	53.50	808.33	(41.38)
21	E/R	407	280	474	000	899/099	STUDENT SERV - GENERAL	7,424.22	989.75	1,095.97	7,318.00
21	E/R	407	280	476	000	899/099	CHESS CLUB	195.43			195.43
<b>Total Oakwood Elementary</b>								<b>8,449.23</b>	<b>1,051.25</b>	<b>1,904.30</b>	<b>7,596.18</b>
<b>PROGRAM/LOCATION : SUNSET HILL</b>											
<b>Fund</b>	<b>Type</b>	<b>Org</b>	<b>Prg</b>	<b>Crs</b>	<b>Fin</b>	<b>Obj/Src</b>	<b>Account Name</b>	<b>Balance as Of 06/30/06</b>	<b>FY'2006/07 Revenue</b>	<b>FY'2006/07 Expend</b>	<b>Balance as Of 10/31/06</b>
21	E/R	408	280	572	000	899/099	STUDENT SERVICES	8,939.34	1,620.00	6,541.08	4,018.26
21	E/R	408	280	573	000	899/099	STUDENT COUNCIL	-		0.00	-
21	E/R	408	280	574	000	899/099	PENCIL MACHINE/STORE	2,649.79			2,649.79
<b>TOTAL SUNSET HILL</b>								<b>11,589.13</b>	<b>1,620.00</b>	<b>6,541.08</b>	<b>6,668.05</b>
<b>PROGRAM/LOCATION : PLYMOUTH CREEK</b>											
<b>Fund</b>	<b>Type</b>	<b>Org</b>	<b>Prg</b>	<b>Crs</b>	<b>Fin</b>	<b>Obj/Src</b>	<b>Account Name</b>	<b>Balance as Of 06/30/06</b>	<b>FY'2006/07 Revenue</b>	<b>FY'2006/07 Expend</b>	<b>Balance as Of 10/31/06</b>
21	E/R	410	280	532	000	899/099	STUDENT COUNCIL	453.32			453.32
21	E/R	410	280	533	000	899/099	STUDENT SERVICES	14,412.47	2,420.22	1,541.61	15,291.08
<b>TOTAL PLYMOUTH CREEK</b>								<b>14,865.79</b>	<b>2,420.22</b>	<b>1,541.61</b>	<b>15,744.40</b>
<b>PROGRAM/LOCATION : GLEASON LAKE</b>											
<b>Fund</b>	<b>Type</b>	<b>Org</b>	<b>Prg</b>	<b>Crs</b>	<b>Fin</b>	<b>Obj/Src</b>	<b>Account Name</b>	<b>Balance as Of 06/30/06</b>	<b>FY'2006/07 Revenue</b>	<b>FY'2006/07 Expend</b>	<b>Balance as Of 10/31/06</b>
21	E/R	411	280	352	000	899/099	STUDENT SERVICES	4,660.75		85.57	4,575.18
21	E/R	411	280	354	000	899/099	STUDENT COUNCIL	736.82			736.82
21	E/R	411	280	358	000	899/099	MEDIA	2,271.43			2,271.43
21	E/R	411	280	360	000	899/099	STUDENT SERV - K	-			-
21	E/R	411	280	361	000	899/099	STUDENT SERV - GR 1	-			-
21	E/R	411	280	362	000	899/099	STUDENT SERV - GR 2	-			-
21	E/R	411	280	363	000	899/099	STUDENT SERV - GR 3	-			-
21	E/R	411	280	364	000	899/099	STUDENT SERV - GR 4	-			-
21	E/R	411	280	365	000	899/099	STUDENT SERV - GR 5	-			-
<b>TOTAL GLEASON LAKE</b>								<b>7,669.00</b>	<b>-</b>	<b>85.57</b>	<b>7,583.43</b>
<b>PROGRAM/LOCATION : KIMBERLY LANE</b>											
<b>Fund</b>	<b>Type</b>	<b>Org</b>	<b>Prg</b>	<b>Crs</b>	<b>Fin</b>	<b>Obj/Src</b>	<b>Account Name</b>	<b>Balance as Of 06/30/06</b>	<b>FY'2006/07 Revenue</b>	<b>FY'2006/07 Expend</b>	<b>Balance as Of 10/31/06</b>

**Wayzata Public Schools**

**Student Activity Fund Summary**

**October 31, 2006**

21	E/R	412	280	401	000	899/099	STUDENT COUNCIL	3,219.70	1,275.03	1,215.50	3,279.23
21	E/R	412	280	403	000	899/099	GJESTVANG	478.31		176.99	301.32
21	E/R	412	280	404	000	899/099	CARLSON	431.09			431.09
21	E/R	412	280	405	000	899/099	SPRAQUE	4.54	462.00		466.54
21	E/R	412	280	410	000	899/099	STUDENT SERV - GR 1	371.41			371.41
21	E/R	412	280	414	000	899/099	STUDENT SERV - GR 2	951.80			951.80
21	E/R	412	280	417	000	899/099	STUDENT SERV - GR 3	172.56			172.56
21	E/R	412	280	419	000	899/099	STUDENT SERV - GR 4	19.41			19.41
21	E/R	412	280	424	000	899/099	STUDENT SERV - GR 5	357.65			357.65
21	E/R	412	280	430	000	899/099	MEDIA	302.07		22.95	279.12
21	E/R	412	280	431	000	899/099	STUDENT SERVICES	13,552.68	5,498.15	955.74	18,095.09
							<b>TOTAL KIMBERLY LANE</b>	<b>19,861.22</b>	<b>7,235.18</b>	<b>2,371.18</b>	<b>24,725.22</b>
							<b>GRAND TOTAL</b>	<b>655,070.46</b>	<b>458,339.84</b>	<b>388,465.48</b>	<b>724,944.82</b>

**WAYZATA PUBLIC SCHOOLS**

Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

**AGENDA SECTION: 5. Superintendent’s Reports and Recommendations**

**ITEM: C. Finance and Business Services**

**COMMENTS BY: Mr. Hopeman, Jr.**

**2) Comprehensive Annual Financial Report for Fiscal Year Ending June 30, 2006**

The annual audit has been completed by the auditing firm of Larson, Allen, Weishair & Co., LLP. We are pleased to have with us this evening Dennis Hoogeveen, a Principal with Larson - Allen. Mr. Hoogeveen will highlight the following reports and answer questions:

- 1) Comprehensive Annual Financial Report for Fiscal Year Ending June 30, 2006.
- 2) Executive Audit Summary, June 30, 2006.
- 3) Schedule of Expenditures of Federal Awards and Reports of Independent Certified Public Accountants and Other Required Reports, June 30, 2006.

**RECOMMENDED ACTION:** Accept the Comprehensive Annual Report for the Fiscal Year Ending June 30, 2006, the Executive Audit Summary prepared by Larson, Allen, Weishair & Co., LLP and the Schedule of Expenditures of Federal Awards and Reports of Independent Certified Public Accountants and Other Required Reports for the Year Ending, June 30, 2006.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_

Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_

Abstentions \_\_\_\_\_

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT OF  
WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
WAYZATA, MINNESOTA  
YEAR ENDED JUNE 30, 2006**

**PREPARED BY THE  
DEPARTMENT OF FINANCE AND BUSINESS SERVICES**

**ALAN R. HOPEMAN  
EXECUTIVE DIRECTOR, FINANCE AND BUSINESS**

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
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JUNE 30, 2006**

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**FINANCIAL SECTION**

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**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
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**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
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**INTRODUCTORY SECTION**

DRAFT

December 1, 2005

To: Citizens of the District  
Board of Education  
Robert J. Ostlund, Superintendent of Schools

## **INTRODUCTION**

We respectfully submit the Comprehensive Annual Financial Report of Independent School District No. 284, Wayzata, Minnesota (the District) for the fiscal year ended June 30, 2006. Responsibility for the entire financial report rests with District management. The report contains all of the funds and account groups of the District in conformity with accounting principles generally accepted in the United States of America (GAAP) for defining the reporting entity.

The District implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* for the year ended June 30, 2003. This standard, issued in June 1999, creates a new reporting model of financial information and disclosure, which represents a significant departure from the previously used reporting model. The reader will notice that the two main basic financial statements created by this standard, the Statement of Net Assets and the Statement of Activities, do not contain numerous columns for various funds that have been seen in past governmental financial statements. These two statements consolidate much of the information contained in fund-based financial statements of the past into statements which tend to answer the question: “Is the District better or worse off financially than it was in the previous year?” A comparison of net assets should help the reader in answering that question.

Also required as a part of “Required Supplementary Information” by GASB Statement No. 34 is a “Management’s Discussion and Analysis” (MD&A) which allows the District to explain in layman’s terms its financial position and results of operations of the past fiscal year.

The Comprehensive Annual Financial Report is presented in three primary sections as follows:

- Introductory Section
- Financial Section
- Statistical Section

The introduction includes a list of Principal Officials, an organizational chart, and this transmittal letter. The financial section includes the basic financial statements, individual fund statements and related schedules. The Report of the Independent Certified Public Accountants is also included in the financial section. Notes to the financial section are provided to enhance the reader’s understanding of Wayzata Public Schools’ accounting policies and procedures. The statistical section includes selected financial and general information presented on a multiyear comparative basis.

## ECONOMIC CONDITION AND OUTLOOK

The District is a public educational system serving a 38-square-mile area located in the western portion of Hennepin County. District boundaries encompass either the entire geographic area or portions of the communities of Wayzata, Plymouth, Minnetonka, Medicine Lake, Orono, Medina, Maple Grove, and Corcoran.

Enrollment for the 2005-2006 school year was 9,825 pupils in adjusted average daily membership, which represents an increase of 114 students from the prior year. Demographic forecasts indicate only modest change in enrollment in the next few years. Projected enrollments for the near future per an independent demographer hired by the District are:

<u>Fiscal Year</u>	<u>Enrollment</u>
2007	9,748
2008	9,710
2009	9,716
2010	9,755

For 2005-2006, District facilities included seven elementary schools, three middle schools, a senior high school, a district administration center, and a central service facility.

The tax base of the District increased 11.3% during the past year. The market value of all taxable property in the district in 2005 was \$8,926,736,715, compared to \$8,019,537,100 in 2004.

The net tax capacity of the District for 2005 was \$99,870,308, an increase of 12.4% over the 2004 value of \$88,850,251. The adjusted net tax capacity, which is net tax capacity after adjustments by the Minnesota Department of Revenue for sales/assessment ratios, was \$113,747,503 in 2005, up from \$103,434,518 in 2004.

The state fiscal disparities law provides for the pooling of 40% of all new commercial/industrial property valuation added since 1971 in the seven-county Minneapolis-Saint Paul metropolitan area. The pooled valuation is redistributed among the taxing jurisdictions according to population and a ratio measuring relative fiscal capacity. Local tax rates reflect the net contribution/distribution of fiscal disparities valuation. The District has been a net contributor to the fiscal disparities pool in recent years. The following table displays the District's net valuation contribution for the last ten years. The amount for 2002 was a substantial reduction from previous years due to changes in property class rates made by the Legislature.

<u>Tax Year</u>	<u>Amount</u>
1996	\$ 9,563,346
1997	\$10,320,407
1998	\$10,287,454
1999	\$10,929,130
2000	\$11,695,017
2001	\$12,979,629
2002	\$ 8,490,062
2003	\$ 9,580,309
2004	\$ 9,531,729
2005	\$ 9,061,471
2006	\$ 8,772,387

**FINANCIAL INFORMATION**

In developing and evaluating the District’s accounting system, consideration is given to the adequacy of internal accounting controls. These controls are designed to provide reasonable assurance regarding: (1) the safeguarding of assets and (2) the reliability of financial records used in the preparation of financial statements in conformity with GAAP. The concept of reasonable assurance recognizes that the costs of internal control should not exceed the benefits likely to be derived and that the value of costs and benefits requires estimates and judgments by management.

An annual budget is adopted by the Board of Education (the School Board) for the General, Special Revenue, and Debt Service Funds. The Department of Finance and Business Services maintains budgetary control. Management and the School Board review monthly reports.

The following tables present comparative revenues and other financing sources for the fiscal periods 2006 and 2005 for the Special Revenue, Capital Projects, and Debt Service Funds. The reader is directed to the Management’s Discussion and Analysis report for a more in depth look at the General Fund.

**SPECIAL REVENUE FUND REVENUES  
Fiscal Year 2006**

Revenue Source	Amount	Percent of Total	Increase (Decrease) Over FY 2005
Local Property Taxes	\$ 591,728	5.6%	\$ (437,805)
Other Local Revenue (Fees, Etc.)	4,949,556	46.2%	562,908
State Sources	942,054	8.8%	663,661
Federal Sources	620,782	5.8%	51,497
Sales and Other Conversions of Assets	3,602,232	33.6%	256,404
<b>Total</b>	<b>\$ 10,706,352</b>	<b>100.0%</b>	<b>\$ 1,096,665</b>

In Special Revenue Funds (Food Service and Community Services Funds), revenue increased from the previous year. Food service program revenues increased by \$361,180, primarily due to increased sales to participants. A price increase implemented for 2005-06 accounted for a portion of the increased revenue.

Community Education revenues increased by \$735,485. This increase is almost entirely due to growth in revenue from school-aged childcare programs.

The decrease in property tax revenue and increase in state aid was caused primarily by an accounting shift required by state law. This shift reclassified \$542,483 of FY06 property tax revenue as state aid. It does not alter total revenue.

**FINANCIAL INFORMATION (CONTINUED)**

**SPECIAL REVENUE FUND EXPENDITURES  
Fiscal Year 2006**

<u>Expenditure Categories</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) Over FY 2005</u>
Pupil Support Services	\$ 4,002,138	38.7%	\$ 201,179
Community Education Services	6,042,097	58.4%	413,545
Capital	298,715	2.9%	144,099
Total	<u>\$ 10,342,950</u>	<u>100.0%</u>	<u>\$ 758,823</u>

Expenditures in the Food Service Fund increased by \$402,131, due in large part to capital expenditures. Community Services expenditures increased due primarily to growth in school-aged childcare programs.

**SPECIAL REVENUE FUND BALANCE  
Fiscal Year 2006**

<u>Fund</u>	<u>FY 2006 Amount</u>	<u>FY 2005 Amount</u>	<u>Increase (Decrease) Over FY 2005</u>
Food Service Fund:			
Unreserved - Undesignated	\$ 1,095,034	\$ 995,145	\$ 99,889
Community Service Fund:			
Reserved	923,717	667,749	255,968
Unreserved - Undesignated	<u>20,322</u>	<u>11,277</u>	<u>9,045</u>
Subtotal -- Community Service Fund	<u>944,039</u>	<u>679,026</u>	<u>265,013</u>
Total	<u>\$ 2,039,073</u>	<u>\$ 1,674,171</u>	<u>\$ 364,902</u>

The unreserved-undesignated fund balance in the Food Service fund of \$1,095,034 has been accumulated in anticipation of the expenditure of nearly \$1 million in FY07 for the replacement of the Central Middle School kitchen.

**FINANCIAL INFORMATION (CONTINUED)**

**CAPITAL PROJECTS FUND REVENUE  
Fiscal Year 2006**

<u>Revenue Source</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) Over FY 2005</u>
Interest Income	\$ 34,034	100.0%	\$ 13,364
Other	-	0.0%	(3)
Total	<u>\$ 34,034</u>	<u>100.0%</u>	<u>\$ 13,361</u>

The only significant revenue activity in the Capital Projects Fund consists of interest income. In addition, but not shown, is a permanent transfer of local property tax revenues from the General Fund to the Capital Projects-Building Construction Fund for the alternative facilities program. For fiscal year 2005 the transfer was \$328,204 and for fiscal year 2006 it was \$542,000. No additional bonds were sold to raise funds for capital projects in fiscal year 2005.

**CAPITAL PROJECTS FUND EXPENDITURES  
Fiscal Year 2006**

<u>Expenditure Categories</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) Over FY 2005</u>
Capital Expenditures	<u>\$ 1,398,526</u>	<u>100%</u>	<u>\$ 452,918</u>

**CAPITAL PROJECTS FUND BALANCE  
Fiscal Year 2006**

<u>Fund</u>	<u>FY 2006 Amount</u>	<u>FY 2005 Amount</u>	<u>Increase (Decrease) Over FY 2005</u>
Capital Projects Fund - Reserved	<u>\$ -</u>	<u>\$ 555,535</u>	<u>\$ (555,535)</u>

Expenditures totaled \$1,398,526, which included \$1,042,661 for indoor air quality projects under the alternative facilities program. The remaining \$355,865 in capital expenditures is for site and building improvements at various locations including paving, masonry repairs, and field improvements.

**FINANCIAL INFORMATION (CONTINUED)**

**DEBT SERVICE FUND REVENUES  
Fiscal Year 2006**

Revenue Source	Amount	Percent of Total	Increase (Decrease) Over FY 2005
Local Property Taxes	\$ 10,186,011	88.2%	\$ 79,426
Other Local and County	1,359,902	11.8%	(173,181)
<b>Total</b>	<b>\$ 11,545,913</b>	<b>100.0%</b>	<b>\$ (93,755)</b>

**DEBT SERVICE FUND EXPENDITURES  
Fiscal Year 2006**

Expenditure Categories	Amount	Percent of Total	Increase (Decrease) Over FY 2005
Debt Service - Principal	\$ 5,510,000	48.6%	\$ 225,000
Debt Service - Interest	5,831,769	51.5%	(398,929)
Fiscal and Other Fixed Charges	1,869	0.0%	(216,608)
<b>Total</b>	<b>\$ 11,343,638</b>	<b>100.1%</b>	<b>\$ (390,537)</b>

No new debt service obligations were incurred by the District in fiscal year 2006, and no bond refundings occurred.

**DEBT SERVICE FUND BALANCE  
Fiscal Year 2006**

Fund	FY 2006 Amount	FY 2005 Amount	Increase (Decrease) Over FY 2005
Debt Service Fund:			
Reserved	\$ 29,961,070	\$ 30,504,975	\$ (543,905)
Unreserved - Designated	2,129,929	1,383,749	746,180
<b>Total -- Debt Service Fund</b>	<b>\$ 32,090,999</b>	<b>\$ 31,888,724</b>	<b>\$ 202,275</b>

## **DEBT ADMINISTRATION**

At June 30, 2006, the District's bonded debt totaled \$110,865,000. Under current state statutes, the District's general obligation bonded debt issuances are subject to a legal limitation equal to 15% of the actual value of all taxable property within the District. The District is well within its legal authority for bonded debt. No bonds were issued or refunded during fiscal year 2006.

Moody's Investor's Service upgraded the District's credit rating from Aa3 to Aa2 during fiscal year 2004. During fiscal year 2005, Moody's assigned a "positive outlook" to the District's credit rating.

## **CASH MANAGEMENT**

The primary goal of the District's cash management program is to effectively manage cash so that day-to-day operational needs are met in a timely manner and to invest any excess cash to earn the maximum return while complying with statutory requirements. The district has the ability and the intent to hold investments to maturity. Therefore, it intends to recover the cost of its investment portfolio, and does not expect to realize any gain or loss from the market value adjustments included in the financial statements. Substantially all of the District's investments, other than Internal Service Fund investments, are purchased to mature in less than six months.

Investments may include certificates of deposit, government agency securities, demand deposits, repurchase agreements, banker's acceptances, and commercial paper. The District is a participant in the Minnesota School District Liquid Asset Fund Plus investment pool. In fiscal year 2002, the District began investing moneys in the Internal Service Fund in guaranteed investment contracts with life insurance companies that met the rating requirements set forth in state law. The District earned net interest revenue of \$3,478,158 on investments in all funds for the year ended June 30, 2006. Accordingly, deposits were either insured by federal depository insurance or collateralized in compliance with Minnesota Statutes.

## **RISK MANAGEMENT**

The District is well aware of the importance of proper risk management. Currently, the District contracts with third-party carriers for workers' compensation and liability and personal property coverage. The District has reserved a portion of the General Fund balance to account for future unemployment compensation liability, as required by state law.

## **GASB STATEMENT NO. 34**

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments*. This statement took effect in the District for the reporting period ended June 30, 2003. GASB Statement No. 34 affects the presentation of the District's annual financial report. The District is also required to utilize the economic resources measurement focus and the accrual basis of accounting for purposes of presentation in the Government-wide statement of net assets and statement of activities required by GASB Statement No. 34.

## LOOKING FORWARD

The District's commitment to fiscal responsibility has enabled the District to maintain positive fund balance reserves in recent years. Currently, the General Fund has an unappropriated fund balance of approximately \$7.0 million of which \$1.4 million is designated for specific purposes.

On November 8, 2005, District voters approved two referenda to increase annual operating revenues. Question One requested an increase in the excess referendum dollars that are authorized under state statute. Question Two requested approval for a capital projects levy to cover technology costs for existing and new services and/or equipment. The referendum levy is for a net amount of approximately \$4.4 million in fiscal year 2007, which will be adjusted for inflation (estimated at 3 percent) for future years. The capital projects levy is at a rate that will raise \$2 million in fiscal year 2007. Both authorizations are for ten years.

An indicator of continued financial health is the tremendous level of new private investment within the District. The City of Plymouth is the largest municipality within the District and it is anticipated that the commercial and residential growth of the Plymouth community, the largest city in the District, will continue during the next decade. From 1990 to 2004, the population of Plymouth grew from 50,889 to an estimated 70,682, or 39%. In addition, in 2005, the market value of the District was \$8,926,737,000, an increase of more than \$6.4 billion (370%) since 1990. In the last year market values have grown 11.1%.

The 2005 legislature authorized an increase in the general education basic formula allowance of 4% for each of fiscal years 2006 and 2007. This formula, which provides nearly two-thirds of the District's operating revenue, had not been increased in fiscal years 2004 and 2005. Some other revenue sources were enhanced, and some previous revenue reductions were restored. The increased state support, combined with the additional support approved by the voters, means the District's financial picture is brighter than it has been in years. The District was in a position to add more staff and programs in fiscal year 2007, reversing painful budget reductions made in 2003-2004.

Below are some facts about the 2006-2007 budget:

- Student enrollment is expected to remain stable
- The General Fund unreserved balance at year-end was estimated to be \$5.8 million

Revenues:

- General Fund revenues were increased by approximately \$12,461,000 to \$95.1 million
- Basic Formula is \$4,974 for FY 2007, an increase of 4%
- The referendum levy increased by \$4.8 million, of which \$4.4 was designated for enhanced programs
- General Fund revenue per pupil increased by \$1,281
- State special education aid is expected to be prorated so the district will receive only 79% of its full entitlement, at a cost of \$775,000

## LOOKING FORWARD (CONTINUED)

### Expenditures:

- General Fund expenditures increased by \$10.4 million to \$96.3 million
- \$3.5 million was spent for class size reduction and other in-class, direct instructional services for students
- Technology spending increased by \$2.2 million
- The District obtained approval of its Alternative Compensation Plan from the Minnesota Department of Education, adding \$2.5 million of expenditures for staff development, peer coaching, and performance bonuses for teachers
- Health insurance premiums were increased by 5.0%

### Construction Projects:

- Birchview Elementary School and Oakwood elementary schools were improved with HVAC replacement

### Other:

- The District's budgeted expenditures exceed revenues for fiscal year 2007. The shortfall is anticipated and will be covered by spending reserves, both designated and undesignated.

## OTHER INFORMATION

State law requires an annual audit by independent certified public accountants. The accounting firm of Larson, Allen, Weishair & Co., LLP was selected by the School Board to conduct the annual audit. In addition to meeting the requirements set forth in state law, the audit also was designed to meet the requirements of the federal Single Audit Act as amended in 1996 and the related Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The auditors' report on the financial statements is included in the financial section of this report. The auditors' reports related specifically to the single audit are issued as a separate report which is available from the District upon request.

This report has been prepared following guidelines recommended by the Association of School Business Officials International (ASBO) for its Certificate of Excellence in Financial Reporting program. Achieving recognition by this program is a clear indication of the District's establishment of high standards for financial reporting. Independent School District No. 284 was awarded the ASBO Certificate of Excellence in Financial Reporting for its 2004 Comprehensive Annual Financial Report. We believe our current report continues to conform to ASBO's Certificate of Excellence program requirements.

We acknowledge the efforts of the entire accounting staff in providing complete and accurate data for this 2006 Comprehensive Annual Financial Report.

Respectfully submitted,

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Alan R. Hopeman, Jr.  
Executive Director,  
Finance and Business Services

---

G. William Rueber  
Controller

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
SCHOOL BOARD AND ADMINISTRATION  
JUNE 30, 2006**

**SCHOOL BOARD**

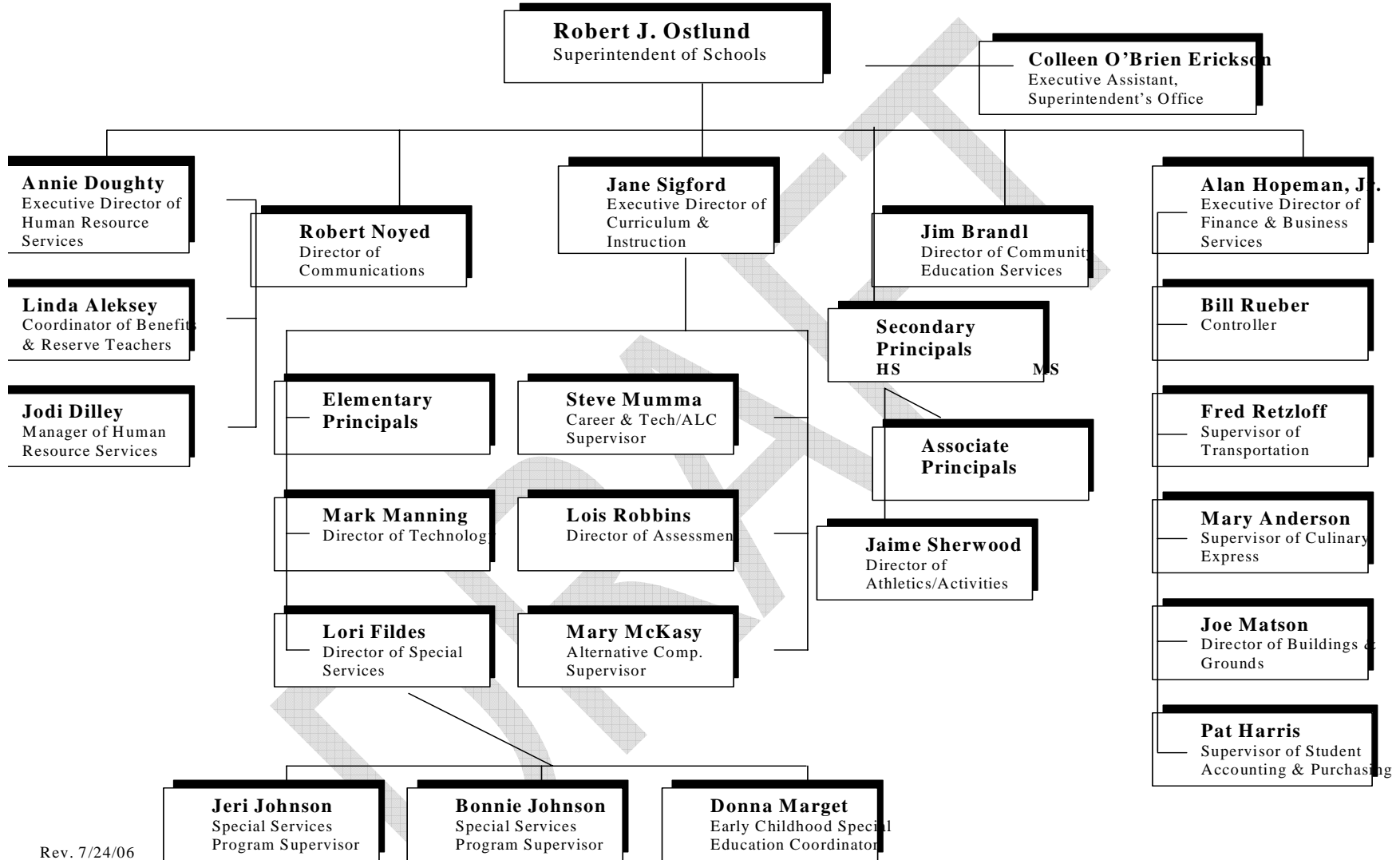
<b><u>NAME</u></b>	<b><u>POSITION</u></b>
Ms. Linda A. Cohen	Chair
Ms. Patricia L. Gleason	Vice Chair
Mr. Gregory D. Baufield	Director
Mr. Gary W. Landis	Treasurer
Ms. Susan Jean Hayes Droegenmueller	Director
Ms. Carter G. Peterson	Clerk
Mr. John A. Moroz	Director
Mr. Robert J. Ostlund	Ex Officio

**ADMINISTRATION**

<b><u>NAME</u></b>	<b><u>POSITION</u></b>
Mr. Robert J. Ostlund	Superintendent of Schools
Dr. Jane L. Sigford	Executive Director of Curriculum and Instruction
Ms. Annie Doughty	Executive Director of Human Resource Services
Mr. Alan R. Hopeman, Jr.	Executive Director of Finance and Business Services
Mr. G. William Rueber	Controller
District Offices:	Independent School District No. 284 Wayzata Public Schools 210 County Road 101 North P.O. Box 660 Wayzata, MN 55391-0660 (763) 745-5000

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
ADMINISTRATIVE TEAM  
2006-2007**

**WAYZATA PUBLIC SCHOOLS – ADMINISTRATIVE TEAM – 2006-2007**



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Rev. 7/24/06

WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING  
JUNE 30, 2006



This Certificate of Excellence in Financial Reporting is presented to

**INDEPENDENT SCHOOL DISTRICT NO. 284**

**For its Comprehensive Annual Financial Report (CAFR)**  
For the Fiscal Year Ended June 30, 2005

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

**FINANCIAL SECTION**

DRAFT

## INDEPENDENT AUDITORS' REPORT

Members of the Board of Education  
Independent School District No. 284  
Wayzata Public Schools  
Wayzata, Minnesota

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Independent School District No. 284, Wayzata, Minnesota as of and for the year ended June 30, 2006, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit. The prior year partial comparative information has been derived from the District's 2005 financial statements and, in our report dated November 23, 2005, we expressed unqualified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 284 as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for General Fund and the Major Special Revenue Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The financial statements include partial prior-year comparative information. Such information does not include all of the information required or sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2005, from which such partial information was derived.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2006, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis as listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund statements and schedules as listed in the table of contents as supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Uniform Financial Accounting and Reporting Standards Compliance Table is presented as supplemental information as required by the Minnesota Department of Education, and is also not a required part of the basic financial statements of the District. The supplemental information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The introductory and statistical sections listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on them.

**LARSON, ALLEN, WEISHAIR & CO., LLP**

Minneapolis, Minnesota  
November 17, 2006

**REQUIRED SUPPLEMENTARY INFORMATION**

DRAFT

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

This section of Wayzata Public Schools – Independent School District 284's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2006. Please read it in conjunction with the District's financial statements, which immediately follow this section. The Management's Discussion and Analysis (MD&A) is a new element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2005-2006 fiscal year include the following:

- Net assets increased by \$5,120,139, or 16.8 percent over June 30, 2005.
- Overall General Fund revenues were \$85,915,552 as compared to \$85,380,129 of expenditures.
- Total fund balance of the General Fund increased \$223,021 from \$14,750,534 in 2005 to \$14,973,555 in 2006, an increase of 1.5 percent. The undesignated portion of the unreserved balance decreased by \$680,921 to \$5,606,020, which is 6.6% of the General Fund expenditures. Unreserved, designated balances decreased by \$393,640. State-specified reserves increased by \$323,682, primarily for staff development.
- The District decreased its net outstanding bonds payable by \$5,510,000 or 5.0 percent.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

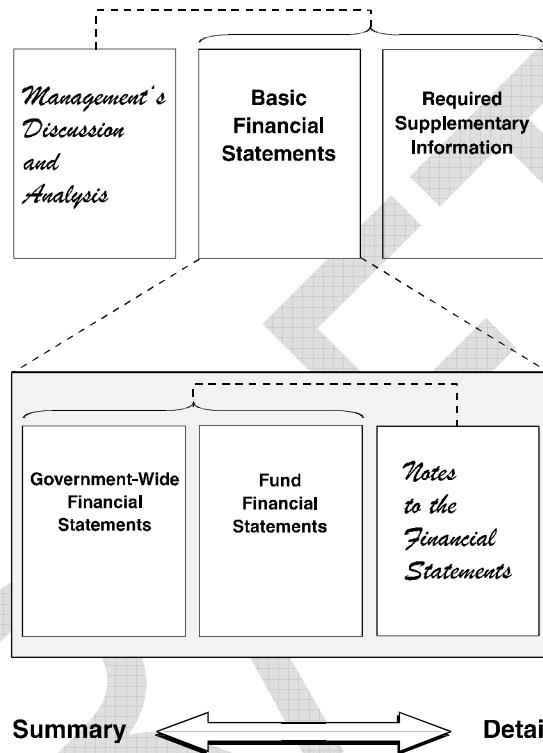
- The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the government-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.
- *Proprietary funds* statements offer *short- and long-term* financial information about the activities the district operates *like businesses*.
- *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others to whom the resources belong.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data.

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1  
Annual Report Format**



**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

Figure A-2 summarizes 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. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

**Figure A-2. Major Features of the District's Government-wide and Fund Financial Statements**

Type of Statements	Fund Statements			
	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire Agency's government (except fiduciary funds) and the Agency's component units	The activities of the district that are not proprietary or fiduciary	Activities the district operates similar to private businesses: self insurance	Instances in which the district is the trustee or agent for someone else's resources
Required financial statements	<ul style="list-style-type: none"> <li>♦ Statement of net assets</li> <li>♦ Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>♦ Balance sheet</li> <li>♦ Statement of revenues, expenditures and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>♦ Statement of net assets</li> <li>♦ Statement of revenues, expenses and changes in fund net assets</li> <li>♦ Statement of cash flows</li> </ul>	<ul style="list-style-type: none"> <li>♦ Statement of fiduciary net assets</li> <li>♦ Statement of changes in fiduciary net assets</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can
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 payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

**Government-Wide Statements**

The government-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 assets includes *all* of the District's assets 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 government-wide statements report the District's *net assets* and how they have changed. Net assets – the difference between the District's assets and liabilities – is one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District one must consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

In the government-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 these activities.

**Fund Financial Statements**

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

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal grants).

The District has three kinds of funds:

- *Governmental Funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps to 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 government-wide statements, we provide additional information at the bottom of the governmental funds statements that explains the relationship (or differences) between them.
- *Internal Service Funds* – Used to report activities that provide supplies and services for the District's other programs and activities. The District currently has one internal service fund for self-insurance of health and dental benefits and various early retirement benefit packages for employee groups. Internally such activity is maintained separately in nine separate funds, which are combined into one for state reporting purposes.
- *Fiduciary Funds* – The District is the trustee, or *fiduciary*, for assets that belong to others, such as the scholarship funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes, and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the government-wide financial statements because the District cannot use these assets to finance its operations.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**Net Assets**

The District's *combined* net assets were \$35,533,753 on June 30, 2006. This was an improvement of 16.8 percent from the prior year (see Table A-1).

**Table A-1  
The District's Net Assets**

	Governmental Activities		Percentage Change
	2006	2005	
Current and Other Assets	\$ 127,717,401	\$ 109,170,306	17.0%
Capital and Non-Current Assets	105,759,388	107,339,057	-1.5%
<b>Total Assets</b>	<b>233,476,789</b>	<b>216,509,363</b>	<b>7.8%</b>
Current Liabilities	75,925,614	38,930,213	95.0%
Long-Term Liabilities	122,017,422	147,165,536	-17.1%
<b>Total Liabilities</b>	<b>197,943,036</b>	<b>186,095,749</b>	<b>6.4%</b>
Net Assets:			
Invested in Capital Assets			
Net of Related Debt	19,216,157	15,983,913	20.2%
Restricted	8,901,996	7,659,131	16.2%
Unrestricted	7,415,600	6,770,570	9.5%
<b>Total Net Assets</b>	<b>\$ 35,533,753</b>	<b>\$ 30,413,614</b>	<b>16.8%</b>

The District's improved financial position is the product of many factors. Current assets increased \$18.5 million of which \$15.6 million comprises cash and/or investments. Receivables increased nearly \$2.5 million primarily for amounts due from property taxes/Other government agencies. Prepaids increased \$974,000 due primarily to an early payment of tuition to Intermediate District 287 for cashflow purposes.

Current liabilities for most of the District's accounts remained flat except for deferred revenue from property taxes and local revenue, which increased \$13.8 million and the due within one-year portion of our long term debt, which increased nearly \$22.8 million. The large increase in this area will be the payoff of our 1997A Series bonds [\$22,450,000], from the refunding issue created with the issuance of the 2004B Series bonds. Funds for this payoff will come from the escrow accounts held by trustees, which are included in our current assets as funds held by trustees.

The reduction in the District's Long Term liabilities was due to current scheduled principal payments and the reflection of the payoff of the 1997A Series bonds as noted above.

Net assets invested in capital, net of related debt increased \$3.38 million covering a large range of building improvements, computer /technology upgrades and site improvements. Many of the building improvements deal with upgrading HVAC systems to meet the new indoor air quality standards. Most of these projects are completed over a two-year period of time.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

**Changes in Net Assets**

The District's total revenues were \$109,671,762 for the year ended June 30, 2006. Property taxes and state aid accounted for 76 percent of total revenue for the year (see Figure A-3). Another 20 percent came from program revenues and the remainder from other general revenues and investment earnings.

	Governmental Activities for the Fiscal Year Ended June 30,		Total % Change
	2006	2005	
<b>Revenues</b>			
<u>Program Revenues</u>			
Charges for Services	\$ 10,411,494	\$ 9,918,403	5.0%
Operating Grants and Contributions	10,570,586	9,759,360	8.3%
Capital Grants and Contributions	846,206	2,229,574	-62.0%
<u>General Revenues</u>			
Property Taxes	23,357,885	27,743,454	-15.8%
Unrestricted State Aid	60,024,649	50,753,694	18.3%
Investment Earnings	3,473,080	2,773,620	25.2%
Other	987,862	1,592,505	-38.0%
<b>Total Revenues</b>	<b>109,671,762</b>	<b>104,770,610</b>	
<b>Expenses</b>			
Administration	3,529,662	3,891,206	-9.3%
District Support Services	3,853,703	3,414,628	12.9%
Regular Instruction	41,370,121	41,454,565	-0.2%
Vocational Education Instruction	738,649	759,636	-2.8%
Special Education Instruction	12,692,016	11,566,284	9.7%
Instructional Support Services	7,110,721	6,914,492	2.8%
Pupil Support Services	7,675,585	6,849,023	12.1%
Sites and Buildings	11,514,297	8,567,122	34.4%
Fiscal and Other Fixed Cost Programs	354,942	323,624	9.7%
Food Service	4,298,997	3,943,319	9.0%
Community Service	6,086,765	5,707,625	6.6%
Unallocated - Depreciation	106,602	71,252	49.6%
Interest and Fiscal Charges on Long-Term Liabilities	5,219,563	6,234,581	-16.3%
<b>Total Expenses</b>	<b>104,551,623</b>	<b>99,697,357</b>	<b>4.9%</b>
<b>Increase in Net Assets</b>			
Beginning Net Assets	5,120,139	5,073,253	
Ending Net Assets	<u>\$ 30,413,614</u>	<u>\$ 25,340,361</u>	
	<u>\$ 35,533,753</u>	<u>\$ 30,413,614</u>	

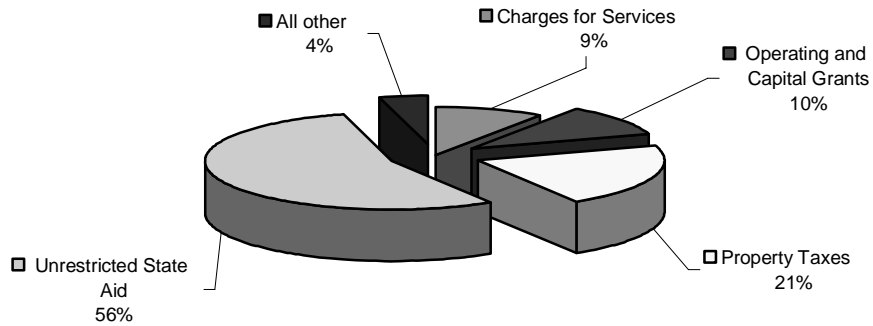
The total cost of all programs and services excluding interest and fiscal charges was \$99.2 million. Total revenues surpassed expenses, increasing net assets \$5,120,139 over last year.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

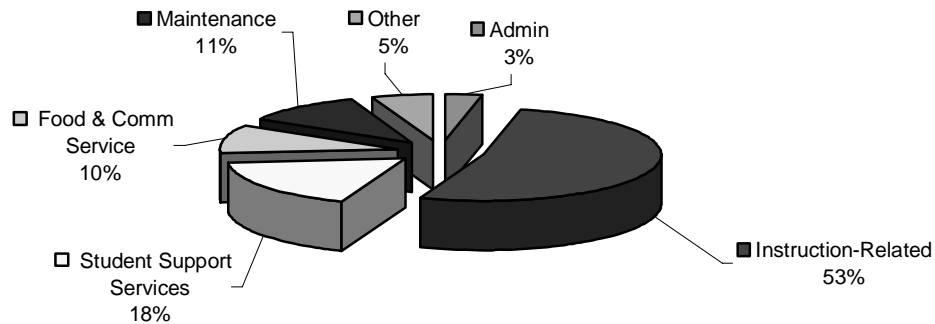
The cost of all governmental activities this year was \$104,551,623.

- Some of the cost was paid by the users of the District's programs (\$10,411,494).
- The federal and state governments subsidized certain programs with grants and contributions (\$11,416,792).
- Other District governmental revenues consisted of a total of \$23,357,885 in property taxes and \$60,024,649 of unrestricted federal and state aid, investment earnings and other general revenues. Property tax revenue was \$4,385,569 less than in fiscal year 2005, but this reduction is due to changes in the state-required property tax recognition shift, not to an actual reduction in taxes.

**Figure A-3 Sources of District's Revenues for Fiscal 2006**



**Figure A-4 District Expenses for Fiscal 2006**



**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

Typically the District does not include in an analysis of government-wide activities a breakout of expenses as depicted in Figure A-3. To do so distorts the latitude available to the District to allocate resources to instruction. All governmental funds includes not only funds received for the general operation of the district, which are used for classroom instruction, but also includes resources from the entrepreneurial-type funds of Food Service and Community Education, and from resources for debt service transactions. Funding for the general operation of the District is controlled by the state and the District does not have the latitude to allocate money received in Food Service or Community Education or for debt service to enhance classroom instruction resources. The above graph, by pooling all expenditures, implies that the District can spend any of its funds for classroom instruction. In Minnesota, that is simply not the case. A more accurate analysis of resources allocated to instruction should be limited to an analysis of resources received for the general operation of the District. That analysis would show that 64% of those resources are spent directly on instruction.

**Table A-3  
Program Expenses and Net Cost of Services**

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2006	2005		2006	2005	
Administration	\$ 3,529,662	\$ 3,891,206	-9.3%	\$ 3,529,662	\$ 3,891,206	-9.3%
District Support Services	3,853,703	3,414,628	12.9%	3,853,703	3,414,628	12.9%
Regular Instruction	41,370,121	41,454,565	-0.2%	33,886,047	33,693,276	0.6%
Vocational Education Instruction	738,649	759,636	-2.8%	738,649	759,636	-2.8%
Special Education Instruction	12,692,016	11,566,284	9.7%	10,673,134	9,517,830	12.1%
Instructional Support Services	7,110,721	6,914,492	2.8%	7,109,043	6,913,060	2.8%
Pupil Support Services	7,675,585	6,849,023	12.1%	6,491,555	5,811,263	11.7%
Sites and Buildings	11,514,297	8,567,122	34.4%	10,327,183	6,000,760	72.1%
Fiscal and Other Fixed Cost Programs	354,942	323,624	9.7%	354,942	323,624	9.7%
Food Service	4,298,997	3,943,319	9.0%	(14,546)	(44,989)	-67.7%
Community Service	6,086,765	5,707,625	6.6%	447,800	1,203,893	-62.8%
Unallocated - Depreciation	106,602	71,252	49.6%	106,602	71,252	49.6%
Interest and Fiscal Charges on Long-Term Liabilities	5,219,563	6,234,581	-16.3%	5,219,563	6,234,581	-16.3%
Total	<u>\$ 104,551,623</u>	<u>\$ 99,697,357</u>	4.9%	<u>\$ 82,723,337</u>	<u>\$ 77,790,020</u>	6.3%

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

This portion of management's discussion and analysis will refer to the District's funds, which are summarized on page 32. The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$48,836,670, which was \$32,294 below last year's ending fund balance of \$48,868,964.

Revenues for the District's governmental funds were \$108,201,851, while total expenditures were \$108,465,243.

**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 and capital outlay projects.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

**General Fund (Continued)**

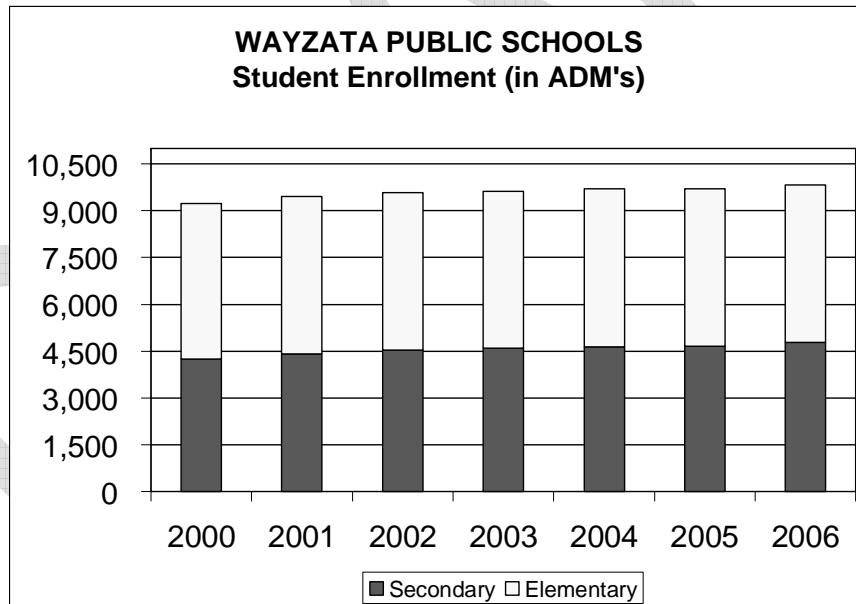
The majority of General Fund operational revenue is controlled by a complex set of state funding formulas. This includes a general education revenue formula based on enrollment and special education state aid based upon a cost reimbursement model providing approximately half of special education personnel expenditures. State law also strictly restricts the amount of operating revenue a district can collect from property taxes.

**Enrollment**

Enrollment is a critical factor in determining revenue. The following chart shows that the number of students has consistently increased over the last seven years, although the rate of increase has slowed.

**Table A-4  
Enrollment Trend  
Average Daily Membership (ADM)**

	2000	2001	2002	2003	2004	2005	2006
Reg K, Pre-K & KH	665	711	643	677	691	694	707
Elementary	4,329	4,339	4,399	4,351	4,374	4,349	4,330
Secondary	4,244	4,407	4,541	4,593	4,641	4,667	4,788
<b>Total Students for Aid</b>	<b>9,238</b>	<b>9,457</b>	<b>9,583</b>	<b>9,621</b>	<b>9,706</b>	<b>9,710</b>	<b>9,825</b>
Percent Change	2.77%	2.37%	1.33%	0.40%	0.88%	0.04%	1.18%



Over the last six years, the District has experienced increases in average daily membership of 587 students or 6.3 percent. The District continues to attract non-resident students through open enrollment programs due to the District's fine record of student performance. Clearly, enrollment has leveled off, however, and projected total enrollments for the next five years show little change from year to year.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

The following schedule presents a summary of General Fund Revenues.

**Table A-5  
General Fund Revenues**

Fund	Year Ended		Change	
	June 30, 2006	June 30, 2005	Increase (Decrease)	Percent
Local Sources:				
Property Taxes	\$ 12,546,224	\$ 16,607,972	\$ (4,061,748)	-24.5%
Earnings on Investments	740,035	272,235	467,800	171.8%
Other	2,982,693	3,628,791	(646,098)	-17.8%
State Sources	67,614,167	59,523,945	8,090,222	13.6%
Federal Sources	2,032,433	2,083,449	(51,016)	-2.4%
Total General Fund Revenue	<u>\$ 85,915,552</u>	<u>\$ 82,116,392</u>	<u>\$ 3,799,160</u>	4.6%

Total General Fund Revenue increased by \$3,799,160 or 4.6% from the previous year. Year to year comparisons are extremely difficult in this area because of some recent legislative changes. For fiscal year 2005, a "property tax shift" adjustment was required, which moved revenue from state aid to local property tax. For fiscal year 2006, the property tax shift adjustment was reduced to zero by the Legislature. This resulted in a tax shift in fiscal year 2006 of \$4,569,183 -- added to state aid revenue, and subtracted from property tax revenue. After adjusting for this revenue-neutral change, property tax revenue actually increased by \$931,780.

Earnings on investments increased substantially, primarily because interest rates increased steadily over the course of the year. The District also had more cash to invest, in large part due to accelerated state aid payments and the elimination of the property tax shift.

State sources increased by \$8.1 million, but much of this is a revenue-neutral change due to tax shift adjustments. After subtracting the tax shift adjustments, state revenue sources increased by \$3,521,039. This was due to a 4% increase in the general education basic aid formula, increased enrollment, and other factors.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

The following schedule presents a summary of General Fund Expenditures.

**Table A-6  
General Fund Expenditures**

	Year Ended		Amount of Increase (Decrease)	Percent Increase (Decrease)
	June 30, 2006	June 30, 2005		
Salaries	\$ 47,569,207	\$ 45,430,779	\$ 2,138,428	4.7%
Employee Benefits	15,943,404	15,572,747	370,657	2.4%
Purchased Services	14,473,446	12,853,285	1,620,161	12.6%
Supplies and Materials	3,626,110	3,526,008	100,102	2.8%
Capital Expenditures	3,649,451	6,124,600	(2,475,149)	-40.4%
Other Expenditures	118,511	124,153	(5,642)	-4.5%
Total Expenditures	<u>\$ 85,380,129</u>	<u>\$ 83,631,572</u>	<u>\$ 1,748,557</u>	2.1%

Total General Fund Expenditures increased by \$1,748,557 or 2.1% from the previous year. The largest change was in capital expenditures for the Central Middle School Athletic Facility. Fiscal year 2005 included \$2,831,779 in capital expenditures and \$182,441 in other one-time expenditures for the facility. A total of \$3,014,220 in fiscal year 2005 is attributable to construction of the facility. Without these expenditures, the General Fund increased by 5.6% from fiscal year 2005 to fiscal year 2006.

In 2005-06, General Fund revenues were greater than expenditures by \$759,601. After deducting statutory reserves, the unreserved-undesignated fund balance decreased from \$6,286,941 at June 30, 2005 to \$5,606,020 at June 30, 2006. However, a true measure of the amount available for expenditure subsequent to June 30, 2006 should also include prepaid items of \$1,129,103, so the unreserved-undesignated amount available is \$6,735,123.

Unreserved-undesignated fund balance is the single best measure of overall financial health. The unreserved-undesignated fund balance (including prepaid items) of \$6,735,123 at June 30, 2006 represents 7.9% of annual expenditures. The District has had a Board approved fund balance policy in place since 1988 requiring that an unreserved balance in the General Fund with a minimum of 5 to 7% of the previous year's expenditures be maintained, although that policy was temporarily suspended during the period of state revenue shortfalls beginning in 2002-03. The fund balance currently is slightly above the policy minimum specifications. The 2006-07 budget anticipates that the fund balance will remain stable.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

**General Fund Budgetary Highlights**

Following approval of the budget prior to the beginning of the fiscal year, the District revises the annual operating budget in mid-year. These budget amendments typically fall into two categories:

- Implementing budgets for specially funded projects, which include both federal and state grants and reinstating unexpended funds being carried over, and budgeting for expenditure changes.
- Legislation that passes subsequent to budget adoption, changes necessitated by collective bargaining agreements, and increases in appropriations for significant unbudgeted costs.

General Fund revenue was \$978,693 over budget, a variance of 1.15 percent. The largest single component of this increased revenue was from interest earnings on the District's investments, which exceeded budget by \$340,035. This was attributable to two factors: 1) steady improvement in interest rates due to action by the Federal Reserve Bank; and 2) improved cash position of the District, in large part due to improved state aid payment schedules and the buydown of the tax shift.

General education aid was \$236,746 more than budgeted. At year-end the District had 41 more pupils in weighted average daily membership than had been budgeted, and this brought additional general education aid.

Other revenue receipts exceeding budget included:

- Additional desegregation transportation aid of \$237,000. This aid is driven by expenditures, with the State paying virtually all additional cost.
- Advanced placement aid of \$69,000 over budget
- One-time state energy assistance aid of \$41,400 (enacted in May, 2006)

Total General Fund expenditures were \$1,673,516 below budget for a 1.92 percent variance. The single largest component of this is school carryover; the District's budget practice is to allow schools to carry over unspent balances to the next fiscal year. The unspent, carried over amount for fiscal year 2006 that was included in the budget is \$989,671.

Other expenditure differences include:

- Utilities costs were \$194,000 below budget
- Expenditure reduction of \$246,000 for accrued vacation, due to an accounting rule change
- Expenditures under budget for legal services of \$125,000
- Staff development expenditures \$252,358 below budget, which is added to the staff development reserve
- Textbooks and workbook expenditures \$232,000 below budget

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

**Capital Project and Debt Service Funds**

The Capital Projects - Building Construction Fund is largely money carried forward from the 1994 and 1998 bond issues. Virtually all projects have been completed and most of the remaining balance consists of interest earnings on invested proceeds. A total of \$8,968 remains from the 1998 bond issue, and \$331,922 from the 1994 bond issue. These funds have been committed and these balances should be fully expended in fiscal year 2007. This fund also includes "alternative facilities" moneys—formerly health and safety projects over \$500,000 for which there is separate levy authority.

The Debt Service Fund revenues and other financing sources exceeded expenditures and other financing uses by \$202,275 in 2005-06. The remaining fund balance of \$32,090,999 at June 30, 2006 consists of \$29,961,070 that is reserved for future bond refundings and \$2,129,929 which is available for meeting future debt service obligations.

**Other Major Funds**

Revenues exceeded expenditures in the Food Service Fund by \$98,389 and in the Community Education Fund revenues exceeded expenditures by \$265,013.

From the standpoint of maintaining current operating expenditures within the range of annual revenue and maintaining a sound fund balance, both the Community Service and Food Service Funds continue to operate on a sound financial basis.

**Internal Service Fund**

Proprietary funds such as the Internal Service Fund use the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in statements for the District as a whole.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

By the end of 2006, the District had invested slightly more than \$159 million in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment, and administrative offices (see Table A-7). (More detailed information about capital assets can be found in Note 4 to the financial statements.) Total depreciation expense for the year exceeded \$4.5 million.

**Table A-7  
The District's Capital Assets**

	<u>2006</u>	<u>2005</u>	<u>Percentage Change</u>
Land	\$ 8,054,939	\$ 8,054,939	0.0%
Construction in Progress	1,330,761	880,604	51.1%
Land Improvements	7,141,116	6,613,803	8.0%
Buildings and Improvements	132,580,341	130,749,260	1.4%
Equipment	10,040,925	9,979,685	0.6%
Less: Accumulated Depreciation	<u>(53,388,694)</u>	<u>(48,939,234)</u>	9.1%
Total	<u>\$ 105,759,388</u>	<u>\$ 107,339,057</u>	-1.5%

**Construction – Next Five Years**

A 1998 bond referendum authorized the issuance of \$18.5 million in bonds for technology and deferred maintenance. The projects funded with those bonds cleared a substantial backlog of deferred maintenance needs. The primary current needs of the District are to upgrade HVAC systems in buildings to meet 21<sup>st</sup> century ventilation standards. The District has completed HVAC upgrades at its elementary schools, and has begun work at Central Middle School. One wing or area at Central Middle School will have its HVAC system renovated for each of the next four years.

The District has purchased land for a new elementary school to accommodate enrollment growth, but at this point there are no immediate plans to proceed.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED JUNE 30, 2006**

**Long-Term Liabilities**

At year-end, the District had \$110,865,000 in general obligation bonds, a decrease of 4.7 percent from last year – as shown in Note 5 to the financial statements. The District also had an estimated \$2.0 million in post employment severance and compensated absences payable at June 30, 2006, an increase of approximately \$522,000 from June 30, 2005.

**Table A-8  
The District's Long-Term Liabilities**

	2006	2005	Percentage Change
General Obligation Bonds	\$ 110,865,000	\$ 116,375,000	-4.7%
Net Bond Premium and Discount	2,058,898	2,395,654	-14.1%
Obligations Under Capital Leases	3,474,453	3,645,000	-4.7%
Retirement Benefits Payable	36,887,820	33,667,307	9.6%
Early Retirement Incentive Pay	1,522,026	1,451,943	4.8%
Compensated Absences Payable	461,726	10,001	4516.8%
<b>Total</b>	<b>\$ 155,269,923</b>	<b>\$ 157,544,905</b>	<b>-1.4%</b>

**FACTORS BEARING ON THE DISTRICT'S FUTURE**

With the exception of the voter-approved excess operating referendum, the District is dependent on the State of Minnesota for the bulk of its revenue authority. State funds provide over 72 percent of the district's general fund revenue. After several years of state revenue shortfalls, the economy has improved and state revenues have stabilized. The 2005 Legislature enacted significant increase in school district revenues, from both state and local tax sources. Added to revenue from a referendum levy and capital projects levy for technology that were approved by the District's voters in 2005, the District's financial picture is optimistic. Previous budget cuts have been restored for fiscal year 2007 and significant program improvements implemented, chiefly class size reduction and instructional improvements. Also the District has implemented a state-approved alternative compensation plan for teachers, with a performance pay component and a significant staff development element.

The District will strive to maintain its long-standing commitment to academic excellence and educational opportunity for students within a framework of financial fiduciary responsibility.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Independent School District 284, District Administrative Office, P.O. Box 660, Wayzata, Minnesota 55391-0660.

**Bond Ratings**

The District's bonds presently carry a Moody's "Aa2" rating. In April 2005, Moody's assigned a "positive outlook" to the District's credit rating.

**Limitations on Debt**

The state limits the amount of general obligation debt the District can issue to 15 percent of the assessed value of all taxable property within the District. Our outstanding debt is significantly below this limit – which is currently well over \$1 billion.

**BASIC FINANCIAL STATEMENTS**

DRAFT

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
STATEMENT OF NET ASSETS  
JUNE 30, 2006  
(WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	<u>Governmental Activities</u>	
	<u>2006</u>	<u>2005</u>
<b>ASSETS</b>		
Cash and Investments	\$ 64,989,611	\$ 49,379,668
Cash and Investments Held by Trustee	30,901,926	31,598,157
Receivables:		
Property Taxes	18,945,610	14,655,021
Other Governments	9,701,069	12,331,357
Other	1,698,163	874,856
Prepaid Items	1,139,883	165,798
Inventories	180,132	165,449
Bond issuance costs, net	161,007	-
Capital Assets:		
Land and Construction in Progress	9,385,700	8,935,543
Other Capital Assets, Net of Depreciation	<u>96,373,688</u>	<u>98,403,514</u>
Total Assets	<u>233,476,789</u>	<u>216,509,363</u>
<b>LIABILITIES</b>		
Salaries and Compensated Absences Payable	1,352,622	1,412,143
Accounts and Contracts Payable	3,285,230	3,154,482
Accrued Interest	2,329,385	2,510,784
Due to Other Governmental Units	1,193,627	781,318
Property Tax Shift Adjustment	-	16,326
Deferred Revenue:		
Property Taxes	33,369,069	19,779,515
Local Sources	1,143,180	896,276
Long-Term Liabilities:		
Portion Due Within One Year	33,252,501	10,379,369
Portion Due in More Than One Year	<u>122,017,422</u>	<u>147,165,536</u>
Total Liabilities	<u>197,943,036</u>	<u>186,095,749</u>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	19,216,157	15,983,913
Restricted for:		
General Fund Operating Capital Purposes	4,064,221	4,067,719
General Fund State-Mandated Reserves	2,798,702	1,917,241
Food Service	1,095,034	995,145
Community Service	944,039	679,026
Unrestricted	<u>7,415,600</u>	<u>6,770,570</u>
Total Net Assets	<u>\$ 35,533,753</u>	<u>\$ 30,413,614</u>

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

Functions	2006				Net (Expense)	2005
	Expenses	Program Revenues		Capital Grants and Contributions	Revenue and	Net (Expense)
		Charges for Services	Operating Grants and Contributions		Changes in	Revenue and
				Net Assets	Changes in	Net Assets
				Total	Total	Total
				Governmental	Governmental	Governmental
				Activities	Activities	Activities
<b>Governmental Activities</b>						
Administration	\$ 3,529,662	\$ -	\$ -	\$ -	\$ (3,529,662)	\$ (3,891,206)
District Support Services	3,853,703	-	-	-	(3,853,703)	(3,414,628)
Regular Instruction	41,370,121	1,632,357	5,851,717	-	(33,886,047)	(33,693,276)
Vocational Education Instruction	738,649	-	-	-	(738,649)	(759,636)
Special Education Instruction	12,692,016	-	2,018,882	-	(10,673,134)	(9,517,830)
Instructional Support Services	7,110,721	1,678	-	-	(7,109,043)	(6,913,060)
Pupil Support Services	7,675,585	21,463	1,162,567	-	(6,491,555)	(5,811,263)
Sites and Buildings	11,514,297	340,908	-	846,206	(10,327,183)	(6,000,760)
Fiscal and Other Fixed Cost Programs	354,942	-	-	-	(354,942)	(323,624)
Food Service	4,298,997	3,599,336	714,207	-	14,546	44,989
Community Service	6,086,765	4,815,752	823,213	-	(447,800)	(1,203,893)
Interest and Fiscal Charges on						
Long-Term Liabilities	5,219,563	-	-	-	(5,219,563)	(6,234,581)
Unallocated - Depreciation	106,602	-	-	-	(106,602)	(71,252)
<b>Total School District</b>	<b>\$ 104,551,623</b>	<b>\$ 10,411,494</b>	<b>\$ 10,570,586</b>	<b>\$ 846,206</b>	<b>(82,723,337)</b>	<b>(77,790,020)</b>
<b>General Revenues</b>						
Property Taxes Levied for:						
General Purposes					12,564,471	16,607,592
Community Service					592,589	1,029,509
Debt Service					10,200,825	10,106,353
State Aid Not Restricted to Specific Purposes					60,024,649	50,753,694
Earnings on Investments					3,473,080	2,773,620
Miscellaneous					987,862	1,592,505
<b>Total General Revenues</b>					<b>87,843,476</b>	<b>82,863,273</b>
Change in Net Assets					5,120,139	5,073,253
Net Assets - Beginning					30,413,614	25,340,361
Net Assets - Ending					<b>\$ 35,533,753</b>	<b>\$ 30,413,614</b>

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
JUNE 30, 2006  
(WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	Major Funds					Total Governmental Funds	
	General	Food Service	Community Service	Capital Projects - Building Construction	Debt Service	2006	2005
<b>ASSETS</b>							
Cash and Investments	\$ 17,366,702	\$ 1,179,167	\$ 2,286,912	\$ -	\$ 6,770,157	\$ 27,602,938	\$ 15,402,685
Cash and Investments Held by Trustee	1,261,315	-	-	40,071	29,600,540	30,901,926	31,598,157
Receivables:							
Current Property Taxes	13,290,892	-	580,765	-	4,892,731	18,764,388	14,491,296
Delinquent Property Taxes	103,901	-	7,394	-	69,927	181,222	163,725
Due from Other Minnesota School Districts	809,556	-	142,134	-	-	951,690	1,168,903
Due from Minnesota Department of Education	7,140,339	-	24,135	-	23,201	7,187,675	9,659,485
Due from Federal through Minnesota Department of Education	1,354,072	7,475	-	-	-	1,361,547	1,391,801
Due from Federal Government Received Directly	-	-	-	-	-	-	-
Due from Other Governmental Units	117,691	-	82,466	-	-	200,157	111,168
Other Receivables	319,457	-	42,720	-	360,530	722,707	616,279
Due from Other Funds	306,133	-	-	-	-	306,133	-
Prepaid Items	1,129,103	5,090	5,690	-	-	1,139,883	165,798
Inventory	104,090	76,042	-	-	-	180,132	165,449
<b>Total Assets</b>	<b>\$ 43,303,251</b>	<b>\$ 1,267,774</b>	<b>\$ 3,172,216</b>	<b>\$ 40,071</b>	<b>\$ 41,717,086</b>	<b>\$ 89,500,398</b>	<b>\$ 74,934,746</b>
<b>LIABILITIES AND FUND BALANCE</b>							
Liabilities:							
Salaries and Compensated Absences Payable	\$ 119,616	\$ 225	\$ 127,636	\$ -	\$ -	\$ 247,477	\$ 496,143
Payroll Deductions and Employer Contributions Payable	1,105,145	-	-	-	-	1,105,145	916,000
Accounts and Contracts Payable	3,067,976	49,135	89,607	895	-	3,207,613	3,071,726
Due to Other Governmental Units	1,139,537	-	54,090	-	-	1,193,627	781,318
Due to Other Funds	-	-	-	306,133	-	306,133	-
Accrued Interest Payable	8,686	-	-	-	-	8,686	59,602
Property Tax Shift Adjustment	-	-	-	-	-	-	16,326
Deferred Revenue:							
Property Taxes Levied for Subsequent Year	22,657,534	-	1,119,949	-	9,591,586	33,369,069	19,779,515
Delinquent Property Taxes	44,759	-	3,538	-	34,501	82,798	48,876
Local Sources	186,443	123,380	833,357	-	-	1,143,180	896,276
<b>Total Liabilities</b>	<b>28,329,696</b>	<b>172,740</b>	<b>2,228,177</b>	<b>307,028</b>	<b>9,626,087</b>	<b>40,663,728</b>	<b>26,065,782</b>
Fund Balance							
Reserved for:							
Staff Development	963,236	-	-	-	-	963,236	710,877
Down Payment Levy	132,576	-	-	-	-	132,576	18,688
Cooperative Revenue	250,000	-	-	-	-	250,000	250,000
Unemployment Compensation	480,254	-	-	-	-	480,254	495,122
Learning and Development	546,943	-	-	-	-	546,943	628,626
Area Learning Center	71,220	-	-	-	-	71,220	83,879
Basic Skills Programs	255,437	-	-	-	-	255,437	213,691
Health and Safety	26,932	-	-	-	-	26,932	-
Operating Capital	4,064,221	-	-	-	-	4,064,221	4,067,719
Disabled Accessibility	7,452	-	-	-	-	7,452	9,130
Career and Technical Programs	64,652	-	-	-	-	64,652	61,509
Prepaid Items	1,129,103	-	-	-	-	1,129,103	155,203
Community Education Programs	-	-	877,131	-	-	877,131	586,850
Early Childhood and Family Educations Programs	-	-	44,344	-	-	44,344	55,304
School Readiness	-	-	2,242	-	-	2,242	25,595
Bond Refundings	-	-	-	-	29,961,070	29,961,070	30,504,975
Building Construction	-	-	-	-	-	-	555,535
Unreserved:							
Designated for:							
Dome Escrow	370,695	-	-	-	-	370,695	550,793
Site Carryover	1,004,814	-	-	-	-	1,004,814	1,218,356
Undesignated, Reported In:							
General Fund	5,606,020	-	-	-	-	5,606,020	6,286,941
Capital Projects Fund	-	-	-	(266,957)	-	(266,957)	-
Debt Service Fund	-	-	-	-	2,129,929	2,129,929	1,383,749
Special Revenue Funds	-	1,095,034	20,322	-	-	1,115,356	1,006,422
<b>Total Fund Balance</b>	<b>14,973,555</b>	<b>1,095,034</b>	<b>944,039</b>	<b>(266,957)</b>	<b>32,090,999</b>	<b>48,836,670</b>	<b>48,868,964</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 43,303,251</b>	<b>\$ 1,267,774</b>	<b>\$ 3,172,216</b>	<b>\$ 40,071</b>	<b>\$ 41,717,086</b>	<b>\$ 89,500,398</b>	<b>\$ 74,934,746</b>

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
GOVERNMENTAL FUNDS  
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2006  
(WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	2006	2005
<b>Total Fund Balance for Governmental Funds</b>	<b>\$ 48,836,670</b>	<b>\$ 48,868,964</b>
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	8,054,939	8,054,939
Construction in Progress	1,330,761	880,604
Land Improvements, Net of Accumulated Depreciation	3,987,899	3,812,757
Buildings and Improvements, Net of Accumulated Depreciation	90,085,336	91,581,070
Equipment, Net of Accumulated Depreciation	2,300,453	3,009,687
Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred revenue in the funds.		
	82,798	48,876
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		
	(2,320,699)	(2,451,182)
Bond issuance costs are reported as expenditures in the governmental funds.		
	161,007	-
Internal service funds are used by management to charge the costs of health and dental insurance services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service fund net assets at year-end are:		
	1,396,692	485,497
Long-term liabilities that pertain to governmental funds, including bonds payable, 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 assets. Balances at year-end are:		
Bonds Payable	(110,865,000)	(116,375,000)
Unamortized Premiums	(2,451,174)	(2,823,703)
Unamortized Discounts	392,276	428,049
Obligations Under Capital Leases	(3,474,453)	(3,645,000)
Early Retirement Incentive Benefits Payable	(1,522,026)	(1,451,943)
Compensated Absences Payable	(461,726)	(10,001)
<b>Total Net Assets of Governmental Activities</b>	<b>\$ 35,533,753</b>	<b>\$ 30,413,614</b>

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	Major Funds					Total Governmental	
	General	Food Service	Community Service	Capital Projects - Building Construction	Debt Service	Funds	
						2006	2005
<b>REVENUES</b>							
Local Sources:							
Property Taxes	\$ 12,546,224	\$ -	\$ 591,728	\$ -	\$ 10,186,011	\$ 23,323,963	\$ 27,744,090
Earnings on Investments	740,035	63,479	73,221	34,034	1,127,897	2,038,666	1,599,448
Other	2,982,693	3,599,336	4,815,752	-	-	11,397,781	11,300,254
State Sources	67,614,167	93,425	848,629	-	232,005	68,788,226	60,089,894
Federal Sources	<u>2,032,433</u>	<u>620,782</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,653,215</u>	<u>2,652,734</u>
Total Revenues	85,915,552	4,377,022	6,329,330	34,034	11,545,913	108,201,851	103,386,420
<b>EXPENDITURES</b>							
Current:							
Administration	3,212,666	-	-	-	-	3,212,666	3,098,903
District Support Services	3,670,312	-	-	-	-	3,670,312	3,414,628
Regular Instruction	39,982,100	-	-	-	-	39,982,100	38,555,114
Vocational Education Instruction	705,369	-	-	-	-	705,369	751,596
Special Education Instruction	12,636,066	-	-	-	-	12,636,066	11,566,284
Instructional Support Services	6,197,509	-	-	-	-	6,197,509	5,675,656
Pupil Support Services	7,619,936	-	-	-	-	7,619,936	6,849,023
Sites and Buildings	7,337,607	-	-	-	-	7,337,607	7,272,144
Fiscal and Other Fixed Cost Programs	354,942	-	-	-	-	354,942	323,624
Food Service	-	4,002,138	-	-	-	4,002,138	3,800,959
Community Service	-	-	6,042,097	-	-	6,042,097	5,628,552
Capital Outlay	3,649,451	276,495	22,220	1,398,526	-	5,346,692	7,224,824
Debt Service:							
Principal	-	-	-	-	5,510,000	5,510,000	5,285,000
Interest and Fiscal Charges	14,171	-	-	-	5,833,638	5,847,809	6,449,175
Total Expenditures	<u>85,380,129</u>	<u>4,278,633</u>	<u>6,064,317</u>	<u>1,398,526</u>	<u>11,343,638</u>	<u>108,465,243</u>	<u>105,895,482</u>
Excess (Deficiency) of Revenues							
Over (Under) Expenditures	535,423	98,389	265,013	(1,364,492)	202,275	(263,392)	(2,509,062)
<b>OTHER FINANCING SOURCES (USES)</b>							
Sale of Equipment Proceeds	3,844	1,500	-	-	-	5,344	1,380
Insurance Recovery Proceeds	1,576	-	-	-	-	1,576	98,392
Bond Proceeds	-	-	-	-	-	-	29,628,316
Proceeds from Capital Leases	224,178	-	-	-	-	224,178	-
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	-	(27,275,000)
Transfers In	-	-	-	542,000	-	542,000	328,204
Transfers Out	(542,000)	-	-	-	-	(542,000)	(328,204)
Total Other Financing Sources (Uses)	<u>(312,402)</u>	<u>1,500</u>	<u>-</u>	<u>542,000</u>	<u>-</u>	<u>231,098</u>	<u>2,453,088</u>
Net Change in Fund Balances	223,021	99,889	265,013	(822,492)	202,275	(32,294)	(55,974)
Fund Balances - Beginning	14,750,534	995,145	679,026	555,535	31,888,724	48,868,964	48,924,938
Fund Balances - Ending	<u>\$ 14,973,555</u>	<u>\$ 1,095,034</u>	<u>\$ 944,039</u>	<u>\$ (266,957)</u>	<u>\$ 32,090,999</u>	<u>\$ 48,836,670</u>	<u>\$ 48,868,964</u>

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGE IN FUND BALANCE  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	2006	2005
<b>Net Change in Fund Balance-Total Governmental Funds</b>	<b>\$ (32,294)</b>	<b>\$ (55,974)</b>
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$2,500 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital Outlays	2,885,939	6,402,983
Gain (Loss) on Disposal of Capital Assets	(6,001)	(70,847)
Proceeds from Sales of Capital Assets	-	(1,380)
Depreciation Expense	(4,459,607)	(4,500,958)
Some capital asset additions are financed through capital leases. In governmental funds, a capital lease arrangement is considered a source of financing, but in the statement of net assets, the lease obligation is reported as a liability. Repayment of capital lease principal is an expenditure in the governmental funds, but repayment reduces the lease obligation in the statement of net assets.		
Other Financing Source - Capital Lease	(224,179)	-
Change in Accrued Interest Expense - Capital Leases	2,666	(46,533)
Principal Payments - Capital Leases	394,726	-
The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest 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. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:		
General Obligation Bond Proceeds	-	(27,240,000)
Payment to Refunded Bond Escrow Agent	-	27,275,000
Bond Premium	-	(2,276,054)
Bond Issuance Costs	161,007	-
Repayment of Bond Principal	5,510,000	5,285,000
Change in Accrued Interest Expense - General Obligation Bonds	127,817	191,474
Amortization of Bond Premium	372,529	309,835
Amortization of Bond Discount	(35,773)	(240,182)
Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	33,922	(636)
In the statement of activities, certain operating expenses - severance benefits and compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(521,808)	782,726
Internal service funds are used by the District to charge the costs of employee health and dental benefits to individual funds. The net revenue of the internal service funds is reported with governmental activities.	911,195	(741,201)
<b>Change in Net Assets of Governmental Activities</b>	<b>\$ 5,120,139</b>	<b>\$ 5,073,253</b>

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2006**

	Budgeted Amounts		Actual Amounts	Over (Under) Final Budget
	Original	Final		
<b>REVENUES</b>				
Local Sources:				
Property Taxes	\$ 17,093,326	\$ 12,524,143	\$ 12,546,224	\$ 22,081
Earnings on Investments	200,000	400,000	740,035	340,035
Other	2,444,058	2,596,883	2,982,693	385,810
State Sources	61,024,167	67,403,796	67,614,167	210,371
Federal Sources	1,846,389	2,012,037	2,032,433	20,396
Total Revenues	<u>82,607,940</u>	<u>84,936,859</u>	<u>85,915,552</u>	<u>978,693</u>
<b>EXPENDITURES</b>				
Current:				
Administration	3,091,059	3,621,616	3,212,666	(408,950)
District Support Services	4,361,553	4,231,489	3,670,312	(561,177)
Elementary and Secondary Regular Instruction	39,465,380	40,565,733	39,982,100	(583,633)
Vocational Education Instruction	751,630	746,003	705,369	(40,634)
Special Education Instruction	11,685,563	11,954,358	12,636,066	681,708
Instructional Support Services	6,457,966	7,049,612	6,197,509	(852,103)
Pupil Support Services	6,951,512	7,332,339	7,619,936	287,597
Sites and Buildings	7,546,757	8,049,889	7,337,607	(712,282)
Fiscal and Other Fixed Cost Programs	590,310	412,175	354,942	(57,233)
Capital Outlay	2,950,148	3,090,431	3,649,451	559,020
Debt Service:				
Interest and Fiscal Charges	-	-	14,171	14,171
Total Expenditures	<u>83,851,878</u>	<u>87,053,645</u>	<u>85,380,129</u>	<u>(1,673,516)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,243,938)	(2,116,786)	535,423	2,652,209
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Equipment Proceeds	5,000	5,000	3,844	(1,156)
Insurance Recovery Proceeds	-	-	1,576	1,576
Proceeds from Capital Leases	-	-	224,178	224,178
Transfers Out	(542,000)	(542,000)	(542,000)	-
Total Other Financing Sources (Uses)	<u>(537,000)</u>	<u>(537,000)</u>	<u>(312,402)</u>	<u>224,598</u>
Net Change in Fund Balance	<u>\$ (1,780,938)</u>	<u>\$ (2,653,786)</u>	223,021	<u>\$ 2,876,807</u>
<b>FUND BALANCE</b>				
Beginning of Year			<u>14,750,534</u>	
End of Year			<u>\$ 14,973,555</u>	

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MAJOR FOOD SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2006**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Over (Under) Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local Sources:				
Earnings on Investments	\$ -	\$ -	\$ 63,479	\$ 63,479
Other - Primarily Meal Sales	3,402,128	3,402,128	3,599,336	197,208
State Sources	72,000	72,000	93,425	21,425
Federal Sources	538,900	538,900	620,782	81,882
Total Revenues	<u>4,013,028</u>	<u>4,013,028</u>	<u>4,377,022</u>	<u>363,994</u>
<b>EXPENDITURES</b>				
Current:				
Food Service	3,917,575	3,921,575	4,002,138	80,563
Capital Outlay	80,000	80,000	276,495	196,495
Total Expenditures	<u>3,997,575</u>	<u>4,001,575</u>	<u>4,278,633</u>	<u>277,058</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,453	11,453	98,389	86,936
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Equipment Proceeds	-	-	1,500	1,500
Net Change in Fund Balance	<u>\$ 15,453</u>	<u>\$ 11,453</u>	99,889	<u>\$ 88,436</u>
<b>FUND BALANCE</b>				
Beginning of Year			<u>995,145</u>	
End of Year			<u>\$ 1,095,034</u>	

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
MAJOR COMMUNITY SERVICE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2006**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Over (Under) Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local Sources:				
Property Taxes	\$ 1,116,796	\$ 1,116,796	\$ 591,728	\$ (525,068)
Earnings on Investments	20,000	20,000	73,221	53,221
Other - Primarily Tuition and Fees	4,628,229	4,639,962	4,815,752	175,790
State Sources	<u>278,347</u>	<u>278,347</u>	848,629	<u>570,282</u>
Total Revenues	6,043,372	6,055,105	6,329,330	274,225
<b>EXPENDITURES</b>				
Current:				
Community Service	5,801,932	5,821,165	6,042,097	220,932
Capital Outlay	<u>28,168</u>	<u>28,168</u>	<u>22,220</u>	<u>(5,948)</u>
Total Expenditures	<u>5,830,100</u>	<u>5,849,333</u>	<u>6,064,317</u>	<u>214,984</u>
Excess of Revenues Over Expenditures	<u>\$ 213,272</u>	<u>\$ 205,772</u>	265,013	<u>\$ 59,241</u>
<b>FUND BALANCE</b>				
Beginning of Year			<u>679,026</u>	
End of Year			<u>\$ 944,039</u>	

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
PROPRIETARY FUND  
INTERNAL SERVICE FUND  
STATEMENT OF NET ASSETS  
JUNE 30, 2006  
(WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	Governmental Activities - Internal Service Funds	
	2006	2005
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ 37,386,673	\$ 33,976,983
Accounts Receivable	975,456	258,577
Total Current Assets	38,362,129	34,235,560
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	77,617	82,756
Noncurrent Liabilities:		
Claims Payable for Health and Dental Benefits	2,958,661	2,683,693
Liability for Retiree Health Insurance	23,223,528	21,362,620
Retirement Benefits Payable	10,705,631	9,620,994
Total Noncurrent Liabilities	36,887,820	33,667,307
Total Liabilities	36,965,437	33,750,063
<b>NET ASSETS</b>		
Unrestricted	\$ 1,396,692	\$ 485,497

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
PROPRIETARY FUND  
INTERNAL SERVICE FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	Governmental Activities - Internal Service Funds	
	<u>2006</u>	<u>2005</u>
<b>OPERATING REVENUES</b>		
Charges for Services	\$ 11,110,873	\$ 10,870,273
Assessments Made to Other Funds for Retirement Benefits	<u>1,341,025</u>	<u>1,306,002</u>
Total Operating Revenues	12,451,898	12,176,275
<b>OPERATING EXPENSES</b>		
Health Insurance Claim Payments	10,471,015	11,816,522
Dental Insurance Claim Payments	758,890	775,699
Early Retirement Incentive Benefits	<u>1,745,212</u>	<u>1,499,427</u>
Total Operating Expenses	<u>12,975,117</u>	<u>14,091,648</u>
Operating Income (Loss)	(523,219)	(1,915,373)
<b>NONOPERATING INCOME</b>		
Earnings on Investments	<u>1,434,414</u>	<u>1,174,172</u>
Change in Net Assets	911,195	(741,201)
Total Net Assets - Beginning	<u>485,497</u>	<u>1,226,698</u>
Total Net Assets - Ending	<u><u>\$ 1,396,692</u></u>	<u><u>\$ 485,497</u></u>

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
PROPRIETARY FUND  
INTERNAL SERVICE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	Governmental Activities - Internal Service Funds	
	2006	2005
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Interfund Services Provided	\$ 11,735,019	\$ 12,162,120
Payments for Medical Fees and Insurance Claims	(9,759,743)	(10,900,289)
Payments for Retirement Benefits	-	-
Net Cash Provided by Operating Activities	1,975,276	1,261,831
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Received	1,434,414	1,174,172
Net Increase in Cash and Cash Equivalents	3,409,690	2,436,003
Cash and Cash Equivalents - Beginning	33,976,983	31,540,980
Cash and Cash Equivalents - Ending	\$ 37,386,673	\$ 33,976,983
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ (523,219)	\$ (1,915,373)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Increase in Accounts Receivable	(716,879)	(14,155)
Decrease in Accounts Payable	(5,139)	(5,247)
Increase (Decrease) in Claims Payable	274,968	(37,666)
Increase in Retirement Benefits Payable	2,945,545	3,234,272
Total Adjustments	2,498,495	3,177,204
Net Cash Provided by Operating Activities	\$ 1,975,276	\$ 1,261,831

See accompanying Notes to Basic Financial Statements

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
STATEMENT OF FIDUCIARY NET ASSETS  
JUNE 30, 2006**

	<u>Private- Purpose Trust</u>
<b>ASSETS</b>	
Cash and Investments	\$ 278,448
Interest receivable	2,316
Total Assets	<u>280,764</u>
<b>LIABILITIES</b>	
Due to Plan Participants	<u>75</u>
<b>NET ASSETS</b>	
Unreserved	<u><u>\$ 280,689</u></u>

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
JUNE 30, 2006**

	<u>Private- Purpose Trust</u>
<b>ADDITIONS</b>	
Gifts and Donations	\$ 172,113
Earnings on Investments	5,061
Total Additions	<u>177,174</u>
<b>DEDUCTIONS</b>	
Miscellaneous	<u>18,672</u>
Change in Net Assets	158,502
Net Assets - Beginning of Year	<u>122,187</u>
Net Assets - End of Year	<u><u>\$ 280,689</u></u>

See accompanying Notes to Basic Financial Statements

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Basis of Presentation

The financial statements of Independent School District No. 284 have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The GASB has issued a codification of governmental accounting and financial reporting standards titled Codification of Governmental Accounting and Financial Reporting Standards: Statement 34 Edition. This codification and subsequent GASB pronouncements are recognized as U.S. generally accepted accounting principles for state and local governments that have implemented GASB Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, issued in June 1999.

This financial report has been prepared in conformity with GASB Statement No. 34.

B. Financial Reporting Entity

Independent School District No. 284 (the District) is an instrumentality of the State of Minnesota established to function as an educational institution. The elected School Board (Board) is responsible for legislative and fiscal control of the District. A Superintendent is appointed by the Board and is responsible for administrative control of the District.

U.S. Generally Accepted Accounting Principles (GAAP) require that the District's financial statements include all funds, departments, agencies, boards, commissions, and other organizations which are not legally separated from the District. In addition, the District's financial statements are to include all component units - entities for which the District is financially accountable.

Financial accountability includes such aspects as appointing a voting majority of the organization's governing body, significantly influencing the programs, projects, activities or level of services performed or provided by the organization or receiving specific financial benefits from, or imposing specific financial burden on, the organization. There are no other entities for which the District is financially accountable.

Student activities are determined primarily by student participants under the guidance of an adult and are generally conducted outside school hours. The School Board does have a fiduciary responsibility in establishing broad policies and ensuring that appropriate financial records are maintained for student activities. However, in accordance with Minnesota State Statutes, the District's School Board has not elected to control or exercise oversight responsibility with respect to the underlying student activities. Accordingly, the student activity accounts are not included in these financial statements.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

C. Basic Financial Statement Presentation

The Government-wide financial statements (i.e. the Statement of Net Assets and the Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary funds. The Fiduciary Funds are only reported in the statements of Fiduciary Net Assets at the Fund Financial Statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Depreciation expense that can be specifically identified by function is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. Generally, the effect of material interfund activity has been removed from the Government-wide financial statements.

Separate Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Fiduciary funds are presented in the fiduciary fund financial statements by type: private purpose trust. Since by definition, fiduciary fund assets are being held for the benefit of a third party and cannot be used for activities or obligations of the District, these funds are excluded from the Government-wide statements.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service fund is charges for service in the form of insurance premiums and early retirement incentive costs. Operating expenses for the internal service fund include the cost of services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied, except for amounts advance recognized in accordance with a statutory "tax shift" described later in these notes. Grants and similar items are recognized when 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. Under this basis of accounting transactions are recorded in the following manner:

**1. Revenue Recognition**

Revenue is recognized when it becomes measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year to which it applies according to Minnesota Statutes and U.S. generally accepted accounting principles. Minnesota Statutes include state aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure is made. Food service sales, community education tuition, and other miscellaneous revenue (except investment earnings) are recorded as revenues when received because they are generally not measurable until then. Investment earnings are recorded when earned because they are measurable and available. A six-month availability period is generally used for other fund revenue.

**2. Recording of Expenditures**

Expenditures are generally recorded when a liability is incurred. However, expenditures are recorded as prepaid for approved disbursements or liabilities incurred in advance of the year in which the item is to be used. Principal and interest on long-term debt issues are recognized on their due dates.

The District applies only those applicable pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989 in accounting and reporting for its proprietary operations.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Measurement Focus and Basis of Accounting (Continued)

The District reports deferred revenue on its statement of net assets and balance sheet. Deferred revenues arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to incurring the qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the statement of net assets or balance sheet and revenue is recognized.

Description of Funds

The existence of the various District funds has been established by the State of Minnesota, Department of Education. The accounts of the district are organized on the basis of funds, each of which is considered a separate accounting entity. A description of the funds included in this report are as follows:

*Major Governmental Funds*

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. It includes the general operations and pupil transportation activities of the district, as well as the capital related activities such as maintenance of facilities equipment purchases, health and safety projects, and disabled accessibility projects.

Food Service Special Revenue Fund

The Food Service Fund is used to account for food service revenues and expenditures.

Community Service Special Revenue Fund

The Community Service Fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, veterans, adult or early childhood programs, K-6 extended day programs or other similar services.

Capital Projects – Building Construction Fund

The Capital Projects – Building Construction Fund is used to account for financial resources used for the acquisition or construction of major capital facilities. The Fund was established for building construction activity authorized by specific voter-approved bond issues and for large-scale construction activity authorized by the Board under provisions of state law.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

D. Measurement Focus and Basis of Accounting (Continued)

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, general long-term obligation bond principal, interest, and related costs. The regular debt service account is used for all general obligation bond debt service except for refunding bond issues, for which a separate refunding bond trust account has been established.

*Proprietary Fund*

Internal Service Fund

The Internal Service Fund accounts for financing of goods or services provided by one department to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The District's Internal Service Fund includes its self-insured health and dental insurance plan for its employees as well as its early retirement incentive plan. The Internal Service Fund accounts for the financing of services provided by one department to other departments of the District on a cost reimbursement basis.

*Fiduciary Fund*

The District maintains a Private Purpose Trust Fund which is used to account for money held by the District in the capacity of trustee or custodian.

E. Budgeting

Budgets presented in this report for comparison to actual amounts are presented in accordance with U.S. generally accepted accounting principles. Each June, the School Board adopts an annual budget for the following fiscal year for the General, Food Service, Community Service, and Debt Service Funds. The approved budget is published in summary form in the District's legal newspaper. Reported budget amounts represent the amended budget as adopted by the School Board. Legal budgetary control is at the fund level.

Procedurally, in establishing the budgetary data reflected in these financial statements, the Superintendent submits to the School Board prior to July 1, a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means to finance them. The budget is legally enacted by School Board action. Revisions to budgeted amounts must be approved by the School Board.

Total fund expenditures in excess of the budget require approval of the School Board. Spending control is established by the amount of expenditures budgeted for the fund, but management control is exercised at line item levels.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

E. Budgeting (Continued)

Budgeted amounts include mid-year budget amendments that increased revenue and expenditure budgets as follows:

<u>Revenues</u>	Original Budget	Amendments	Amended Budget
General Fund	\$ 82,607,940	\$ 2,328,919	\$ 84,936,859
Special Revenue Funds:			
Food Service Fund	4,013,028	-	4,013,028
Community Service Fund	6,043,372	11,733	6,055,105
Debt Service Fund		-	
 <u>Expenditures</u>			
General Fund	83,851,878	3,201,767	87,053,645
Special Revenue Funds:			
Food Service Fund	3,997,575	4,000	4,001,575
Community Service Fund	5,830,100	19,233	5,849,333

Budget provisions for the Debt Service Fund are set by state law governing required debt service levels.

At the end of each fiscal year, if the General Fund has a net unreserved deficit fund balance, calculated in accordance with the uniform financial accounting and reporting standards for Minnesota school districts which excludes certain reserves specified in Minnesota statutes, exceeding 2.5% of expenditures, a condition referred to as "statutory operating debt" exists. That debt requires retirement through the accumulation of subsequent operating surpluses in accordance with a "special operating plan" approved by the Commissioner of the Department of Education.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Cash and Investments**

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

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

Investments are stated at their fair value as determined by quoted market prices, except for money market investments and participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less which are recorded at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid debt instruments including commercial paper, banker's acceptances, and U.S. Treasury and agency obligations. Investments in external investment pools operated in a manner consistent with the SEC's Rule 2a7 of the Investment Act of 1940 are valued at the pool's share price.

**G. Accounts Receivable**

Represents amounts receivable from individuals, firms, and corporations for goods and services furnished by the District. No substantial losses are anticipated from present receivable balances, therefore, no allowance for uncollectible accounts is deemed necessary. The only receivables not expected to be collected within one year are current property taxes receivable.

**H. Inventories**

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

**I. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments. Prepaid items are reported using the consumption method and recorded as an expense or expenditure at the time of consumption.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

J. Property Taxes

Property tax levies are established by the School Board in December each year and are certified to the County for collection the following calendar year. In Minnesota, counties act as collection agents for all property taxes and are responsible for spreading all levies over taxable property. Such taxes become a lien on January 1. Taxes are generally due on May 15 and October 15 and counties generally remit taxes to Districts at periodic intervals as they are collected. A portion of property taxes levied is paid through state credits which are included in revenue from state sources in the financial statements.

Generally, tax revenue is recognized in the fiscal year ending June 30, following the calendar year in which the tax levy is collectible, while the current calendar year tax levy is recorded as deferred revenue (property taxes levied for subsequent year). The majority of District revenue in the General Fund (and to a lesser extent in the District's Community Service Special Revenue Fund) is determined annually by statutory funding formulas. The total revenue allowed by these formulas is then allocated between taxes and state aids by the Legislature based on education funding priorities. Changes in this allocation are periodically accompanied by a change in property tax revenue recognition referred to as the "tax shift."

In accordance with State law, the current tax shift consists of an amount equal to 31% of the District's 2000 Pay 2001 operating referendum levy (frozen at \$3,560,480) advance recognized as revenue in fiscal 2006 with no corresponding state aid adjustment. Beginning in fiscal 2004, the shift was significantly expanded to include all other General and Community Service Fund levies (net of credits) resulting in an advance recognition of property taxes and a corresponding reduction in state aids. In 2006, the Legislature repaid the expanded tax shift from fiscal 2004. This resulted in a decrease in property tax revenues of \$4,569,183 in the General Fund and \$542,493 in the Community Service Fund and a corresponding increase in state aid in each fund, respectively. Certain other portions of the District's 2005 Pay 2006 levy, normally revenue for the 2006-07 fiscal year, are also advance recognized at June 30, 2006, as required by state statute to match revenue with the same fiscal year as the related expenditures.

Taxes that remain unpaid are classified as delinquent taxes receivable. Revenue from these delinquent property taxes that is not collected within 60 days of year-end is deferred because it is not known to be available to finance the operations of the District in the current year. No allowance for uncollectible taxes has been provided as such amounts are not expected to be material. Current levies of local taxes, less the amount recognized as revenue in the current period, including portions assumed by the State which will be recognized as revenue in the next fiscal year beginning July 1, 2005, are included in Property Taxes Levied for Subsequent Year to indicate that, while they are current assets, they will not be recognized as revenue until the following year.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**K. Capital Assets**

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District maintains a threshold level of \$5,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the Government-wide financial statement, but are not reported in the Fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 20 to 50 years for land improvements and buildings, and 5 to 15 years for equipment.

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

The District does not possess any material amounts of infrastructure capital assets. Items such as sidewalks and other land improvements are considered to be part of the cost of buildings or other improvable property.

**L. Long-Term Obligations**

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

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

**M. Accrued Employee Benefits**

Vacation Pay

In the fund financial statements, vacations payable at year-end for terminated employees or actual vacation taken by year-end are accrued and included in compensated absences payable at June 30. The long-term portion of vacation liabilities is recorded as compensated absences payable in long-term debt in the government-wide financial statements. A majority of compensated absences are liquidated by the General Fund, which is the District's main operating fund.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

M. Accrued Employee Benefits (Continued)

Sick Pay

Substantially all district employees are entitled to sick leave at various rates. Unused sick leave is a factor in the calculation of an employee's severance pay upon retirement.

Severance and Health Benefits

Severance and health benefits consist of lump sum early retirement incentive payments and post-employment health care benefits. Accounting policies for severance and health benefits are described below.

**1. Early Retirement Incentive and Convertible Sick Leave**

The District maintains various early retirement incentive payment plans for its employee groups. Each employee group plan contains benefit formulas based on years of service and/or minimum age requirements. No employee can receive early retirement incentive payments exceeding one year's salary. Certain bargaining unit members are eligible to be compensated for unused accumulated sick leave upon termination subject to certain conditions.

During fiscal year 2006, the District's expenditures for early retirement incentive and convertible sick leave expenditures for early retirement incentive totaled approximately \$1,745,212. At June 30, 2006, the long-term portion of the early retirement incentive and convertible sick leave liability is included as part of long-term debt. The funded portion of the liability, \$10,705,631, is recorded in the District's Internal Service Fund, and the remaining unfunded portion, \$1,522,026, is recorded in addition to this on the District Wide financial statements.

**2. Post-Employment Health Care Benefits**

In addition to retirement benefits, the District provides post-retirement medical insurance benefits to teachers, administrators, principals, food service workers, custodians and clerical employees, in accordance with their respective master employment agreements. The eligibility for, amount of, duration of, and District's contribution to the cost of the benefits provided varies by contract and date of retirement. The District has elected to record the post-retirement liability for health insurance for active and retired employees based on the amount accumulated for the liability in the internal service fund, which is less than the amount as determined by an independent actuarial valuation. Benefits are paid by the District's Internal Service Fund which was established to accumulate resources for such commitments. Interfund premiums for coverage are charged to activities of user funds as quasi-external transactions. During the year ended June 30, 2006, 171 retirees received District provided medical insurance benefits. Costs charged to the Internal Service Fund for post-retirement medical insurance benefits totaled approximately \$1,073,026. The District has authority to levy for a portion of its future post-retirement medical benefits premiums for certain retired employees. Such costs are charged directly to the General Fund for those employees that generate the special levy authority.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

M. Accrued Employee Benefits (Continued)

**2. Post-Employment Health Care Benefits (Continued)**

The District established a separate Internal Service Fund to account for the post-employment healthcare benefits. The District's funding policy requires an annual contribution of an amount equal to the current year service cost adjusted for any amortization.

When calculating the actuarial determined liability, the most significant assumptions are the discount rate, the retirement age, the medical trend rate, and annual claim costs by age. The discount rate assumption was set at 5.75% for the June 30, 2005 valuation, which is the most recent available. The retirement decrement table used in the most recent valuation assumes a weighted average retirement age of 59. The medical trend rate assumptions were set with an ultimate medical trend rate of 4.25%.

	Principals and Administrators	Teachers	Food Service, Clerical, and Custodial	Total
Active Participants:				
Not Eligible to Receive Benefits	38	479	242	759
Eligible to Receive Benefits	13	91	87	191
Total	51	570	329	950
Retired Participants:				
Under Age 65	8	79	23	110
Age 65 and Over	10	60	5	75
Total	18	139	28	185
Total Participants	69	709	357	1,135

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

M. Accrued Employee Benefits (Continued)

**2. Post-Employment Health Care Benefits (Continued)**

The accumulated post-retirement benefit obligation at June 30, 2006 was as follows:

Actuarial Accrued Liability (AAL) as of July 1, 2005:	
Retirees Under Age 65	\$ 7,661,200
Actives Eligible for Postretirement Benefits	6,206,131
Actives Not Eligible for Postretirement Benefits	10,451,116
	24,318,447
Plan Assets	23,223,528
AAL in Excess of Plan Assets	\$ 1,094,919

N. Statement of Cash Flows

For purposes of the statement of cash flows, the District considers all highly liquid debt instruments with an original maturity from the time of purchase by the District of three months or less to be cash equivalents. The Proprietary Fund's equity in the Government-wide cash and investment management pool is considered to be cash equivalents.

O. Restricted Assets

Restricted assets are cash and cash equivalents whose use is limited by legal requirements such as a bond indenture. Restricted assets are reported only in the Government-wide financial statements.

P. Fund Balance

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Q. 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; injuries to employees; and natural disasters. The District purchases insurance coverage for such risks from various providers. The District participates in the Minnesota School Board Association Insurance Trust (MSBA Trust), a public entity risk pool for its workers compensation insurance and for property/liability insurance. The MSBA Trust operates as a common risk management and insurance program for approximately 375 member districts. The District pays an annual premium to the MSBA Trust for its insurance coverage. The MSBA Trust agreement provides that the MSBA Trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits for each insured event.

There has been no significant reduction in insurance coverage from the previous year in any of the District's policies. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

**R. Net Assets**

Net assets represent the difference between assets and liabilities in the Government-wide, Proprietary Fund, and Fiduciary Fund financial statements. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net assets are reported as restricted in the Government-wide financial statement when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

**S. Comparative Data**

Comparative data for the prior year has been presented only for certain sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 2 STEWARDSHIP AND ACCOUNTABILITY**

A. Excess of Expenditures Over Budget

Expenditures exceeded budgeted amounts in the following funds at June 30, 2006.

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Special Revenue Funds:			
Food Service Fund	\$ 4,001,575	\$ 4,278,633	\$ 277,058
Community Service Fund	5,849,333	6,064,317	214,984
Capital Projects Fund	632,742	1,398,526	765,784
Debt Service Fund	11,202,711	11,343,638	140,927

The excess of expenditures over budget in the Food Service Fund related to an increase in food sales, resulting in increased food costs, as well as an early start on the remodeling of a kitchen. The excess of expenditures over budget in the Community Service Fund was due to a higher demand for certain programs, resulting in both higher revenues and expenditures than anticipated. The overage in the Capital Projects Fund was due to a project that was not listed on the original budget, but was in the District's overall plan. The overage in the Debt Service Fund was due to the interest paid on escrow accounts being higher than anticipated.

**NOTE 3 DEPOSITS AND INVESTMENTS**

A. Deposits

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net assets and the balance sheet as "Cash and Investments." An indication of the level of custodial credit risk assumed by the District at year-end is categorized as follows for the District's cash and investments:

In accordance with applicable Minnesota Statutes, the District maintains deposits at depository banks authorized by the School District's Board.

Minnesota Statutes require that all 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 corporate surety bonds.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

A. Deposits (Continued)

Authorized collateral includes treasury bills, notes and bonds; issues of U.S. government agencies; general obligations rated "A" or better; revenue obligations rated "AA" or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

The District's deposits in banks at June 30, 2006 in the amount of \$336,863 were entirely covered by federal depository insurance or by surety bonds and collateral in accordance with Minnesota statutes.

Cash on Hand

Cash in the possession of the District consisting of petty cash and change funds at year-end totaled \$15,550.

B. Investments

The District may also invest idle funds as authorized by Minnesota Statutes, as follows: direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 and receives the highest credit rating, is rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better; general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States' banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States' corporations or their Canadian subsidiaries, of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States' insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers. Repurchase or reverse purchase agreement and securities lending agreements financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

At June 30, 2006, the District's investment balances were as follows:

	Maturing in Less than One Year	Maturing in One to Five Years	Carrying and Fair Value
Unrestricted:			
Commercial Paper	\$ 28,610,105	\$ -	\$ 28,610,105
Federal Home Loan Bank	-	4,891,359	4,891,359
Mutual Funds	9,007,183	-	9,007,183
Minnesota School District Liquid Asset Fund Plus (MSDLAF+)	not applicable	not applicable	1,968,521
Cash Surrender Value of Life Insurance Policies	not applicable	not applicable	20,413,870
Restricted:			
U.S. Government Securities	22,862,815	6,737,724	29,600,539
Mutual Funds	370,087	-	370,087
Other Fiscal Agent Accounts	931,299	-	931,299
			<u>95,792,963</u>
Deposits			361,472
Cash on Hand			<u>15,550</u>
Total Pooled Cash and Temporary Investments			<u><u>\$ 96,169,985</u></u>

These amounts are presented in the financial statements as follows:

Cash and Investments - Statement of Net Assets	\$ 64,989,611
Cash and Investments Held by Trustee - Statement of Net Assets	30,901,926
Cash and Investments - Statement of Fiduciary Net Assets	278,448
Total Cash and Investments	<u><u>\$ 96,169,985</u></u>

The MSDLAF+ is an external investment pool and its investments are valued at amortized cost, which approximates fair value in accordance with Rule 2a-7 of the Investment Company Act of 1940. The amortized cost method of valuation values a security at its cost on the date of purchase and thereafter assumes a constant amortization to maturity of any discount or premium, regardless of the impact of fluctuating interest rates on the market value of instruments.

**Credit Risk** – The MSDLAF+ pool is rated AAAM and approximately 9% of the District's investments in commercial paper were rated A-1 by Standard & Poor's. Of the District's investments in commercial paper approximately 90% were rated P-1 and approximately 10% were rated A-1 by Standard & Poors. Of the District's investments in guaranteed insurance contracts 100% are rated aA3 by Moody's Investors Service. Of the District's investments in mutual funds, 96% were rated Aaa by Moody's Investors Service, and the remaining 4% were rated AAAM by Standard & Poor's. The FHLB investment is rated AAA by Moody's Investors Service.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

B. Investments (Continued)

**Restricted Investments** – These investments are held by an escrow agent in accordance with escrow agreements established with the sale of the General Obligation Refunding Bonds, Series 2004B and Series 2005A. The securities have maturities starting in February 1, 2007 thru February 1, 2008 at which time the proceeds will be used to pay in full the General Obligation School Building Bonds Series 1997A and Series 2000A. The interest rates on these securities range from zero to 3.79%.

**Investments Held with Broker** – The District's investments in commercial paper are held by investment brokers.

***Interest Rate Risk***

The district does have a formal investment policy. The primary objective of the policy is to minimize the risk of loss of principal. The policy requires that all brokers used by the District acknowledge in writing that any investment purchased through that broker will comply with Minnesota state statutes governing the investment of public funds. The policy also states that the District will diversify by type, issuer, and maturity to help reduce the risk of loss. In addition, the majority of the district's investments have a maturity of one year or less.

***Concentration of Credit Risk***

The District places no limit on the amount that the District may invest in any one issuer. The individual investments which individually comprise more than 5 percent of the District's total investments are as follows:

Federal Home Loan Bank	\$ 4,891,359
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**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 4 CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2006 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 8,054,939	\$ -	\$ -	\$ 8,054,939
Construction in Progress	880,604	1,330,761	(880,604)	1,330,761
Total Capital Assets, Not Being Depreciated	8,935,543	1,330,761	(880,604)	9,385,700
Capital Assets, Being Depreciated:				
Land Improvements	6,613,803	527,313	-	7,141,116
Buildings and Improvements	130,749,260	1,831,081	-	132,580,341
Equipment and Transportation Vehicles	8,796,856	77,388	59,193	8,933,437
Food Service Equipment	1,182,829	-	(75,341)	1,107,488
Total Capital Assets, Being Depreciated	147,342,748	2,435,782	(16,148)	149,762,382
Accumulated Depreciation for:				
Land Improvements	(2,801,046)	(352,171)	-	(3,153,217)
Buildings and Improvements	(39,168,190)	(3,326,815)	-	(42,495,005)
Equipment and Transportation Vehicles	(6,390,845)	(733,528)	10,147	(7,114,226)
Food Service Equipment	(579,153)	(47,093)	-	(626,246)
Total Accumulated Depreciation	(48,939,234)	(4,459,607)	10,147	(53,388,694)
Total Capital Assets, Being Depreciated, Net	98,403,514	(2,023,825)	(6,001)	96,373,688
Governmental Activities Capital Assets, Net	<u>\$ 107,339,057</u>	<u>\$ (693,064)</u>	<u>\$ (886,605)</u>	<u>\$ 105,759,388</u>

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

<b>Governmental Activities</b>	
Administration	\$ 33,677
Elementary and Secondary Regular Instruction	3,479,153
Vocational Education Instruction	8,040
Instructional Support Services	18,407
Sites and Buildings	761,693
Food Service	52,035
Unallocated	106,602
Total Depreciation Expense, Governmental Activities	<u>\$ 4,459,607</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 5 LONG-TERM LIABILITIES**

The District has issued general obligation school building bonds to finance the construction of capital facilities or to refinance previous bond issues.

**A. Components of Long-Term Debt**

Issue Date	Net Interest Rate	Original Issue	Final Maturity	Principal Outstanding	
				Due Within One Year	Total
01/09/97	4.80% - 5.50%	\$ 24,300,000	02/01/17	\$ 22,550,000	\$ 22,550,000
04/13/98	4.30% - 5.00%	36,975,000	02/01/16	825,000	35,910,000
03/11/99	3.80% - 4.50%	10,000,000	02/01/19	350,000	5,675,000
03/16/00	5.00% - 5.70%	8,710,000	02/01/20	550,000	7,860,000
12/19/02	5.00%	22,525,000	02/01/09	3,830,000	11,630,000
11/18/2004	3.00% - 5.00%	20,480,000	2/1/2017	-	20,480,000
5/5/2005	3.50% - 4.00%	6,760,000	2/1/2020	-	6,760,000
Total General Obligation Bonds				28,105,000	110,865,000
Bond Premium - Net				-	2,451,174
Bond Discounts - Net				-	(392,276)
Lease Purchase Obligations:					
Obligation for Capital Lease Payable				399,726	3,474,453
Retirement Benefits Payable				4,286,049	36,887,820
Early Retirement Incentive Pay				-	1,522,026
Compensated Absences Payable				461,726	461,726
				<u>\$ 33,252,501</u>	<u>\$ 155,269,923</u>

**B. Minimum Debt Payments**

Minimum annual principal and interest payments required to retire general obligation bonds and capital lease obligations are as follows:

Year Ending June 30,	General Obligation Bonds Payable		Capital Leases Payable	
	Principal	Interest	Principal	Interest
2007	\$ 28,105,000	\$ 3,736,983	\$ 399,726	\$ 112,734
2008	12,725,000	3,366,688	409,726	102,605
2009	6,430,000	3,081,588	345,001	90,740
2010	6,635,000	2,764,088	355,000	81,425
2011	6,935,000	2,429,588	365,000	70,775
2012 - 2016	38,575,000	8,504,400	1,600,000	153,053
2017 - 2021	11,460,000	769,825	-	-
	<u>\$ 110,865,000</u>	<u>\$ 24,653,158</u>	<u>\$ 3,474,453</u>	<u>\$ 611,332</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 5 LONG-TERM LIABILITIES (CONTINUED)**

C. Description of Long-Term Debt

Assets of the Debt Service Fund, together with scheduled future ad valorem tax levies, are dedicated to the retirement of these bonds. Total deferred tax levies available to retire bond principal and interest payable at June 30, 2006 are \$76,208,933. These levies are subject to reduction if fund balances exceed limitations imposed by Minnesota law. In addition, assets are available in an escrow account to be used for the repayment of certain refunded bonds.

On April 13, 1998, the District issued \$36,975,000 of General Obligation Refunding Bonds, Series 1998A. A portion of the proceeds of this issue were used in 2004 to refund, in advance of their stated maturities, the remaining fiscal 2005 through 2015 maturities of the District's 1994A General Obligation School Building Bonds, totaling \$9,330,000. The remaining proceeds of this issue were used in 2005 to refund, in advance of their stated maturities, the remaining fiscal 2006 through 2016 maturities of the District's 1995B General Obligation School Building Bonds, totaling \$27,750,000. The proceeds of the 1998A-bond issue were placed in an escrow account pending the call dates of the refunded issues and were used to purchase U.S. Government securities. On February 1, 2005, the escrow account was used to call the remaining principal of the 1995B issue. After the crossover, the District assumed full debt service of the principal and interest payments on the 1998A issue. These "crossover refundings" combined reduced the District's total future debt service payments by approximately \$2,325,638 and resulted in a present value savings of approximately \$1,293,789.

On December 19, 2002, the District issued \$22,525,000 of General Obligation Refunding Bonds, Series 2002A. The proceeds of this issue (including a reoffering premium of \$1,191,106 and accrued interest) were used on February 1, 2003, to refund, in advance of their stated maturities, the remaining fiscal 2004 through 2009 maturities of the District's 1993A General Obligation School Building Refunding Bonds, totaling \$23,655,000 (\$16,185,000 of defeased principal remains outstanding as of June 30, 2005). This refunding reduced the District's total future debt service payments by approximately \$1,680,405 and results in a present value savings of approximately \$1,525,413.

On November 18, 2004, the District issued \$20,480,000 of General Obligation Refunding Bonds, Series 2004B. The proceeds of this issue will be used in 2007 to refund, in advance of their stated maturities, the remaining fiscal 2008 through 2017 maturities of the District's 1997A General Obligation School Building Bonds, totaling \$22,450,000. The proceeds of the 2004B bond issue were placed in an escrow account pending the call dates of the refunded issues and were used to purchase U.S. Government securities. On February 1, 2007, the escrow account will be used to call the remaining principal of the 1997A. After the crossover, the District assumes full debt service of the principal and interest payments on the 2004B issue. This "crossover refunding" will reduce the District's total future debt service payments by approximately \$2,772,986 and result in a present value savings of approximately \$1,937,536.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 5 LONG-TERM LIABILITIES (CONTINUED)**

C. Description of Long-Term Debt (Continued)

On May 5, 2005, the District issued \$6,760,000 of General Obligation Refunding Bonds, Series 2005A. The proceeds of this issue will be used in 2008 to refund, in advance of their stated maturities, the remaining fiscal 2009 through 2020 maturities of the District's 2000A General Obligation School Building Bonds, totaling \$6,735,000. The proceeds of the 2005A bond issue were placed in an escrow account pending the call dates of the refunded issues and were used to purchase U.S. Government securities. On February 1, 2008, the escrow account will be used to call the remaining principal of the 2000A. After the crossover, the District assumes full debt service of the principal and interest payments on the 2005A issue. This "crossover refunding" will reduce the District's total future debt service payments by approximately \$656,033 and result in a present value savings of approximately \$474,696.

Effective April 1, 2004, the District has entered into a lease agreement with a financial institution for financing the acquisition and construction of an athletic facility. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments of \$3,645,000 as of the inception date. As of June 30, 2005, \$3,094,207 of construction expenditures have been incurred and capitalized to date. The remaining unexpended funds of \$550,793 are held by the financial institution in its capacity as fiscal agent, and are included in the reserved fund balance of the General Fund. Construction of the athletic facility was completed in fiscal year 2005.

Arbitrage Rebate Liability

The Tax Reform Act of 1986 requires school districts and other governmental entities to pay to the federal government income earned on the proceeds from the issuance of debt in excess of interest costs, pending the expenditure of the borrowed funds. This rebate of interest income (known as arbitrage) applies to governmental debt issued after August 31, 1986.

Certain bond issues of the District are subject to the arbitrage rebate requirements. However, management does not expect to incur any significant arbitrage rebate liability.

Severance and Retirement Benefits Payable

Severance and retirement benefits payable consist of early retirement incentive payments, convertible sick leave, and other severance pay benefits payable to employees upon retirement. The District has funded a portion of these benefits totaling \$36,887,820 in an internal service fund. An additional \$1,552,026 is unfunded and therefore included in long-term liabilities on the statement of net assets. Annual payments to retire the severance and health benefits liability have not been determined and will depend on actual employee turnover.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 5 LONG-TERM LIABILITIES (CONTINUED)**

**D. Changes in Long-Term Debt**

	June 30, 2005	Net Additions	Retirements	June 30, 2006
Bonds Payable	\$ 116,375,000	\$ -	\$ 5,510,000	\$ 110,865,000
Bond Premium	2,823,703	-	372,529	2,451,174
Bond Discounts	(428,049)	-	(35,773)	(392,276)
Lease Purchase Obligations	3,645,000	224,179	394,726	3,474,453
Retirement Benefits Payable	33,667,307	13,886,312	10,665,799	36,887,820
Early Retirement Incentive Pay	1,451,943	540,375	470,292	1,522,026
Compensated Absences Payable - Net	10,001	896,946	445,221	461,726
	<u>\$ 157,544,905</u>	<u>\$ 15,547,812</u>	<u>\$ 17,822,794</u>	<u>\$ 155,269,923</u>

**E. Operating Leases**

The District is obligated under several operating leases for buildings and office and other equipment. Annual minimum lease payments for the operating leases are as follows:

Year Ending June 30,	Minimum Lease Payments
2007	\$ 388,960
2008	316,444
2009	200,782
2010	60,589
2011	33,141
	<u>\$ 999,916</u>

Expenditures under the operating leases for the year ended June 30, 2006, were approximately \$374,731.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 6 INTERFUND BALANCES AND TRANSFERS**

Prior to fiscal year 2004, expenditures for qualified health and safety improvements for Indoor Air Quality (IAQ) concerns were funded through the local health and safety levy. Starting in fiscal year 2004, these qualified IAQ projects costing \$500,000 or more no longer were eligible for funding through the health and safety levy, but were to be funded through the alternative levy process. The alternative levy process allows funding either through direct levy, or through the issuance of bonded debt. The Minnesota Department of Education requires that all alternative funded projects be recorded in the Capital Project Fund, regardless of the method used to obtain the funding sources. As such, the district transferred \$542,000 from levy money received in the General Fund under the alternative levy process to the Capital Project Fund.

The District had the following interfund receivable and payable at June 30, 2006:

	Due from Other Fund	Due to Other Fund
General Fund	\$ 306,133	\$ -
Capital Projects Fund	-	306,133
	\$ 306,133	\$ 306,133

The purpose of these interfund balances is to eliminate negative cash. The balances are expected to be repaid within one year.

**NOTE 7 RESERVED FUND BALANCES**

Certain portions of fund balance are reserved 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. Any such "reserves" which have an accumulated deficit rather than a positive balance at June 30 are included in unreserved fund balance in the District's financial statements in accordance with accounting principles generally accepted in the United States of America. However, a description of these "deficit balance reserves" is included herein since the District has specific statutory authority to levy taxes for such deficits.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 7 RESERVED FUND BALANCES (CONTINUED)**

Reserved and unreserved designated fund balances at June 30, 2006 are as follows:

	Reserved	Unreserved/ Designated
General Fund:		
Reserved for Staff Development	\$ 963,236	\$ -
Reserved for Down Payment Levy	132,576	-
Reserved for Cooperative Revenue	250,000	-
Reserved for Reemployment Insurance	480,254	-
Reserved for Learning and Development	546,943	-
Reserved for Area Learning Center	71,220	-
Reserved for Basic Skills Programs	255,437	-
Reserved for Health and Safety	26,932	-
Reserved for Operating Capital	4,064,221	-
Reserved for Disabled Accessibility	7,452	-
Reserved for Career and Technical Programs	64,652	-
Reserved for Prepaid Items	1,129,103	-
Designated for Athletic Fees	-	370,695
Designated for Site Carryover	-	1,004,814
Total General Fund	7,992,026	1,375,509
Special Revenue Funds:		
Community Service Fund		
Reserved for School Readiness	2,242	-
Reserved for Community Education Programs	877,131	-
Reserved for Early Childhood Family Education Programs	44,344	-
Total Special Revenue Funds	923,717	-
Debt Service:		
Reserved for Bond Refunding	29,961,070	-
Total All Funds	\$ 38,876,813	\$ 1,375,509

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 7 RESERVED FUND BALANCES (CONTINUED)**

A. Reserved for Staff Development

In accordance with state statute, represents available resources dedicated exclusively for staff development.

B. Reserved for Down Payment Levy

Reserved for down payment levy represents available resources from the down payment levy to be used for state-approved building projects.

C. Reserved for Cooperative Revenue

Represents available resources dedicated exclusively for cooperative programs as required by state statute.

D. Reserved for Reemployment Insurance

The District levies amounts for reemployment insurance costs and records the revenue from such levies in the General Fund. The balance in the reemployment insurance appropriation is derived by adding to last year's ending balance the net of the current year's tax revenue and reemployment insurance obligations paid.

E. Reserved for Learning and Development

Reserved for learning and development represents amounts reserved primarily for reducing the pupil-to-staff ratio.

F. Reserve for Area Learning Center

Represents amounts reserved for students attending area learning centers, based on a state revenue formula less designated expenditures.

G. Reserved for Basic Skills Programs

Reserved for basic skills represents amounts available for basic skills uses.

H. Reserved for Health and Safety

Reserved for health and safety represents available resources to be used only to provide for the removal of hazardous substances and other state approved life/health safety projects. Under Minnesota statute, a deficit in this reserve generates specific future levy authority.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 7 RESERVED FUND BALANCES (CONTINUED)**

I. Reserved for Operating Capital

The District levies taxes and receives state aid to be used for the purchase of equipment, books and vehicles and to purchase, rent, improve and repair school facilities as allowed by state statute. The cumulative excess of such revenues over equipment and facilities expenditures is reported as a reservation of fund balance in the General Fund.

J. Reserved for Disabled Accessibility

Reserved for disabled accessibility represents available resources to be used only to provide for the removal of approved disabled accessibility projects.

K. Reserved for Career and Technical Programs

Represents available resources from specific levies for career and technical aid under MN statutes 124D.453. The reserve balance can only be expended for career and technical programs that fall within the vocational instruction area.

L. Reserved for Prepaid Items

At June 30, 2005, the General Fund includes a reserved fund balance for prepaid items. This represents amounts that are no longer available for general expenditures of the District.

M. Reserved for School Readiness

The fund balance reservation represents accumulated resources available to provide school readiness programming in accordance with funding made available for that purpose.

N. Reserved for Community Education Programs

The fund balance reservation represents accumulated resources available to provide general community education programming.

O. Reserved for Early Childhood Family Education Programs

This fund balance reservation represents accumulated resources available to provide services for early childhood family education programming.

**WAYZATA PUBLIC SCHOOLS  
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NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 7 RESERVED FUND BALANCES (CONTINUED)**

P. Reserved for Refunding Bonds

The refunding bond trust account can only be used to retire the 1997A and 2000A bond issues, and to pay interest on the crossover refunding bonds issued to refund those bonds. Accordingly, a reserved fund balance is recognized in the Debt Service Fund equal to the balance of the refunding escrow accounts at June 30, 2005. See also Note 5 C.

**NOTE 8 RETIREMENT PLANS**

Substantially all employees of the District are required by state law to belong to pension plans administered by Teachers' Retirement Association (TRA) or Public Employees' Retirement Association (PERA), all of which are administered on a statewide basis. Disclosures relating to these plans follows:

A. Teacher's Retirement Association (TRA)

**1. Plan Description**

All teachers employed by the District are covered by a cost sharing, multiple employer defined benefit pension plan administered by the State of Minnesota Teachers Retirement Association (TRA). TRA members belong to either the Coordinated Plan or the Basic Plan. Coordinated members are covered by Social Security and Basic members are not. All new members must participate in the Coordinated Plan. These plans are established and administered in accordance with Minnesota Statutes, Chapters 354 and 356.

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

TRA publicly issues a Comprehensive Annual Financial Report (CAFR) presenting financial statements, supplemental information on funding levels, investment performance, and further information on benefits provisions. The report may be accessed at the TRA Web site [www.tra.state.mn.us](http://www.tra.state.mn.us). Alternatively, a copy of the report may be obtained by writing or calling TRA:

Teachers Retirement Association  
60 Empire Drive Suite 400  
St Paul MN 55103-4000  
651-296-6449  
800-657-3853

**WAYZATA PUBLIC SCHOOLS  
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NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 8 RETIREMENT PLANS (CONTINUED)**

A. Teacher's Retirement Association (TRA) (Continued)

**2. Funding Policy**

Minnesota Statutes Chapter 354 sets the rates for the employee and employer contributions. These statutes are established and amended by the state legislature. As of July 1, 2006, Coordinated and Basic Plan members are required to contribute 5.5% and 9.0%, respectively, of their annual covered salary as employee contributions. Prior to July 1, 2007, the employer contribution rates are 5.0 for Coordinated members and 9.0% for Basic members. Effective July 1, 2007, the employer contribution rate for Coordinated members will rise to 5.5% and 9.5% for Basic members.

The District contributions for the years ended June 30, 2006, 2005, and 2004 were \$1,803,862, \$1,695,036, and \$1,650,124, respectively, equal to the required contributions for each year as set by state statute.

B. Public Employees' Retirement Association (PERA)

**1. Plan Description**

All full-time and certain part-time employees of the District (other than teachers) are covered by a defined benefit plan administered by the Public Employees' Retirement Association of Minnesota (PERA). PERA administers the Public Employees' Retirement Fund (PERF) which is a cost-sharing, multiple-employer retirement plan. This plan is established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan.

PERA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by State Statute, and vest after three years of credited service. The defined retirement 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.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for PERF. That report may be obtained on the web at [mnpera.org](http://mnpera.org), by writing to PERA:

Public Employees' Retirement Association  
60 Empire Drive Suite 200  
St Paul MN 55103-2088  
651-296-7460  
800-652-9026

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 8 RETIREMENT PLANS (CONTINUED)**

B. Public Employees' Retirement Association (PERA) (Continued)

**2. Funding Policy**

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The District makes annual contributions to the pension plans equal to the amount required by State Statutes. PERF Basic Plan members and Coordinated Plan members are required to contribute 9.10% and 5.10%, respectively, of their annual covered salary in 2005. Contribution rates in the Coordinated plan increased in 2006 to 5.5%.

The District was required to contribute the following percentages of annual covered payroll: 11.78% for Basic Plan PERF members and 5.53% for Coordinated Plan PERF members. Employer contribution rates for the Coordinated Plan increased to 6.0% effective January 1, 2006. The District's contributions for the years ended June 30, 2006, 2005, and 2004 were \$862,178, \$779,888, and \$734,381, respectively, equal to the contractually required contributions for each year as set by state statute.

C. Defined Contribution Plan

The District provides eligible employees future retirement benefits through the District's 403(b) Plan (the "Plan"). All employees of the District are eligible to participate in the Plan commencing on the date of their employment. Eligible employees may elect to have a percentage of their pay contributed to the Plan. Some employees are eligible to receive a District match of employee contributions up to the qualifying amounts set forth in their respective collective bargaining agreements. Contributions are invested in tax deferred annuities selected and owned by Plan participants. In the year ended June 30, 2006, the employees and the District contributed \$2,561,500 and \$1,385,934, respectively, to the plan.

**NOTE 9 FLEXIBLE BENEFIT PLAN**

The District has a flexible benefit plan which is classified as a "cafeteria plan" under Section 125 of the Internal Revenue Code. All employee groups of the District are eligible if and when the collective bargaining agreement or contract with their group allows eligibility. Eligible employees can elect to participate by contributing pre-tax dollars withheld from payroll checks to the plan for health care and dependent care benefits.

Before the beginning of the plan year, which is July 1 to June 30, each participant designates a total amount of pre-tax dollars to be contributed to the plan during the year. At June 30, the District is contingently liable for claims against the total amount of participants' annual contributions to the plan, whether or not such contributions have been made.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 9 FLEXIBLE BENEFIT PLAN (CONTINUED)**

The District is self-funded for its group health and dental plans. Payments of insurance premiums (health and dental) are made by the District directly to the designated Internal Service Fund account. These payments are made on a monthly basis and are accounted for in the General Fund.

Amounts withheld for medical reimbursement and dependent care are deposited into the District's general checking account on a per pay date basis. All assets of the plan are held in the General Fund and are administered by an employee of the District. Payments are made by the District to participating employees upon submitting a request for reimbursement of eligible expenses incurred by the participant. The medical reimbursement and dependent care activity is included in the financial statements in the General Fund.

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

**NOTE 10 COMMITMENTS AND CONTINGENCIES**

**A. Federal and State Programs**

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

**B. Contingencies**

The District is subject to legal proceedings and claims which arise in the ordinary course of business. Management believes the resolution of these matters will not have a material impact on the District.

**NOTE 11 HEALTH AND DENTAL SELF-INSURANCE PLAN**

The District maintains an Internal Service Fund to account for and finance a self-insurance program for health and dental benefits provided to current employees of the District. Accordingly, the District has not purchased outside insurance for the risks of losses to which it is exposed for amounts under its stop-loss limit of \$200,000 at which point reinsurance coverage is available. The District also has aggregate stop-loss coverage in place which limits the District's liability to 125% of expected claims for the current year. District management believes it is more economical to manage its risks internally and set aside assets for claim settlement. The Internal Service Fund currently services all claims and risk of loss to which the District is exposed for health and dental expenses.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO BASIC FINANCIAL STATEMENTS  
JUNE 30, 2006**

**NOTE 11 HEALTH AND DENTAL SELF-INSURANCE PLAN (CONTINUED)**

Participants in the program make premium payments to the fund based on the insurance premium. The excess amount received above current year claims is used to establish a reserve for future claims. At June 30, 2006, there is a reserve of \$2,958,661 for health and dental claims.

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

There were no liabilities in excess of claims paid at June 30, 2006. There is a possibility for loss if claims are in excess of the premiums collected. The District does not believe this occurrence would have a material financial effect on the District. The District held \$3,634,910 in cash and investments at June 30, 2006, for payment of health and dental claims.

Changes in the balances of claim liabilities during fiscal years 2006 and 2005 were as follows:

	2006	2005
Beginning of Fiscal Year Liability for Unpaid Claims	\$ 2,683,693	\$ 2,721,359
Current Year Claims, Changes in Estimates and Other Charges	10,471,015	11,816,522
Current Year Claims Paid, including an estimate of Claims Incurred but Not Reported (IBNR)	(10,196,047)	(11,854,188)
Balance at Fiscal Year End of Liability for Unpaid Claims	\$ 2,958,661	\$ 2,683,693

**FINANCIAL SECTION –  
SUPPLEMENTAL INFORMATION**

DRAFT

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
GENERAL FUND  
BALANCE SHEET  
JUNE 30, 2006  
(WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	2006	2005
<b>ASSETS</b>		
Cash and Investments	\$ 17,366,702	\$ 6,003,918
Cash and Investments in Escrow	1,261,315	1,418,929
Receivables:		
Current Taxes	13,290,892	8,578,424
Delinquent Taxes	103,901	86,419
Accounts and Interest Receivable	319,457	231,504
Due from Other Funds	306,133	-
Due from Other Minnesota School Districts	809,556	1,021,224
Due from Minnesota Department of Education	7,140,339	9,586,715
Due from Federal through the Minnesota Department of Education	1,354,072	1,391,801
Due from Other Governmental Units	117,691	93,957
Inventories	104,090	95,880
Prepaid Items	1,129,103	155,203
Total Assets	\$ 43,303,251	\$ 28,663,974
<b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 119,616	\$ 352,247
Payroll Deductions and Employer Contributions Payable	1,105,145	908,340
Accounts and Contracts Payable	3,067,976	2,934,582
Due to Other Minnesota School Districts	1,120,290	724,551
Interest Payable	8,686	8,686
Due to Other Governmental Units	19,247	27,164
Property Tax Shift Adjustment	-	16,326
Property Taxes Levied for Subsequent Year	22,657,534	8,743,706
Deferred Revenue - Delinquent Taxes	44,759	19,922
Deferred Revenue	186,443	177,916
Total Liabilities	28,329,696	13,913,440
Fund Balance:		
Reserved:		
Reserved for Staff Development	963,236	710,877
Reserved for Down Payment Levy	132,576	18,688
Reserved for Cooperative Revenue	250,000	250,000
Reserved for Unemployment Compensation	480,254	495,122
Reserved for Learning and Development	546,943	628,626
Reserved for Area Learning Center	71,220	83,879
Reserved for Basic Skills Programs	255,437	213,691
Reserved for Health and Safety	26,932	-
Reserved for Operating Capital	4,064,221	4,067,719
Reserved for Disabled Accessibility	7,452	9,130
Reserved for Career and Technical Programs	64,652	61,509
Reserved for Prepaid Items	1,129,103	155,203
Unreserved:		
Designated for Dome Escrow	370,695	550,793
Designated for Site Carryover	1,004,814	1,218,356
Undesignated	5,606,020	6,286,941
Total Fund Balance	14,973,555	14,750,534
Total Liabilities and Fund Balance	\$ 43,303,251	\$ 28,663,974

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	2006		Over (Under) Final Budget	2005
	Final Budget	Actual Amounts		Actual Amounts
<b>REVENUES</b>				
Local Sources:				
Property Taxes	\$ 12,524,143	\$ 12,546,224	\$ 22,081	\$ 16,607,972
Earnings on Investments	400,000	740,035	340,035	272,235
Other	2,596,883	2,982,693	385,810	3,628,791
State Sources	67,403,796	67,614,167	210,371	59,523,945
Federal Sources	2,012,037	2,032,433	20,396	2,083,449
Total Revenues	<u>84,936,859</u>	<u>85,915,552</u>	<u>978,693</u>	<u>82,116,392</u>
<b>EXPENDITURES</b>				
Current:				
Administration:				
Salaries	2,209,842	2,202,583	(7,259)	2,206,157
Employee Benefits	585,036	695,753	110,717	673,684
Purchased Services	167,755	208,671	40,916	137,494
Supplies and Materials	61,760	67,984	6,224	47,898
Capital Expenditures	51,984	28,845	(23,139)	19,601
Other Expenditures	597,223	37,675	(559,548)	33,670
Total Administration	<u>3,673,600</u>	<u>3,241,511</u>	<u>(432,089)</u>	<u>3,118,504</u>
District Support Services:				
Salaries	1,623,970	1,622,380	(1,590)	1,667,654
Employee Benefits	1,329,575	1,221,398	(108,177)	1,060,066
Purchased Services	879,196	713,477	(165,719)	576,470
Supplies and Materials	232,025	108,538	(123,487)	105,373
Capital Expenditures	37,500	78,464	40,964	20,827
Other Expenditures	166,723	4,519	(162,204)	5,065
Total District Support Services	<u>4,268,989</u>	<u>3,748,776</u>	<u>(520,213)</u>	<u>3,435,455</u>
Elementary and Secondary:				
Regular Instruction				
Salaries	27,324,256	27,116,440	(207,816)	25,600,781
Employee Benefits	9,249,744	9,166,045	(83,699)	9,323,830
Purchased Services	2,307,266	2,273,356	(33,910)	2,189,787
Supplies and Materials	1,296,902	1,413,548	116,646	1,427,822
Capital Expenditures	339,880	334,163	(5,717)	225,769
Other Expenditures	387,565	12,711	(374,854)	12,894
Total Elementary and Secondary Regular Instruction	<u>40,905,613</u>	<u>40,316,263</u>	<u>(589,350)</u>	<u>38,780,883</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	2006		Over (Under) Final Budget	2005
	Final Budget	Actual Amounts		Actual Amounts
<b>EXPENDITURES (Continued)</b>				
Current (Continued):				
Vocational Education Instruction:				
Salaries	\$ 134,249	\$ 160,997	\$ 26,748	\$ 148,719
Employee Benefits	40,020	48,189	8,169	43,968
Purchased Services	391,372	473,757	82,385	531,043
Supplies and Materials	22,364	21,404	(960)	27,177
Capital Expenditures	44,000	25,240	(18,760)	35,689
Other Expenditures	157,998	1,022	(156,976)	689
Total Vocational Education Instruction	790,003	730,609	(59,394)	787,285
Special Education Instruction:				
Salaries	7,401,881	7,490,725	88,844	7,086,277
Employee Benefits	1,963,591	2,121,519	157,928	1,990,257
Purchased Services	2,112,442	2,900,536	788,094	2,246,837
Supplies and Materials	343,262	119,357	(223,905)	236,613
Capital Expenditures	46,500	28,637	(17,863)	33,513
Other Expenditures	133,182	3,929	(129,253)	6,300
Total Special Education Instruction	12,000,858	12,664,703	663,845	11,599,797
Instructional Support Services:				
Salaries	3,931,205	4,101,872	170,667	3,804,784
Employee Benefits	1,246,791	1,148,801	(97,990)	1,045,837
Purchased Services	1,427,745	585,127	(842,618)	531,188
Supplies and Materials	242,669	335,660	92,991	272,776
Capital Expenditures	397,235	555,780	158,545	650,020
Other Expenditures	201,202	26,049	(175,153)	21,071
Total Instructional Support Services	7,446,847	6,753,289	(693,558)	6,325,676
Pupil Support Services:				
Salaries	1,879,268	1,844,243	(35,025)	1,723,971
Employee Benefits	474,125	519,080	44,955	480,564
Purchased Services	4,627,104	5,070,773	443,669	4,478,235
Supplies and Materials	253,351	185,640	(67,711)	161,400
Capital Expenditures	56,100	52,813	(3,287)	37,287
Other Expenditures	98,491	200	(98,291)	4,853
Total Pupil Support Services	7,388,439	7,672,749	284,310	6,886,310

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	2006		Over (Under) Final Budget	2005
	Final Budget	Actual Amounts		Actual Amounts
<b>EXPENDITURES (Continued)</b>				
Current (Continued):				
Sites and Buildings:				
Salaries	\$ 3,304,194	\$ 3,029,967	\$ (274,227)	\$ 3,192,436
Employee Benefits	879,165	1,022,619	143,454	954,541
Purchased Services	2,613,694	1,892,807	(720,887)	1,838,607
Supplies and Materials	1,222,444	1,373,979	151,535	1,246,949
Capital Expenditures	2,117,232	2,545,509	428,277	5,101,894
Other Expenditures	30,392	18,235	(12,157)	39,611
Total Sites and Buildings	<u>10,167,121</u>	<u>9,883,116</u>	<u>(284,005)</u>	<u>12,374,038</u>
Fiscal and Other Fixed Cost Programs:				
Salaries	50,823	-	(50,823)	-
Purchased Services	361,352	354,942	(6,410)	323,624
Total Fiscal and Other Fixed Costs Programs	<u>412,175</u>	<u>354,942</u>	<u>(57,233)</u>	<u>323,624</u>
Debt Service:				
Interest and fiscal charges	-	14,171	14,171	-
Total Expenditures	<u>87,053,645</u>	<u>85,380,129</u>	<u>(1,673,516)</u>	<u>83,631,572</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,116,786)	535,423	2,652,209	(1,515,180)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Equipment Proceeds	5,000	3,844	(1,156)	1,380
Insurance Recovery Proceeds	-	1,576	1,576	98,392
Proceeds from Capital Leases	-	224,178	224,178	-
Transfers Out	(542,000)	(542,000)	-	(328,204)
Total Other Financing Sources (Uses)	<u>(537,000)</u>	<u>(312,402)</u>	<u>224,598</u>	<u>(228,432)</u>
Net Change in Fund Balance	<u>\$ (2,653,786)</u>	223,021	<u>\$ 2,876,807</u>	(1,743,612)
<b>FUND BALANCE</b>				
Beginning of Year		<u>14,750,534</u>		<u>16,494,146</u>
End of Year		<u>\$ 14,973,555</u>		<u>\$ 14,750,534</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
FOOD SERVICE SPECIAL REVENUE FUND  
BALANCE SHEET  
JUNE 30, 2006  
(WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	<u>2006</u>	<u>2005</u>
<b>ASSETS</b>		
Cash and Investments	\$ 1,179,167	\$ 1,080,067
Receivables:		
Accounts and Interest Receivable	-	6,932
Due from Federal through the Minnesota Department of Education	7,475	-
Inventory	76,042	69,569
Prepaid Items	5,090	6,291
	<u>                    </u>	<u>                    </u>
Total Assets	<u>\$ 1,267,774</u>	<u>\$ 1,162,859</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 225	\$ 22,530
Accounts and Contracts Payable	49,135	27,853
Deferred Revenue	123,380	117,331
Total Liabilities	<u>172,740</u>	<u>167,714</u>
Fund Balance:		
Unreserved		
Undesignated	<u>1,095,034</u>	<u>995,145</u>
Total Liabilities and Fund Balance	<u>\$ 1,267,774</u>	<u>\$ 1,162,859</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
FOOD SERVICE SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	2006		Over (Under) Final Budget	2005
	Final Budget	Actual Amounts		Actual Amounts
<b>REVENUES</b>				
Local Sources:				
Earnings on Investments	\$ -	\$ 63,479	\$ 63,479	\$ 27,534
Other - Primarily Meal Sales	3,402,128	3,599,336	197,208	3,345,505
State Sources	72,000	93,425	21,425	73,518
Federal Sources	538,900	620,782	81,882	569,285
Total Revenues	<u>4,013,028</u>	<u>4,377,022</u>	<u>363,994</u>	<u>4,015,842</u>
<b>EXPENDITURES</b>				
Current:				
Salaries	1,260,597	1,227,088	(33,509)	1,238,277
Employee Benefits	373,807	360,907	(12,900)	343,526
Purchased Services	365,250	477,924	112,674	328,999
Supplies and Materials	1,886,421	1,929,139	42,718	1,881,043
Other Expenditures	35,500	7,080	(28,420)	9,114
Capital Outlay	80,000	276,495	196,495	75,543
Total Expenditures	<u>4,001,575</u>	<u>4,278,633</u>	<u>277,058</u>	<u>3,876,502</u>
Excess of Revenues Over Expenditures	11,453	98,389	86,936	139,340
<b>OTHER FINANCING SOURCES</b>				
Sale of Equipment Proceeds	-	1,500	1,500	-
Net Change in Fund Balance	<u>\$ 11,453</u>	99,889	<u>\$ 88,436</u>	139,340
<b>FUND BALANCE</b>				
Beginning of Year		<u>995,145</u>		<u>855,805</u>
End of Year		<u>\$ 1,095,034</u>		<u>\$ 995,145</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
COMMUNITY SERVICE SPECIAL REVENUE FUND  
BALANCE SHEET  
JUNE 30, 2006  
(WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	<u>2006</u>	<u>2005</u>
<b>ASSETS</b>		
Cash and Investments	\$ 2,286,912	\$ 1,320,250
Receivables:		
Current Taxes	580,765	583,635
Delinquent Taxes	7,394	6,757
Accounts and Interest Receivable	42,720	12,672
Due from Other Minnesota School Districts	142,134	147,679
Due from Minnesota Department of Education	24,135	27,624
Due from Other Governmental Units	82,466	17,211
Prepaid Items	<u>5,690</u>	<u>4,304</u>
Total Assets	<u>\$ 3,172,216</u>	<u>\$ 2,120,132</u>
 <b>LIABILITIES AND FUND BALANCE</b>		
Liabilities:		
Salaries and Compensated Absences Payable	\$ 127,636	\$ 121,366
Payroll Deductions and Employer Contributions Payable	-	7,660
Accounts and Contracts Payable	89,607	78,445
Due to Other School Districts	-	70
Due to Other Governmental Units	54,090	29,533
Property Taxes Levied for Subsequent Year	1,119,949	600,452
Deferred Revenue - Delinquent Taxes	3,538	2,551
Deferred Revenue	<u>833,357</u>	<u>601,029</u>
Total Liabilities	2,228,177	1,441,106
Fund Balance:		
Reserved for Community Education Programs	877,131	586,850
Reserved for Early Childhood and Family Education Programs	44,344	55,304
Reserved for School Readiness	2,242	25,595
Unreserved, Undesignated	<u>20,322</u>	<u>11,277</u>
Total Fund Balance	<u>944,039</u>	<u>679,026</u>
Total Liabilities and Fund Balance	<u>\$ 3,172,216</u>	<u>\$ 2,120,132</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
COMMUNITY SERVICE SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	2006		Over (Under) Final Budget	2005
	Final Budget	Actual Amounts		Actual Amounts
<b>REVENUES</b>				
Local Sources:				
Property Taxes	\$ 1,116,796	\$ 591,728	\$ (525,068)	\$ 1,029,533
Earnings on Investments	20,000	73,221	53,221	33,482
Other - Primarily Tuition and Fees	4,639,962	4,815,752	175,790	4,325,955
State Sources	<u>278,347</u>	<u>848,629</u>	<u>570,282</u>	<u>204,875</u>
Total Revenues	6,055,105	6,329,330	274,225	5,593,845
<b>EXPENDITURES</b>				
Current:				
Salaries	3,831,002	3,980,922	149,920	3,760,819
Employee Benefits	1,051,924	1,088,687	36,763	936,497
Purchased Services	506,037	586,515	80,478	578,919
Supplies and Materials	356,217	379,397	23,180	340,245
Other Expenditures	75,985	6,576	(69,409)	12,072
Capital Outlay	<u>28,168</u>	<u>22,220</u>	<u>(5,948)</u>	<u>79,073</u>
Total Expenditures	<u>5,849,333</u>	<u>6,064,317</u>	<u>214,984</u>	<u>5,707,625</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 205,772</u>	265,013	<u>\$ 59,241</u>	(113,780)
<b>FUND BALANCE</b>				
Beginning of Year		<u>679,026</u>		<u>792,806</u>
End of Year		<u>\$ 944,039</u>		<u>\$ 679,026</u>

**WAYZATA PUBLIC SCHOOLS  
 INDEPENDENT SCHOOL DISTRICT NO. 284  
 CAPITAL PROJECTS – BUILDING CONSTRUCTION FUND  
 BALANCE SHEET  
 JUNE 30, 2006  
 (WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	2006	2005
<b>ASSETS</b>		
Cash and Investments	\$ -	\$ 546,958
Cash and Investments in Escrow	40,071	39,423
Total Assets	\$ 40,071	\$ 586,381
 <b>LIABILITIES AND FUND BALANCE (DEFICIT)</b>		
Liabilities:		
Accounts and Contracts Payable	\$ 895	\$ 30,846
Due to Other Funds	306,133	-
Total Liabilities	307,028	30,846
 Fund Balance (Deficit):		
Reserved for Building Construction	-	555,535
Unreserved	(266,957)	-
Total Fund Balance (Deficit)	(266,957)	555,535
Total Fund Liabilities and Fund Balance	\$ 40,071	\$ 586,381

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**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
CAPITAL PROJECTS – BUILDING CONSTRUCTION FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	2006			2005
	Final Budgeted Amounts	Actual Amounts	Over (Under) Final Budget	Actual Amounts
<b>REVENUES</b>				
Local Sources:				
Earnings on Investments	\$ 11,500	\$ 34,034	\$ 22,534	\$ 20,670
Other	10,000	-	(10,000)	3
Total Revenues	21,500	34,034	12,534	20,673
<b>EXPENDITURES</b>				
Current:				
Salaries	10,965	10,965	-	10,646
Employee Benefits	3,609	2,955	(654)	2,786
Purchased Services	58,168	130,451	72,283	206,644
Capital Outlay	560,000	1,254,155	694,155	725,532
Total Expenditures	632,742	1,398,526	765,784	945,608
Excess (Deficiency) of Revenues Over (Under) Expenditures	(611,242)	(1,364,492)	(753,250)	(924,935)
<b>OTHER FINANCING SOURCES</b>				
Transfer In	542,000	542,000	-	328,204
Net Change in Fund Balance	\$ (69,242)	(822,492)	\$ (753,250)	(596,731)
Fund Balance - Beginning		555,535		1,152,266
Fund Balance (Deficit) - Ending		\$ (266,957)		\$ 555,535

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
DEBT SERVICE FUND  
BALANCE SHEET  
JUNE 30, 2006  
(WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	Regular Debt Service	Refunding Bond Trust Account	2006	2005
<b>ASSETS</b>				
Cash and Investments	\$ 6,770,157	\$ -	\$ 6,770,157	\$ 6,451,492
Cash and Investments Held by Trustee	-	29,600,540	29,600,540	30,139,805
Receivables:				
Current Taxes	4,892,731	-	4,892,731	5,329,237
Delinquent Taxes	69,927	-	69,927	70,549
Accounts and Interest Receivable	-	360,530	360,530	365,171
Due from Minnesota Department of Education	23,201	-	23,201	45,146
	<u>11,756,016</u>	<u>29,961,070</u>	<u>41,717,086</u>	<u>42,401,400</u>
Total Assets	<u>\$ 11,756,016</u>	<u>\$ 29,961,070</u>	<u>\$ 41,717,086</u>	<u>\$ 42,401,400</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Interest Payable	\$ -	\$ -	\$ -	50,916
Property Taxes Levied for Subsequent Year	9,591,586	-	9,591,586	10,435,357
Deferred Revenue - Delinquent Taxes	34,501	-	34,501	26,403
Total Liabilities	<u>9,626,087</u>	<u>-</u>	<u>9,626,087</u>	<u>10,512,676</u>
Fund Balance:				
Reserved for Bond Refunding	-	29,961,070	29,961,070	30,504,975
Unreserved - Undesignated	2,129,929	-	2,129,929	1,383,749
Total Fund Balance	<u>2,129,929</u>	<u>29,961,070</u>	<u>32,090,999</u>	<u>31,888,724</u>
	<u>\$ 11,756,016</u>	<u>\$ 29,961,070</u>	<u>\$ 41,717,086</u>	<u>\$ 42,401,400</u>
Total Liabilities and Fund Balance	<u>\$ 11,756,016</u>	<u>\$ 29,961,070</u>	<u>\$ 41,717,086</u>	<u>\$ 42,401,400</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE  
BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	2006				Over (Under) Final Budget	2005
	Final Budgeted Amounts	Regular Debt Service	Actual Refunding Bond Trust Account	Total Actual Amounts		Actual Amounts
<b>REVENUES</b>						
Local Sources:						
Property Tax	\$ 10,195,109	\$ 10,186,011	\$ -	\$ 10,186,011	\$ (9,098)	\$ 10,106,585
Earnings on Investments	1,316,875	198,524	929,373	1,127,897	(188,978)	1,245,527
Other	-	-	-	-	-	-
State Sources	231,579	232,005	-	232,005	426	287,556
Total Revenues	<u>11,743,563</u>	<u>10,616,540</u>	<u>929,373</u>	<u>11,545,913</u>	<u>(197,650)</u>	<u>11,639,668</u>
<b>EXPENDITURES</b>						
Debt Service:						
Bond Principal	5,510,000	5,510,000	-	5,510,000	-	5,285,000
Bond Interest	5,689,111	4,351,064	1,480,705	5,831,769	142,658	6,230,698
Paying Agent Fees and Other	3,600	1,668	201	1,869	(1,731)	218,477
Total Expenditures	<u>11,202,711</u>	<u>9,862,732</u>	<u>1,480,906</u>	<u>11,343,638</u>	<u>140,927</u>	<u>11,734,175</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	540,852	753,808	(551,533)	202,275	(338,577)	(94,507)
<b>OTHER FINANCING SOURCES (USES)</b>						
Bond Proceeds	-	-	-	-	-	29,628,316
Payment to Refunded Bond Escrow Agent	-	-	-	-	-	(27,275,000)
Transfers In (Out)	-	(7,628)	7,628	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(7,628)</u>	<u>7,628</u>	<u>-</u>	<u>-</u>	<u>2,353,316</u>
Net Change in Fund Balance	<u>\$ 540,852</u>	746,180	(543,905)	202,275	<u>\$ (338,577)</u>	2,258,809
Fund Balance - Beginning		<u>1,383,749</u>	<u>30,504,975</u>	<u>31,888,724</u>		<u>29,629,915</u>
Fund Balance - Ending		<u>\$ 2,129,929</u>	<u>\$ 29,961,070</u>	<u>\$ 32,090,999</u>		<u>\$ 31,888,724</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
INTERNAL SERVICE FUND  
COMBINING BALANCE SHEET  
JUNE 30, 2006  
(WITH COMPARATIVE DATA AS OF JUNE 30, 2005)**

	Self- Insurance Accounts	Early Retirement Accounts	Totals	
			2006	2005
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 26,681,042	\$ 10,705,631	\$ 37,386,673	\$ 33,976,983
Accounts Receivable	975,456	-	975,456	258,577
Total Assets	<u>\$ 27,656,498</u>	<u>\$ 10,705,631</u>	<u>\$ 38,362,129</u>	<u>\$ 34,235,560</u>
<b>LIABILITIES AND NET ASSETS</b>				
Liabilities:				
Current Liabilities				
Accounts Payable	\$ 77,617	\$ -	\$ 77,617	\$ 82,756
Non Current Liabilities				
Claims Payable for Health and Dental Benefits	2,958,661	-	2,958,661	2,683,693
Liability for Retiree Health Insurance	23,223,528	-	23,223,528	21,362,620
Retirement Benefits Payable	-	10,705,631	10,705,631	9,620,994
Total Non Current Liabilities	<u>26,182,189</u>	<u>10,705,631</u>	<u>36,887,820</u>	<u>33,667,307</u>
Total Liabilities	26,259,806	10,705,631	36,965,437	33,750,063
Net Assets:				
Unrestricted	1,396,692	-	1,396,692	485,497
Total Liabilities and Net Assets	<u>\$ 27,656,498</u>	<u>\$ 10,705,631</u>	<u>\$ 38,362,129</u>	<u>\$ 34,235,560</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
INTERNAL SERVICE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	Self- Insurance Accounts	Early Retirement Accounts	Totals	
			2006	2005
<b>OPERATING REVENUES</b>				
Charges for Services				
Health Insurance Premiums	\$ 10,221,866	\$ -	\$ 10,221,866	\$ 10,165,208
Dental Insurance Premiums	889,007	-	889,007	705,065
Assessments to Other Funds	-	1,341,025	1,341,025	1,306,002
Total Operating Revenues	11,110,873	1,341,025	12,451,898	12,176,275
<b>OPERATING EXPENSES</b>				
Health Insurance Claim Payments	10,471,015	-	10,471,015	11,816,522
Dental Insurance Claim Payments	758,890	-	758,890	775,699
Early Retirement Incentive Benefits	-	1,745,212	1,745,212	1,499,427
Total Operating Expenses	11,229,905	1,745,212	12,975,117	14,091,648
Operating Income (Loss)	(119,032)	(404,187)	(523,219)	(1,915,373)
<b>NONOPERATING INCOME</b>				
Earnings on Investments	1,030,227	404,187	1,434,414	1,174,172
Change in Net Assets	911,195	-	911,195	(741,201)
Net Assets - Beginning	485,497	-	485,497	1,226,698
Net Assets - Ending	\$ 1,396,692	\$ -	\$ 1,396,692	\$ 485,497

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
INTERNAL SERVICE FUND  
COMBINING SCHEDULE OF CASH FLOWS  
YEAR ENDED JUNE 30, 2006  
(WITH COMPARATIVE DATA FOR THE YEAR ENDED JUNE 30, 2005)**

	Self- Insurance Accounts	Early Retirement Accounts	Totals	
			2006	2005
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Interfund Services Provided	\$ 10,393,994	\$ 1,341,025	\$ 11,735,019	\$ 12,162,120
Payments for Medical Fees and Insurance Claims	<u>(9,099,168)</u>	<u>(660,575)</u>	<u>(9,759,743)</u>	<u>(10,900,289)</u>
Net Cash Provided (Used) by Operating Activities	1,294,826	680,450	1,975,276	1,261,831
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest Received	<u>1,030,227</u>	<u>404,187</u>	<u>1,434,414</u>	<u>1,174,172</u>
Net Increase in Cash and Cash Equivalents	2,325,053	1,084,637	3,409,690	2,436,003
Cash and Cash Equivalents - Beginning	<u>24,355,989</u>	<u>9,620,994</u>	<u>33,976,983</u>	<u>31,540,980</u>
Cash and Cash Equivalents - Ending	<u>\$ 26,681,042</u>	<u>\$ 10,705,631</u>	<u>\$ 37,386,673</u>	<u>\$ 33,976,983</u>
Displayed on Combining Statement of Net Assets as:				
Cash and Investments	<u>\$ 26,681,042</u>	<u>\$ 10,705,631</u>	<u>\$ 37,386,673</u>	<u>\$ 33,976,983</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (119,032)	\$ (404,187)	\$ (523,219)	\$ (1,915,373)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Increase in Accounts Receivable	(716,879)	-	(716,879)	(14,155)
Decrease in Accounts Payable	(5,139)	-	(5,139)	(5,247)
(Increase) Decrease in Claims Payable	274,968	-	274,968	(37,666)
Increase in Retirement Benefits Payable	<u>1,860,908</u>	<u>1,084,637</u>	<u>2,945,545</u>	<u>3,234,272</u>
Total Adjustments	<u>1,413,858</u>	<u>1,084,637</u>	<u>2,498,495</u>	<u>3,177,204</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,294,826</u>	<u>\$ 680,450</u>	<u>\$ 1,975,276</u>	<u>\$ 1,261,831</u>
<b>Noncash Investing, Capital, and Financing Activities:</b>	none	none	none	none

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS COMPLIANCE TABLE  
JUNE 30, 2006**

**01 GENERAL FUND**

Total Revenue	\$ 85,917,128
Total Expenditures	<u>\$ 85,379,837</u>
<i>Reserved:</i>	
403 Staff Development	\$ 963,236
406 Health and Safety	<u>26,932</u>
407 Capital Project Levy	<u>132,576</u>
408 Cooperative Programs	<u>250,000</u>
409 Deferred Maintenance	-
410 Unemployment Compensation	<u>480,254</u>
411 Severance Pay	-
412 Bus Purchase	-
414 Operating Debt	-
416 Levy Reduction	-
419 Encumbrances	-
423 Certain Teacher Programs	-
424 Operating Capital	<u>4,064,221</u>
426 \$25 Taconite	-
427 Disabled Accessibility	<u>7,452</u>
428 Learning and Development	<u>546,943</u>
429 Parental Involvement	-
433 Student Transportation Safety	-
434 Area Learning Center	<u>71,220</u>
435 Contracted Alt. Programs	-
436 State Approved Alt. Program	-
437 Grad Standards Staff Develop.	-
438 Grad Standards Gifted & Talented	-
439 Grad Standards	-
441 Basic Skills Programs	<u>255,437</u>
442 Class Size, All-Day Kindergarten and Special Education Student-to-Instructor Ratio Reduction	-
443 Telecommunication Access Cost	-
445 Career and Technical Programs	<u>64,652</u>
446 First Grade Preparedness	-
<i>Unreserved:</i>	
418 Severance - Ins. Premium	\$ -
422 Unreserved/Undesignated	<u>8,110,632</u>

**02 FOOD SERVICE**

Total Revenue	\$ 4,377,022
Total Expenditures	<u>\$ 4,278,633</u>
Fund Balance	
<i>Reserved:</i>	
411 Severance Pay	\$ -
419 Encumbrances	-
<i>Unreserved:</i>	
418 Severance - Ins. Premium	\$ -
422 Unreserved/Undesignated	<u>1,095,034</u>

Note: The District may report certain additional reserved fund balances for financial reporting purposes that are reported to the Minnesota Department of Education as unreserved for purposes of this table.

**04 COMMUNITY SERVICE**

Total Revenue	\$ 6,329,330
Total Expenditures	<u>\$ 6,064,317</u>
<i>Reserved:</i>	
410 Reemployment Insurance	\$ -
411 Severance Pay	-
419 Encumbrances	-
426 \$25 Taconite	-
431 Community Education	<u>877,131</u>
432 E.C.F.E.	<u>44,344</u>
444 School Readiness	<u>2,242</u>
447 Adult Basic Education	-
<i>Unreserved:</i>	
418 Severance - Ins. Premium	\$ -
422 Unreserved/Undesignated	<u>20,322</u>

**06 BUILDING CONSTRUCTION**

Total Revenue	\$ 34,034
Total Expenditures	<u>\$ 1,398,526</u>
<i>Reserved:</i>	
407 Capital Projects Levy	\$ -
409 Alternative Facility Program	-
419 Encumbrances	-
<i>Unreserved:</i>	
422 Unreserved/Undesignated	<u>\$ (266,957)</u>

**07 DEBT SERVICE**

Total Revenue	\$ 11,545,913
Total Expenditures	<u>\$ 11,343,638</u>
<i>Reserved:</i>	
425 Bond Refundings	<u>\$ 29,961,070</u>
<i>Unreserved:</i>	
422 Unreserved/Undesignated	<u>\$ 2,129,929</u>

**08 TRUST**

Total Revenue	\$ 177,174
Total Expenditures	<u>\$ 18,672</u>
<i>Reserved:</i>	
419 Encumbrances	\$ -
<i>Unreserved:</i>	
422 Unreserved/Undesignated	<u>\$ 280,689</u>

**09 AGENCY**

<i>Unreserved:</i>	
422 Unreserved/Undesignated	<u>\$ -</u>

**20 INTERNAL SERVICE**

Total Revenue	\$ 13,886,312
Total Expenditures	<u>\$ 12,700,149</u>
<i>Reserved:</i>	
419 Encumbrances	\$ -
<i>Unreserved:</i>	
422 Unreserved/Undesignated	<u>\$ 1,396,692</u>

**STATISTICAL SECTION (UNAUDITED)**

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**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NET ASSETS BY COMPONENT  
LAST FOUR FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year			
	2003	2004	2005	2006
<b>Governmental Activities</b>				
Invested in Capital Assets, Net of Related Debt	\$ 7,994,864	\$ 12,072,514	\$ 15,983,913	\$ 19,365,610
Restricted	6,180,248	7,175,829	6,638,231	8,901,996
Unrestricted	2,358,406	6,092,018	7,791,470	7,415,600
Total Governmental Activities Net Assets	<u>\$ 16,533,518</u>	<u>\$ 25,340,361</u>	<u>\$ 30,413,614</u>	<u>\$ 35,683,206</u>

**Note:** The District began to report accrual information when it implemented GASB 34 in fiscal year 2003.

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**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
CHANGES IN NET ASSETS  
LAST FOUR FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year			
	2003	2004	2005	2006
<b>Expenses</b>				
Governmental Activities:				
Administration	\$ 2,875,298	\$ 3,366,913	\$ 3,891,206	\$ 3,464,373
District Support Services	3,225,611	3,118,392	3,414,628	3,748,776
Regular Instruction	44,057,178	39,213,680	41,454,565	41,823,016
Vocational Education Instruction	636,984	560,216	759,636	738,649
Special Education Instruction	10,270,350	10,679,661	11,566,284	12,664,703
Instructional Support Services	6,069,713	6,608,831	6,914,492	6,861,449
Pupil Support Services	5,941,347	6,407,440	6,849,023	7,672,749
Sites and Buildings	6,892,810	7,282,514	8,567,122	11,403,645
Fiscal and Other Fixed Cost Programs	302,648	370,560	323,624	354,942
Food Service	3,469,810	3,770,083	3,943,319	4,279,387
Community Service	4,936,491	5,031,007	5,707,625	6,064,317
Interest on Long-Term Debt	7,541,015	6,618,972	6,234,581	5,219,563
Unallocated Depreciation	55,825	66,817	71,252	106,602
Total Primary Government Expenses	<u>\$ 96,275,080</u>	<u>\$ 93,095,086</u>	<u>\$ 99,697,357</u>	<u>\$ 104,402,171</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
Administration	\$ -	\$ -	\$ -	\$ -
District Support Services	-	-	-	-
Regular Instruction	819,717	995,719	1,828,244	1,632,357
Vocational Education Instruction	-	-	-	-
Special Education Instruction	-	-	-	-
Instructional Support Services	7,632	5,774	1,432	1,678
Pupil Support Services	50,410	61,513	80,479	21,463
Sites and Buildings	157,751	156,740	336,788	340,908
Fiscal and Other Fixed Cost Programs	-	-	-	-
Food Service	3,023,475	3,289,915	3,345,505	3,599,336
Community Service	2,939,343	3,394,310	4,325,955	4,815,752
Operating Grants and Contributions	8,892,787	8,973,948	9,759,360	10,570,586
Capital Grants and Contributions	2,185,698	2,192,239	2,229,574	-
Total Primary Government Program Revenues	<u>\$ 18,076,813</u>	<u>\$ 19,070,158</u>	<u>\$ 21,907,337</u>	<u>\$ 20,982,080</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities:				
Property Taxes:				
General Purpose	\$ 17,792,007	\$ 18,488,412	\$ 16,607,592	\$ 12,564,471
Community Service	1,075,104	1,048,154	1,029,509	592,589
Debt Service	10,618,550	10,754,428	10,106,353	10,200,825
Unrestricted Grants and Contributions	52,118,865	48,445,019	50,753,694	60,870,855
Unrestricted Investment Earnings	3,145,703	2,801,494	2,773,620	3,473,080
Gain on Sale of Capital Assets	-	-	-	-
Miscellaneous	1,899,696	1,411,028	1,592,505	987,863
Extraordinary Item	-	-	-	-
Transfers	-	-	-	-
Total Primary Government	<u>\$ 86,649,925</u>	<u>\$ 82,948,535</u>	<u>\$ 82,863,273</u>	<u>\$ 88,689,683</u>
<b>Change in Net Assets</b>	<b>\$ 8,451,658</b>	<b>\$ 8,923,607</b>	<b>\$ 5,073,253</b>	<b>\$ 5,269,592</b>
Net Assets - Beginning	<u>8,155,379</u>	<u>16,607,037</u>	<u>25,340,361</u>	<u>30,413,614</u>
Net Assets - Ending	<u>\$ 16,607,037</u>	<u>\$ 25,530,644</u>	<u>\$ 30,413,614</u>	<u>\$ 35,683,206</u>

**Note:** The City began to report accrual information when it implemented GASB 34 in fiscal year 2003.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year			
	1997	1998	1999	2000
<b>General Fund</b>				
Reserved	\$ 5,557,095	\$ 6,093,000	\$ 6,521,421	\$ (1,430,272)
Unreserved	5,726,791	5,798,456	5,834,892	4,991,993
Total General Fund	<u>\$ 11,283,886</u>	<u>\$ 11,891,456</u>	<u>\$ 12,356,313</u>	<u>\$ 3,561,721</u>
<b>All Other Governmental Funds</b>				
Reserved Reported in:				
Food Service Fund	\$ 527,349	\$ 496,533	\$ 510,671	\$ 589,087
Community Service Fund	-	-	-	-
Capital Project Funds	-	-	-	-
Debt Service Funds				
Unreserved Reported in:	606,611	841,239	1,079,417	641,822
Food Service Fund	64,586	106,181	87,481	95,680
Community Service Fund	11,210,408	2,322,631	9,222,334	11,006,621
Capital Project Funds	39,912,131	78,049,568	38,159,006	38,243,783
Debt Service Funds	-	-	-	-
Total All Other Governmental Funds	<u>\$ 52,321,085</u>	<u>\$ 81,816,152</u>	<u>\$ 49,058,909</u>	<u>\$ 50,576,993</u>
Total All Funds	<u>\$ 63,604,971</u>	<u>\$ 93,707,608</u>	<u>\$ 61,415,222</u>	<u>\$ 54,138,714</u>

Fiscal Year					
2001	2002	2003	2004	2005	2006
\$ 2,933,682	\$ 1,513,335	\$ 5,246,851	\$ 7,197,112	\$ 1,694,444	\$ 7,992,026
3,767,712	4,112,180	4,736,960	5,029,590	6,286,941	6,981,529
<u>\$ 6,701,394</u>	<u>\$ 5,625,515</u>	<u>\$ 9,983,811</u>	<u>\$ 12,226,702</u>	<u>\$ 7,981,385</u>	<u>\$ 14,973,555</u>
\$ 985,732	688,414	541,696	752,675	\$ -	\$ -
-	-	-	-	667,749	923,717
36,632,804	36,632,804	36,623,507	27,288,503	30,504,975	-
944,958	1,057,751	1,151,632	855,805		29,961,070
135,079	37,348	37,819	40,131	995,145	1,095,034
4,809,581	3,352,084	2,001,216	1,152,266	11,277	20,322
831,166	892,992	1,565,787	2,341,412	555,535	(266,957)
-	-	-	-	1,383,749	2,129,929
<u>\$ 44,339,320</u>	<u>\$ 42,661,393</u>	<u>\$ 41,921,657</u>	<u>\$ 32,430,792</u>	<u>\$ 34,118,430</u>	<u>\$ 33,863,115</u>
<u>\$ 51,040,714</u>	<u>\$ 48,286,908</u>	<u>\$ 51,905,468</u>	<u>\$ 44,657,494</u>	<u>\$ 42,099,815</u>	<u>\$ 48,836,670</u>

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)**

	Fiscal Year			
	1997	1998	1999	2000
<b>Revenues</b>				
Local Sources:				
Property Taxes	\$ 46,114,370	\$ 50,234,176	\$ 46,262,611	\$ 47,858,108
Earnings on Investments	4,479,097	5,210,351	4,945,851	4,206,641
Other	6,381,096	7,681,338	5,497,510	7,481,208
State Sources	17,076,304	14,511,243	19,067,451	23,019,253
Federal Sources	937,245	1,099,480	1,313,044	1,373,652
Total Revenues	<u>74,988,112</u>	<u>78,736,588</u>	<u>77,086,467</u>	<u>83,938,862</u>
<b>Expenditures</b>				
Current:				
Administration	4,111,789	4,493,722	4,944,322	5,407,865
District Support Services	4,092,890	2,878,535	2,357,500	3,577,313
Regular Instruction	22,406,485	26,774,722	30,946,323	32,099,762
Vocational Education Instruction	195,432	729,685	685,177	786,559
Special Education Instruction	6,508,190	8,248,475	6,390,729	7,168,291
Instructional Support Services	2,025,233	3,041,776	3,143,130	2,749,898
Pupil Support Services	4,012,640	4,443,855	4,582,291	5,056,520
Sites and Buildings	5,576,775	7,140,484	7,052,291	10,382,280
Fiscal and Other Fixed Cost Programs	796,174	120,662	151,607	143,899
Food Service	1,843,266	2,399,699	2,704,742	3,594,992
Community Service	3,238,412	3,677,877	3,800,940	3,942,546
Capital Outlay	31,473,659	9,290,868	3,316,227	7,439,235
Debt Service:				
Principal	3,187,330	3,199,398	31,536,347	4,285,000
Interest and Fiscal Charges	7,947,770	8,589,348	17,770,402	7,470,613
Total Expenditures	<u>97,416,045</u>	<u>85,029,106</u>	<u>119,382,028</u>	<u>94,104,773</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(22,427,933)</u>	<u>(6,292,518)</u>	<u>(42,295,561)</u>	<u>(10,165,911)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Equipment	1,767	1,615	(99)	6,109
Insurance Recovery Proceeds	10,753	23,425	3,281	4,672
Sale of Bond Proceeds	24,000,000	36,818,273	10,000,000	8,710,000
Bond Premium	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Transfer in	14,543	-	-	-
Transfer out	-	-	-	-
Total Other Financing Sources (Uses)	<u>24,027,063</u>	<u>36,843,313</u>	<u>10,003,182</u>	<u>8,720,781</u>
Net Change in Fund Balances	<u>\$ 1,599,130</u>	<u>\$ 30,550,795</u>	<u>\$ (32,292,379)</u>	<u>\$ (1,445,130)</u>
Debt Service as a Percentage of Noncapital Expenditures	16.9%	15.6%	42.5%	13.6%

Fiscal Year						
2001	2002	2003	2004	2005	2006	
\$ 47,005,409	\$ 49,973,424	\$ 29,485,661	\$ 30,756,316	\$ 27,744,090	\$ 23,323,963	
4,017,927	2,785,719	2,233,687	1,808,248	1,599,448	2,038,666	
8,444,282	8,008,855	8,752,210	9,265,267	11,300,232	11,397,751	
28,626,465	30,509,756	61,096,062	56,961,655	60,089,894	68,788,226	
1,342,790	1,763,357	2,101,286	2,184,231	2,652,734	2,653,215	
<u>89,436,873</u>	<u>93,041,111</u>	<u>103,668,906</u>	<u>100,975,717</u>	<u>103,386,398</u>	<u>108,201,821</u>	
2,563,281	2,800,879	2,920,764	3,004,214	3,098,903	3,212,666	
3,825,510	2,987,627	3,250,266	3,118,392	3,414,628	3,670,312	
34,186,462	34,587,179	40,440,505	36,818,249	38,555,114	39,982,100	
737,616	722,305	674,875	552,176	751,596	705,369	
8,153,405	9,015,317	10,297,258	10,679,661	11,566,284	12,636,066	
6,113,731	6,213,554	6,928,148	6,079,368	5,675,656	6,197,509	
6,009,546	6,077,532	5,941,347	6,407,440	6,849,023	7,619,936	
9,431,507	9,849,830	8,337,986	9,285,703	7,272,144	7,337,607	
182,822	293,543	302,648	370,560	323,624	354,942	
3,136,237	3,337,802	3,522,257	4,192,288	3,800,959	4,002,138	
4,410,617	5,087,261	4,966,775	5,056,930	5,628,552	6,042,097	
6,631,033	1,530,325	1,375,569	1,436,071	7,224,824	5,122,514	
4,465,000	4,665,000	4,885,000	4,905,000	5,285,000	5,510,000	
7,732,618	7,596,780	7,483,629	7,106,529	6,449,175	5,833,637	
<u>97,579,385</u>	<u>94,764,934</u>	<u>101,327,027</u>	<u>99,012,581</u>	<u>105,895,482</u>	<u>108,226,893</u>	
<u>(8,142,512)</u>	<u>(1,723,823)</u>	<u>2,341,879</u>	<u>1,963,136</u>	<u>(2,509,084)</u>	<u>(25,072)</u>	
-	-	7,681	1,275	1,381	5,344	
3,222	7,237	97,696	24,969	98,392	1,576	
-	-	23,716,106	3,645,000	29,628,316	-	
-	-	-	-	-	-	
-	-	(23,655,000)	(9,330,000)	(27,275,000)	-	
-	-	-	581,796	328,204	542,000	
-	-	-	(581,796)	(328,204)	(542,000)	
<u>3,222</u>	<u>7,237</u>	<u>166,483</u>	<u>(5,658,756)</u>	<u>2,453,089</u>	<u>6,920</u>	
<u>\$ (8,139,290)</u>	<u>\$ (1,716,586)</u>	<u>\$ 2,508,362</u>	<u>\$ (3,695,620)</u>	<u>\$ (55,995)</u>	<u>\$ (18,152)</u>	
13.4%	13.2%	12.4%	12.3%	11.9%	11.0%	

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NET TAX CAPACITY AND VALUATION OF ALL TAXABLE PROPERTY  
(UNAUDITED)**

Fiscal Year	Net Tax Capacity	Taxable Market Value	Percent Tax Capacity of Estimated Market Value
1997	\$ 69,087,245	\$ 3,371,241,283	2.0%
1998	69,374,363	3,693,281,736	1.9%
1999	70,911,479	4,061,476,000	1.7%
2000	76,320,131	4,449,003,900	1.7%
2001	84,289,650	4,869,902,300	1.7%
2002	63,178,778	5,408,432,295	1.2%
2003	68,779,345	5,996,718,632	1.1%
2004	73,395,787	6,570,520,400	1.1%
2005	80,068,560	7,219,051,900	1.1%
2006	88,850,251	8,019,537,100	1.1%

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Fiscal Year</u>	<u>ISD No. 284</u>	<u>Corcoran</u>	<u>Maple Grove</u>	<u>Medicine Lake</u>	<u>Medina</u>	<u>Minnetonka</u>
1997	60.111	19.391	24.428	24.580	14.577	19.248
1998	52.211	16.856	24.412	23.229	14.683	18.518
1999	52.004	18.208	25.354	24.854	15.900	19.061
2000	53.820	19.579	26.761	24.510	16.754	20.034
2001	49.190	17.389	26.410	26.856	14.943	19.528
2002	46.387	19.378	24.060	27.447	13.217	18.012
2003	26.793	34.478	37.391	35.114	21.863	30.995
2004	23.264	30.922	35.503	45.050	19.529	30.945
2005	22.150	28.870	33.241	41.820	17.164	29.878
2006	20.706	27.966	30.677	38.580	16.339	28.810

**COUNTY AUDITOR'S GROSS SPREAD LEVIES:**

1997	\$ 43,524,479	\$ 107,600	\$ 629,312	\$ 322,487	\$ 1,337,467	\$ 9,616,907
1998	49,296,493	99,592	746,941	348,973	1,444,087	10,206,160
1999	51,241,969	102,484	922,355	307,452	1,486,017	11,068,265
2000	52,744,178	105,488	1,107,628	369,209	1,529,581	11,076,278
2001	52,398,909	104,798	1,152,776	314,393	1,729,164	10,532,181
2002	55,427,318	110,855	1,274,828	332,564	1,939,956	11,251,746
2003	27,941,462	83,824	670,595	195,590	1,033,834	5,420,644
2004	26,548,323	79,645	690,256	185,838	1,115,030	4,831,795
2005	27,699,665	83,099	830,990	193,898	1,329,584	4,819,742
2006	28,595,508	85,787	943,652	200,169	1,515,562	4,661,068

Special Districts includes Metropolitan Council Transit Operations, Metropolitan Mosquito Control, Metropolitan Council, AVTI, Wide-area Metropolitan Transit, HCRRRA, Parks/Museum.

SOURCE: Hennepin County Taxpayer Services Division

Orono	Plymouth	Wayzata	Hennepin County	Special Districts
14.743	14.394	19.976	37.270	6.900
14.251	14.222	19.243	35.515	6.659
14.716	14.568	19.780	38.386	7.483
15.380	15.428	20.912	40.994	8.553
14.807	15.478	20.973	39.655	8.426
13.708	14.483	19.439	37.624	8.126
20.960	24.658	30.498	50.409	7.386
19.870	24.198	28.233	50.607	7.757
17.637	23.922	25.558	47.324	7.488
16.252	23.132	24.240	44.172	7.382
\$ 622,663	\$25,786,530	\$ 5,101,513	\$ 364,841,360	\$63,557,402
647,349	30,076,840	5,726,551	375,833,798	56,175,920
614,904	31,001,391	5,739,101	391,847,613	69,987,066
632,930	32,173,949	5,749,115	411,824,813	78,828,839
628,787	32,277,728	5,659,082	421,287,030	82,486,578
665,128	33,755,237	6,097,005	443,306,111	88,114,156
335,298	17,044,292	3,157,385	461,447,003	61,050,104
345,128	16,221,025	3,079,605	485,443,960	68,804,783
360,096	16,758,298	3,323,960	495,716,030	72,632,494
371,742	17,271,687	3,545,843	515,379,632	79,410,990

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

Ten largest taxpayers in the District:

<u>Taxpayer</u>	<u>Type of Property</u>	<u>2006 Net Tax Capacity</u>
Carlson Real Estate Co.	Commercial/Industrial	\$ 2,310,850
Ridgedale Joint Venture	Commercial	2,134,950
Teachers Insurance & Annuity Assoc.	Commercial	701,530
EQR	Apartment	489,375
Invesco Real Estate	Apartment	456,250
Talcott III Atria LLC	Commercial	441,030
Bay Holdins LLC	Commercial	392,670
Vicksburg Village	Apartment	375,750
US Retail Partners LLC	Commercial	305,810
CCMB Serving	Commercial	287,770
Total		<u>\$ 7,895,985</u>

SOURCE: Hennepin County Department of Property Tax and Public Records

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year	Taxes Levied for the Fiscal Year			Collected within the Fiscal Year of Levy	
	Operating Tax Levy	Debt Tax Levy	Total Tax Levy (1)	Current Tax Collection	Percentage of Levy
1997	\$ 38,113,544	\$ 7,768,962	\$ 45,882,506	\$ 45,487,905	99.1%
1998	39,675,679	7,571,955	47,247,634	46,932,289	99.3%
1999	40,886,941	7,813,898	48,700,839	48,370,716	99.3%
2000	40,707,649	9,555,930	50,263,579	50,013,697	99.5%
2001	40,805,847	8,957,910	49,763,757	49,525,018	99.5%
2002	42,746,993	9,919,061	52,666,054	52,310,016	99.3%
2003	16,228,941	10,585,330	26,814,271	26,672,900	99.5%
2004	14,671,461	10,555,419	25,226,880	25,093,540	99.5%
2005	16,418,919	9,950,429	26,369,348	26,231,532	99.5%
2006	17,275,503	9,914,045	27,189,548	27,037,906	99.4%

**Notes:**

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Collections in Subsequent Years	Total Collections to Date		Outstanding Delinquent Taxes	Percentage of Levy Outstanding
	Total Tax Collection	Percentage of Levy		
\$ 251,801	\$ 45,739,706	99.7%	\$ 142,800	0.3%
178,618	47,110,907	99.7%	136,727	0.3%
222,037	48,592,753	99.8%	108,086	0.2%
132,808	50,146,505	99.8%	117,074	0.2%
80,085	49,605,103	99.7%	158,654	0.3%
38,901	52,348,917	99.4%	317,137	0.6%
116,897	26,789,797	99.9%	24,474	0.1%
15,611	25,109,151	99.5%	117,729	0.5%
111,999	26,343,531	99.9%	25,817	0.1%
-	27,037,906	99.4%	151,642	0.6%

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**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income (6) (7)	Per Capita (7)
	General Obligation Bonds	Certificates of Participation			
1997	\$ 134,372,968	\$ -	\$ 134,372,968	- %	\$ 2,756
1998	168,183,011	-	168,183,011	-	3,318
1999	146,650,000	-	146,650,000	-	2,860
2000	151,075,000	-	151,075,000	-	2,845
2001	146,610,000	-	146,610,000	-	2,723
2002	141,945,000	-	141,945,000	-	2,636
2003	135,930,000	-	135,930,000	-	2,509
2004	121,695,000	3,645,000	125,340,000	-	2,275
2005	116,375,000	3,645,000	120,020,000	-	2,102
2006	110,865,000	3,325,000	114,190,000	-	2,000

**Notes:** Details regarding the District's outstanding debt can be found in the notes to the financial statement. See the *Demographic and Economic Statistics* schedule on schedule ## for personal income and population data.

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**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT  
JUNE 30, 2006  
(UNAUDITED)**

**DIRECT DEBT**

Total Long-Term General Obligation Debt Being Paid From Taxes	\$ 110,865,000
Less Funds on Hand For Payment of Principal and Interest (as of June 30, 2006)	<u>32,090,999</u>
Net General Obligation Debt Being Paid From Taxes	<u><u>\$ 78,774,001</u></u>

**OVERLAPPING DEBT**

Taxing Unit (a)	2004 Taxable Net Tax Capacity	G. O. Debt as of 3/2/2005 (b)	Debt Applicable to Tax Capacity in District	
			Percent	Amount
Hennepin County	\$ 1,193,918,722	\$ 358,510,000	7.4 %	\$ 26,529,740
Hennepin Parks	898,456,710	36,975,000	9.9	3,660,525
Hennepin County Regional Railroad Authority	1,193,918,722	47,690,000	7.4	3,529,060
City of Corcoran	6,089,795	653,000 (c)	4.3	28,079
City of Maple Grove	65,905,334	55,775,000	4.5	2,509,875
City of Medina	10,211,395	370,000	45.0	166,500
City of Minnetonka	71,865,968	9,565,000	19.9	1,903,435
City of Orono	21,286,337	3,080,000	5.4	166,320
City of Plymouth	88,761,466	19,930,000	61.1	12,177,230
City of Wayzata	10,683,991	15,280,000	99.3	15,173,040
Metropolitan Council	2,380,953,804 (d)	35,750,000 (e)	3.7	1,322,750
Regional Transit Authority	2,066,330,567	179,545,000	4.3	7,720,435
				<u><u>\$ 74,886,989</u></u>

(a) Only those taxing units with debt outstanding are included here.

(b) Includes only general obligation debt supported by taxes, special assessments, tax increment revenue, and

(c) Debt as of December 31, 2004; most recent available.

(d) 2003 taxable net tax capacity; most recent available.

(e) Does not include Metropolitan Council's general obligation bonds supported by sanitary sewer revenues, 911

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(DOLLARS IN THOUSANDS)  
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Net Bonded Debt</u>	<u>Net Tax Capacity</u>	<u>% of Net Debt to Adjusted Net Tax Capacity</u>	<u>Estimated Population</u>	<u>Net Debt per Capita</u>	<u>Legal Debt Margin (1)</u>
1997	\$ 92,741,856	\$ 69,087,245	134.24%	48,753	\$ 1,902	\$ 474,170,916
1998	90,133,443	69,374,363	129.92%	50,688	1,778	563,930,619
1999	108,490,994	70,911,479	152.99%	51,268	2,116	577,303,607
2000	112,831,217	76,320,131	147.84%	53,102	2,125	611,762,252
2001	109,146,030	84,289,650	129.49%	53,847	2,027	695,353,249
2002	104,419,204	63,178,778	165.28%	53,847	1,939	813,301,208
2003	97,740,706	68,779,345	142.11%	54,186	1,804	936,176,300
2004	92,065,085	73,395,787	125.44%	55,095	1,671	1,062,007,585
2005	84,486,276	80,068,560	105.52%	55,855	1,513	1,198,520,578
2006	78,774,001	88,850,251	88.66%	57,106	1,379	1,321,610,824

(1) The legal debt margin for a school district in Minnesota is 15% of the indicated market value of all taxable property within the district less any outstanding bonded debt.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

Fiscal Year	Population	Personal Income <i>(millions of dollars)</i>	Per Capita Personal Income	School Enrollment	Unemployment Rate
1997	48,753			8,420	2.8%
1998	50,688			8,675	2.4
1999	51,268			8,989	2.7
2000	53,102			9,238	2.7
2001	53,847			9,457	3.7
2002	53,847			9,583	4.7
2003	54,186			9,608	5.0
2004	55,095			9,704	4.6
2005	57,106			9,710	3.8
2006	57,106			9,825	3.5

**Source:** Nonfinancial information from district records.

Unemployment rate from Minnesota Department of Employment and Economic Development

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

<u>Employer</u>	<u>Product/Service</u>	<u>Approximate Number of Employees</u>
Honeywell, Incorporated	Technology Manufacturing	10,000
Carlson Companies	Corporate Headquarters	4,500
Boston Scientific	Disposable Medical Products	3,000
Cargill Inc.	Agribusiness	2,000
Advance Circuits, Inc.	Printed Circuits	1,200
Independent School District 284	Public Education	1,326
Allina Health Systems	Insurance	850
Datacard Corporation	Embossing Machines	817
Value Rx	Health Services	620
Osmonics, Inc.	Water purification systems	600
Nilfisk-Advance	Floor and carpet cleaning equipment	550
Pfizer, Inc	Measuring and controlling devices	480
Opportunity Partners Inc.	Job training and related services	462
Musicland Stores	Music Stores	425
American Medical Systems	Medical technology	350
Advantek	Coated paper and laminating packaging	330
Select Comfort Corporation	Mattresses	300

(a) Includes all of Minnesota.

(b) Includes entire metro area. Carlson Marketing Travel Group is included in Carlson Companies.

**Source:** Telephone survey of individual employers, July 2004 and March 2005.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
JUNE 30, 2006 AND 2005  
(UNAUDITED)**

	<u>2005</u>	<u>2006</u>
<b>Administration</b>		
Principals	11.0	11.0
Associate Principals	4.0	4.0
Unaffiliated	38.0	36.0
Total Administration	<u>53.0</u>	<u>51.0</u>
<b>Instructional Administrators</b>		
High School Classroom Teachers	123.3	124.0
Middle School Classroom Teachers	104.2	109.6
Elementary Classroom Teachers	153.8	158.5
High School - Adult Learning Center	5.5	7.0
Middle School - Adult Learning Center	1.7	3.0
Community Ed - Extended Day Kindergarten	4.0	5.5
Community Ed - Early Childhood Family Ed	4.9	4.5
Special Services	67.8	68.2
Elementary Specialists	30.3	33.7
Total instruction	<u>495.5</u>	<u>514.0</u>
<b>Student Services</b>		
Curriculum and Instruction - Resource, Peer, Alt Comp	4.0	5.0
Media Centers - Elementary	10.9	10.5
High School - Professional Development	0.3	0.3
High School - Counselors, Media, Vision 21	9.5	9.3
Middle Schools - Counselors, Media, Vision 21	11.5	10.7
Technology	0.5	0.5
Special Services - Social Workers, Psychologists, Nurses, Etc	37.1	37.9
Total Student Services	<u>73.8</u>	<u>74.2</u>
<b>Support Services</b>		
Clerical/Secretarial	41.5	42.1
Custodial	75.0	74.5
Food Service	40.7	41.0
Paraprofessionals	202.3	211.2
Unaffiliated Specialists	13.0	13.0
Unaffiliated Support Staff	8.0	9.0
Total Support Services	<u>380.5</u>	<u>390.8</u>
<b>District-Wide Totals</b>	<u><u>1,002.8</u></u>	<u><u>1,030.0</u></u>

**Source:** District Human Resource Department

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil-Teacher Ratio</u>	<u>Percentage of Students Receiving Free or Reduced-Price Meals</u>	<u>Student Attendance Percentage</u>
1997	8,420	N/A	N/A	N/A %	N/A	N/A	N/A	N/A
1998	8,675	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1999	8,989	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2000	9,238	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2001	9,457	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2002	9,583	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2003	9,608	\$ 96,275,080	\$ 10,020	4.5 %	N/A	N/A	8.5 %	N/A
2004	9,704	93,095,086	9,593	(6.6)	N/A	N/A	8.3	N/A
2005	9,710	99,697,357	10,267	(3.4)	381	25.5 %	8.9	N/A
2006	9,825	104,402,171	10,626	1.0	392	25.1	10.0	N/A

**Source:** Nonfinancial information from district records.

**Notes:** Operating expenditures are total expenditures less debt service and capital outlays.

N/A = not available

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
BANK DEPOSITS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

	Fiscal Year									
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
<b>Elementary Schools</b>										
Birchview (1969)										
Square Feet	59,720	59,720	59,720	59,720	59,720	59,720	59,720	59,720	59,720	59,720
Capacity	530	530	530	530	530	530	530	530	530	530
Enrollment	611	516	527	485	563	537	531	531	503	498
Gleason Lake (1988)										
Square Feet	80,600	80,600	80,600	80,600	80,600	80,600	80,710	80,710	80,710	80,710
Capacity	630	630	630	630	630	630	630	630	630	630
Enrollment	668	581	580	560	641	657	659	661	641	627
Greenwood (1964)										
Square Feet	62,991	62,991	62,991	71,816	71,816	71,816	72,007	72,007	72,007	72,007
Capacity	600	600	600	680	680	680	680	680	680	680
Enrollment	761	646	675	672	693	668	644	656	637	640
Kimberly Lane (1991)										
Square Feet	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000
Capacity	680	680	680	680	680	680	680	680	680	680
Enrollment	702	654	735	805	680	692	742	747	764	779
Oakwood (1957)										
Square Feet	80,786	80,786	80,786	80,786	80,786	80,786	80,786	80,786	80,786	80,786
Capacity	475	475	475	475	475	475	475	475	475	475
Enrollment	572	493	507	524	513	521	479	447	458	446
Plymouth Creek (1988)										
Square Feet	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000	81,000
Capacity	680	680	680	680	680	680	680	680	680	680
Enrollment	739	623	607	619	640	632	611	687	665	707
Sunset Hill (1963)										
Square Feet	60,973	60,973	60,973	60,973	64,983	64,983	64,983	64,983	64,983	64,983
Capacity	575	575	575	575	575	575	575	575	575	575
Enrollment	579	529	520	537	520	501	514	502	481	519
<b>Middle Schools</b>										
East (1967)										
Square Feet	145,711	145,711	145,711	145,711	145,711	145,711	145,711	145,711	145,711	145,711
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	948	681	709	711	726	732	734	732	718	734
West (1949)										
Square Feet	167,000	167,000	167,000	167,000	167,000	167,000	167,000	167,000	167,000	167,000
Capacity	900	900	900	900	900	900	900	900	900	900
Enrollment	991	604	588	625	657	697	705	691	727	723
Central (1997)										
Square Feet		308,568	308,568	308,568	308,568	308,568	308,568	308,568	308,568	308,568
Capacity		1700	1700	1700	1700	1700	1700	1700	1700	1700
Enrollment		756	811	858	799	833	850	836	880	885
<b>High School</b>										
Vicksburg (1960)										
Square Feet	308,568									
Capacity	1,700									
Enrollment	1,695									
Peony (1997)										
Square Feet		487,000	487,000	487,000	487,000	487,000	487,000	487,000	487,000	487,000
Capacity		3200	3200	3200	3200	3200	3200	3200	3200	3200
Enrollment		2465	2571	2699	2831	2866	2950	3011	3047	3084

Note: New high school on Peony Lane have opened in 1997 and existing high school on Vicksburg Lane became Central Middle School. Central Middle School contains Early Childhood Family Education Programs, not included in enrollment numbers.

December 7, 2006

School Board  
Independent School District No. 284  
Wayzata Public Schools  
Wayzata, Minnesota

This Executive Audit Summary and Management Report presents information which we believe is important to you as members of the school board. We encourage you to review the sections of this report, the audited financial statements and the auditor's reports.

We would be pleased to furnish additional information with respect to these suggestions and discuss this memorandum with you at your convenience. We wish to express our appreciation to the School for the courtesies, cooperation and assistance extended to us during the course of our work.

LARSON, ALLEN, WEISHAIR & CO., LLP



Dennis Hoogeveen, CPA  
Principal

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284**

**EXECUTIVE AUDIT SUMMARY (EAS)**

**JUNE 30, 2006**

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
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JUNE 30, 2006**

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**EXECUTIVE AUDIT SUMMARY (EAS)  
FOR  
WAYZATA PUBLIC SCHOOLS  
YEAR ENDED JUNE 30, 2006**

We prepared this Executive Audit Summary and Management Report in conjunction with our audit of the District's financial statements for the year ended June 30, 2006. We appreciated the time that staff took to work with us to complete the engagement—especially the efforts of Bill Rueber and Jim Scheuer, who were our main contacts on the audit.

**Audit Opinion** – The financial statements are fairly stated. We issued what is known as a “clean” audit report.

**Yellow Book Opinion** – No compliance issues were noted in our review of laws, regulations, contracts and grants that could have significant financial implications to the School.

**Internal Controls** – No “material weakness” in internal controls was noted.

**Single Audit** – The District complied with requirements of major federal programs (Special education cluster).

**Legal Compliance** – No compliance issues were noted with respect to Minnesota Statutes.

**Student Activity Audit** – We reported three findings related to the audit of the District's student activity accounts as follows: 1) improper activity being accounted for in student activity accounts, 2) student activity accounts with deficit balances at year-end, and 3) no disposition of inactive student activity accounts.

**Enrollment** – For fiscal 2005-06, Wayzata Public Schools had an estimated total adjusted average daily membership of 9,824.18 (or 11,365.25 adjusted pupil units). For fiscal 2004-05, the District had an estimated total adjusted average daily membership of 9,710.49 (or 11,218.58 adjusted pupil units).

**Fund Balance** – The District's General Fund unreserved-undesignated fund balance ended at \$6,735,124 as of June 30, 2006. The ending unreserved-undesignated fund balance represents 7.89% of total General Fund expenditures as opposed to 8.37% at the end of the prior year. A District's fund balance is an important aspect in considering the School's financial well being since a healthy fund balance represents things such as cashflow, as a cushion against unanticipated expenditures, enrollment declines, funding deficiencies and aid prorations at the state level and similar problems.

**Budget to Actual** – Total revenues on a net basis in the General Fund were \$85,915,552 (which was \$978,693 or 1.2% higher than the final amended budgeted amount) while total expenditures were \$85,380,129 (which was \$1,673,516 or 1.9% lower than the final amended budget). The net effect, after considering insurance recoveries and transfers out also, was an increase to total fund balance of \$223,021 compared to the final amended budget which anticipated a reduction of \$2.65 million. A good share of the variance relates to timing differences as in the case of amounts designated for site carryover, as well as the timing of certain capital projects and simple budgeting for contingent items. As part of any budget update initiated for fiscal 2006-07, the Board will want to take known budget variances into consideration in order to limit future budget differences to every extent possible. We recommend that budget variances in a school district environment be limited to 1% on either side of zero as a goal and your School's revenue and expenditure variances fall slightly outside of that acceptable range.

The total revenues in the Debt Service Fund were \$11,545,913 (which was \$197,650 or 1.7% lower than the final amended budget) while total expenditures were \$11,343,638 (which was \$140,927 or 1.3% higher than the final amended budget). The excess of Debt Service Fund expenditures over budget is almost entirely attributable to the scheduled payoff of general obligation bonds having a principal amount of \$22,550,000.

### **Suggestions for Management**

**Business Office Staffing** – We would once again like to recommend that the District review staffing levels within the Business Office. In our experience, any time too much of the detail work necessary to close-out the fiscal year (which is a significant amount of information and effort) has to be done by the highest level people in the Business Office, it is likely that we would suggest that the District perform an assessment of their staffing needs and the distribution of workload. There are routine processes that should be handled on a monthly basis that simply cannot be accomplished in a timely manner due to inadequate staffing. This results in unnecessary delays in the year-end close-out and audit procedures.

**Purchasing Card Policy** – During our testing of a month of purchasing card transactions, we noted that 4 employees did not turn in receipts, and receipts were not in the file we reviewed for these 4 employees. Additionally, when we tested six of the employees to agree receipts to the detail, 3 employees had complete documentation, and for the other 3 employees, there were 24 invoices/receipts missing from their documentation. We recommend the District implement a policy requiring the approver to receive and review all actual invoices/receipts before approving the purchasing card transactions for the month. Additionally, for expenses missing documentation, we recommend a follow-up procedure be put in place to track these missing invoices/receipts the following month and file accordingly.

**Payroll** – During our testing of payroll files, we noted that two employees did not have a W-4 or I-9 form in their file. We recommend that the W-4 and I-9 forms be kept in the file

**Special Education** – During our testing of payroll for the special education program, we reviewed time certifications completed by employees who spend 100% of their time on the special education program. We noted that most of the time certifications were completed, however one employee was missed due to a change in position during the year. We recommend a careful review of employees throughout the year to meet compliance with the special education requirements for time certifications.

**Other Items** – Invariably there are other issues that arise in the course of our audits that we work through with appropriate staff at the District level. In those cases, no additional communication is required to the School Board.

# I. FINANCIAL RESULTS

## Fund Balances

<b>WAYZATA PUBLIC SCHOOLS</b>						
<b>AUDITED FUND BALANCES THROUGH JUNE 30, 2006</b>						
	6/30/2005	20005-06	TRANSFERS	2005-06	TRANSFERS	6/30/2006
FUND DESCRIPTION	AUDITED	AUDITED	INTO	AUDITED	OUT OF	AUDITED
	BALANCE	REVENUES	FUNDS	EXPENDITURES	FUNDS	BALANCE
<b>GENERAL FUND</b>						
A. UNRESERVED - OPERATING	\$6,996,425	\$75,787,033	\$0	\$75,506,335	\$542,000	\$6,735,123
<b>B. DESIGNATED FOR</b>						
(1) SITE CARRYOVER	\$1,218,356	\$64,301	\$0	\$277,843	\$0	\$1,004,814
(2) DOME ESCROW	\$550,793	\$0	\$0	\$180,097	\$0	\$370,696
<b>C. RESERVED FOR</b>						
(1) REEMPLOYMENT INSURANCE	\$495,122	\$0	\$0	\$14,868	\$0	\$480,254
(2) STAFF DEVELOPMENT (2%)	\$710,877	\$1,086,770	\$0	\$834,411	\$0	\$963,236
(3) DISTRICT COOPERATION	\$250,000	\$0	\$0	\$0	\$0	\$250,000
(4) AREA LEARNING CENTER	\$83,879	\$579,791	\$0	\$592,450	\$0	\$71,220
(5) LEARNING AND DEVELOPMENT	\$628,626	\$1,969,343	\$0	\$2,051,027	\$0	\$546,942
(6) BASIC SKILLS	\$213,691	\$428,279	\$0	\$386,533	\$0	\$255,437
(7) GIFTED AND TALENTED	\$0	\$45,443	\$0	\$45,443	\$0	\$0
(8) CAREER AND TECHNICAL PROGRAMS	\$61,509	\$100,577	\$0	\$97,434	\$0	\$64,652
(9) DOWN PAYMENT LEVY	\$18,688	\$2,029,738	\$0	\$1,915,849	\$0	\$132,577
(10) OPERATING CAPITAL	\$4,067,719	\$2,272,688	\$0	\$2,276,186	\$0	\$4,064,221
(11) DISABLED ACCESSIBILITY	\$9,130	\$0	\$0	\$1,678	\$0	\$7,452
(12) HEALTH & SAFETY	(\$554,281)	\$1,781,187	\$0	\$1,199,975	\$0	\$26,931
<b>TOTAL GENERAL FUND</b>	<b>\$14,750,534</b>	<b>\$86,145,150</b>	<b>\$0</b>	<b>\$85,380,129</b>	<b>\$542,000</b>	<b>\$14,973,555</b>
DIFFERENCE		\$1,203,291	\$0	(\$1,673,516)	\$0	\$2,876,807
% VARIANCE		1.42%		-1.92%		
<b>FOOD SERVICE</b>						
<b>TOTAL FOOD SERVICE</b>	<b>\$995,145</b>	<b>\$4,378,522</b>	<b>\$0</b>	<b>\$4,278,633</b>	<b>\$0</b>	<b>\$1,095,034</b>
DIFFERENCE		\$365,494		\$277,058		\$88,436
% VARIANCE		9.11%		6.92%		
<b>COMMUNITY EDUCATION</b>						
REGULAR COMMUNITY ED	\$586,850	\$5,146,135	\$0	\$4,855,854	\$0	\$877,131
EARLY CHILDHOOD FAMILY ED	\$55,304	\$466,229	\$0	\$477,189	\$0	\$44,344
SCHOOL READINESS	\$25,595	\$57,705	\$0	\$81,058	\$0	\$2,242
UNRESERVED, UNDESIGNATED	\$11,277	\$659,261	\$0	\$650,216	\$0	\$20,322
<b>TOTAL COMMUNITY EDUCATION</b>	<b>\$679,026</b>	<b>\$6,329,330</b>	<b>\$0</b>	<b>\$6,064,317</b>	<b>\$0</b>	<b>\$944,039</b>
DIFFERENCE		\$274,225	\$0	\$214,984		\$59,241
% VARIANCE		4.53%		3.68%		
<b>TOTAL BUILDING FUND</b>						
<b>TOTAL BUILDING FUND</b>	<b>\$555,535</b>	<b>\$34,034</b>	<b>\$542,000</b>	<b>\$632,742</b>	<b>\$0</b>	<b>\$486,293</b>
DIFFERENCE		\$12,534	\$0	\$765,784		(\$266,957)
% VARIANCE		58.30%		121.03%		(\$753,250)
<b>DEBT SERVICE</b>						
OPERATING	\$1,383,749	\$10,616,540	\$0	\$9,862,732	\$7,628	\$2,129,929
REFUNDING BONDS	\$30,504,975	\$929,373	\$7,628	\$1,480,906	\$0	\$29,961,070
<b>TOTAL DEBT SERVICE</b>	<b>\$31,888,724</b>	<b>\$11,545,913</b>	<b>\$7,628</b>	<b>\$11,343,638</b>	<b>\$7,628</b>	<b>\$32,090,999</b>
DIFFERENCE		(\$197,650)		\$140,927		(\$338,577)
% VARIANCE		-1.68%		1.26%		
<b>PROPRIETARY AND TRUST</b>						
TRUST FUNDS	\$122,187	\$177,174	\$0	\$18,672	\$0	\$280,689
INTERNAL SERVICE FUND - SELF INS & RET	\$485,497	\$13,886,312	\$0	\$12,975,117	\$0	\$1,396,692
<b>TOTAL OTHER FUNDS</b>	<b>\$607,684</b>	<b>\$14,063,486</b>	<b>\$0</b>	<b>\$12,993,789</b>	<b>\$0</b>	<b>\$1,677,381</b>

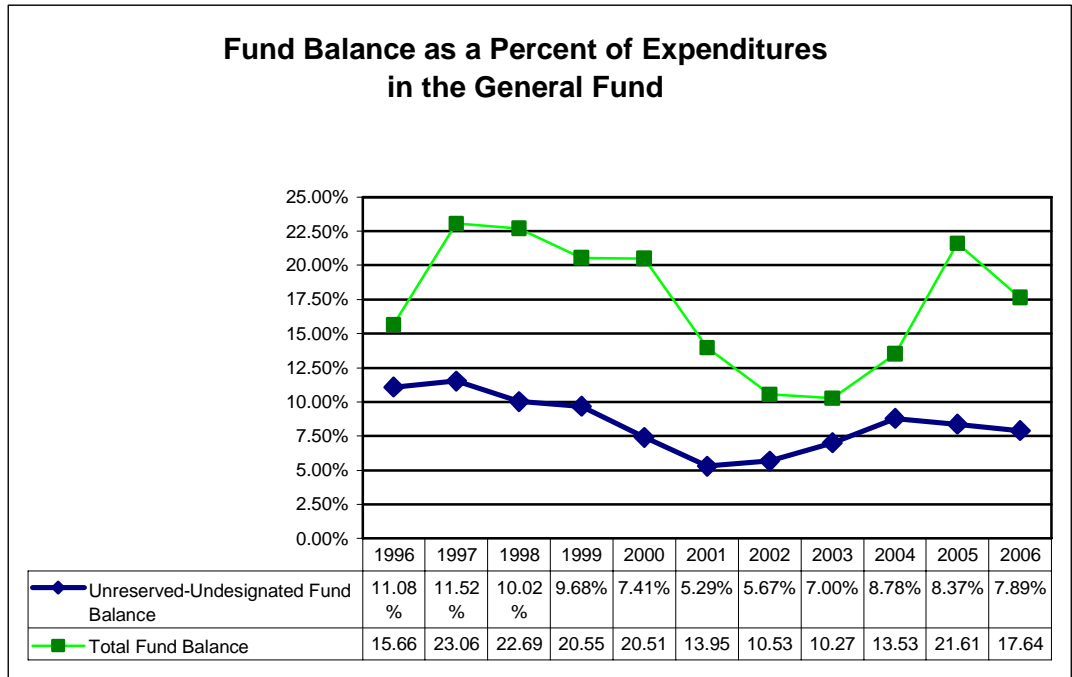
NOTE: The General Fund information is presented in the format required by the Uniform Financial Accounting and Reporting Standards issued by the Minnesota Department of Education.

**I. FINANCIAL RESULTS (CONTINUED)**

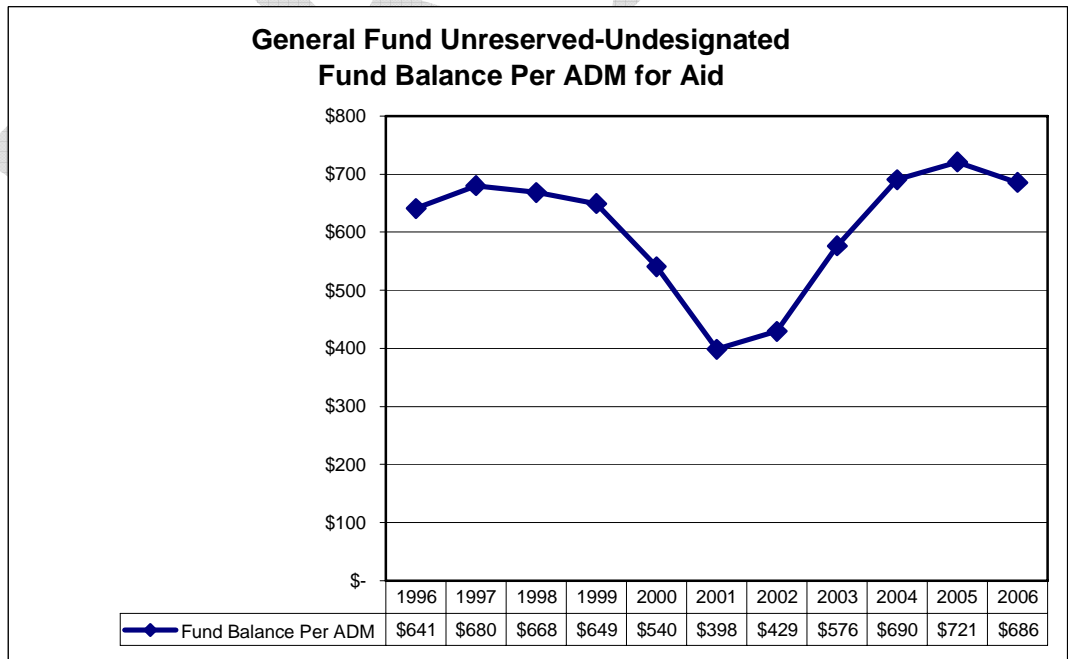
**Fund Balances (Continued)**

Unless otherwise noted, all graphs and charts reflect the activity of the pupil transportation and capital expenditure funds as if they had always been part of the general fund for any years prior to fiscal 1997.

As a percentage of annual expenditures:



Per student served for aid.

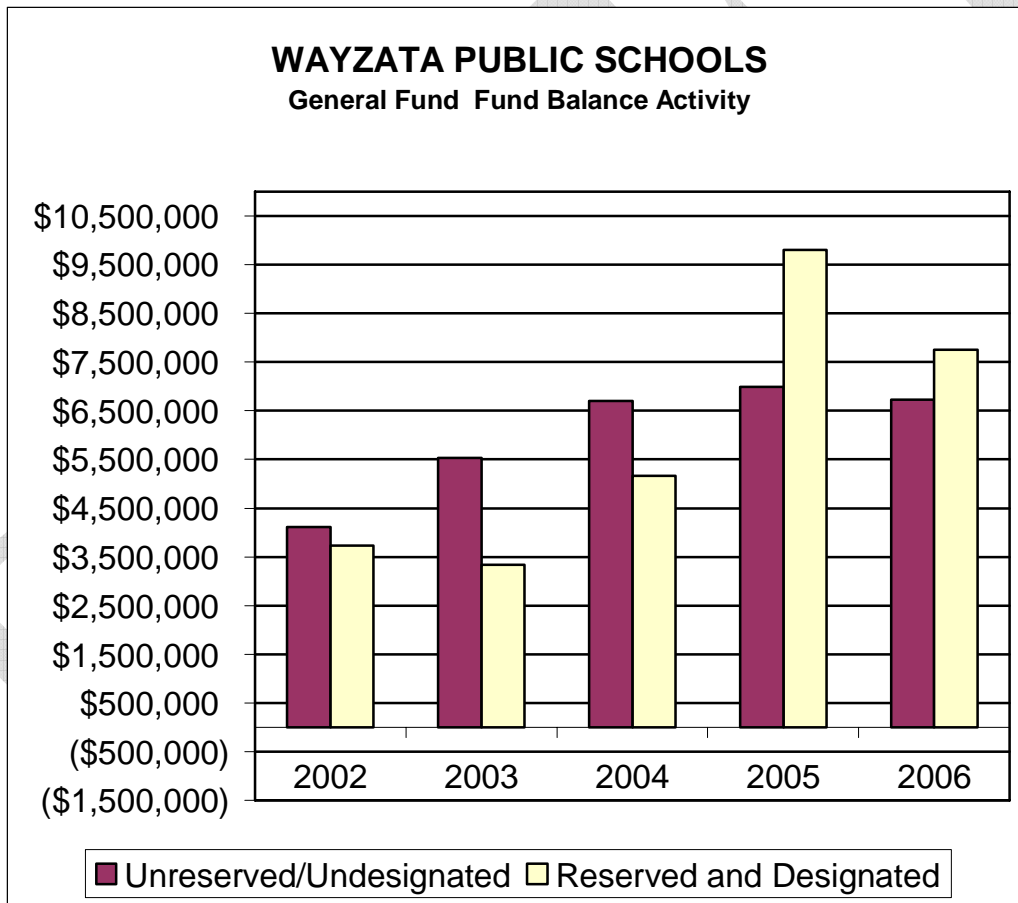


**I. FINANCIAL RESULTS (CONTINUED)**

**Fund Balances of the General Fund**

Unless otherwise noted, all graphs and charts reflect the combined activity of the District's General Fund, including the pupil transportation and capital expenditure sub-funds.

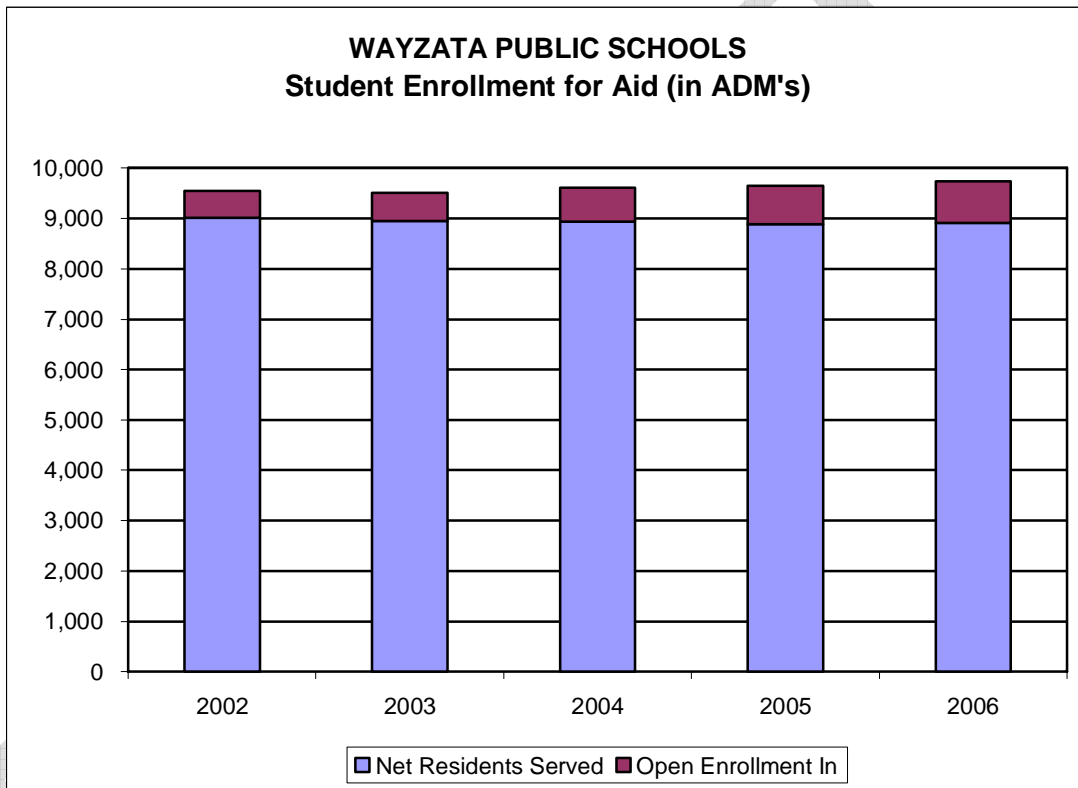
	2002	2003	2004	2005	2006
Unreserved/Undesignated: Fund Balance	\$ 4,112,180	\$ 5,534,713	\$ 6,699,484	\$ 6,996,425	\$ 6,735,123
Reserved and Designated: Fund Balance	3,338,335	5,164,250	9,794,662	7,754,109	8,238,432
Total Fund Balance	<u>\$ 7,450,515</u>	<u>\$10,698,963</u>	<u>\$16,494,146</u>	<u>\$14,750,534</u>	<u>\$14,973,555</u>
Total Expenditures	<u>\$72,547,766</u>	<u>\$79,093,797</u>	<u>\$76,315,763</u>	<u>\$83,631,572</u>	<u>\$85,380,129</u>
Unreserved/Undesignated Fund Balance as a % of Total Expenditures	<u>5.67%</u>	<u>7.00%</u>	<u>8.78%</u>	<u>8.37%</u>	<u>7.89%</u>



**I. FINANCIAL RESULTS (CONTINUED)**

**Students Served for Aid**

	2002	2003	2004	2005	2006
Total Residents	9,308.50	9,255.97	9,241.72	9,254.37	9,301.41
Open Enrollment Out	(291.65)	(313.98)	(301.92)	(374.00)	(389.40)
Net Residents Served	9,016.85	8,941.99	8,939.80	8,880.37	8,912.01
Open Enrollment In	566.42	666.32	763.75	830.12	912.17
Net ADM Served	9,583.27	9,608.31	9,703.55	9,710.49	9,824.18
Net Pupil Units Served	11,081.25	11,099.40	11,207.85	11,218.58	11,365.25



As reflected in the above chart and graph, the District continues to attract over two students through open enrollment for every resident student choosing to attend to elsewhere.

## II. OTHER KEY TOPICS

### **ASBO Certificate of Excellence**

The District submitted its June 30, 2005 CAFR (Comprehensive Annual Financial Report) to the Association of School Business Officials as part of ASBO's Certificate of Excellence in Financial Reporting program and was awarded the Certificate of Excellence. We believe this reflects the District's commitment to the high standard of financial reporting excellence required by the ASBO program. Although not guaranteed, we believe the District's June 30, 2006 CAFR will continue to qualify for the award.

### **GASB STATEMENT NO. 43 – FINANCIAL REPORTING FOR POST-EMPLOYMENT BENEFIT PLANS OTHER THAN PENSION PLANS AND GASB STATEMENT NO. 45 – ACCOUNTING AND FINANCIAL REPORTING BY EMPLOYERS FOR POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS**

As we've presented to you in our last two Executive Audit Summary documents, we want to continue to cover the impact of these two new GASB statements, although the more predominant statement with applicability for school districts in Minnesota is expected to be GASB Statement No. 45, due to the fact that in Minnesota there is not currently a state statute which authorizes a public entity to establish a trust of the type that would be required under the requirements of GASB Statement No. 43. These related statements provide new guidance on accounting and financial reporting of post-employment benefits accounted for in trust funds included in the financial statements of plan sponsors or employers, and employer accounting and reporting for post-employment benefits other than pensions by employers when the plan is not accounted for in their financial statements.

OPEB stands for Other Post-employment Benefits and covers certain benefits provided after employment ends. From an accounting perspective, these benefits are in exchange for employees' current services. The "O" in OPEB means that these benefits are those "Other" than pensions. One example of this type of benefit is healthcare premiums paid by employers on behalf of former employees. They can also include other benefits such as life insurance. OPEB does not include vacation, sick leave, or COBRA continuation. Governmental entities have traditionally accounted for OPEB on a pay-as-you-go basis. Only a few governments have funded these benefits in advance of payment. The guidance in these statements rests on the assumption that OPEB should be accrued as an expense as service is provided by employees.

In health insurance plans where a school district's retirees and current employees are insured together as a group as required by state statute, the premiums paid by the retirees would typically be lower than they would have been if the retirees were insured separately—this is called an implicit rate subsidy. GASB concluded in Statements 43 and 45 that exempting governments from including an implicit rate subsidy in their OPEB calculations would result in the annual cost and long-term obligations of their OPEB being significantly understated. School districts must therefore include implicit rate subsidies as OPEB.

For governments offering OPEB, the cost would be recognized using a three-step approach. The government will be required to project future benefits, discount those benefits to their present value, then use an acceptable actuarial method to allocate costs to individual accounting periods.

Once calculated, the difference between the present value of OPEB benefits earned by employees as the result of past service and resources set aside to pay those benefits will be considered the “unfunded actuarial liability for OPEB.” Every employer will be allowed to start fresh at the time of transition to the new standard. There will be no requirement for an employer to recognize an accounting liability for under funding prior to the implementation of the new standard. Instead, the unfunded actuarial accrued liability for OPEB at transition would be amortized over 30 years. As long as an employer funds the full amount of required contribution, no asset or liability will be reported on the Statement of Net Assets. However, an employer will need to report an asset or liability if the contributions are less or more than the annual required contribution each year.

Nothing in the documents is intended to alter the normal application of modified accrual accounting in the governmental funds of the entity. Thus, OPEB expenditures normally would be recognized when payments are made to the former employees rather than when benefits are earned.

The guidance will require that actuarial valuations for OPEB occur at least every two years for plans with 200 or more members, and every three years for plans with fewer than 200 members. A sole employer plan with fewer than 100 plan members has the option to apply a simplified alternative measurement method rather than obtain actuarial valuations.

These statements become effective in three phases based on the same criteria as those defined for the implementation of GASB Statement No. 34. GASB Statement No. 43 will be phased in for districts over a three year period, starting with category one districts in the fiscal year ending June 30, 2007. GASB Statement No. 45 will be phased in over a three year period, starting with category one districts in the fiscal year ending June 30, 2008.

## **NEW AUDITING STANDARDS**

There are two key new auditing standards will become effective for periods ending after December 15, 2006. All public accounting firms must comply with these standards, that as issued by the American Institute of CPAs, when performing audits. Several of the requirements contained in these new standards will significantly impact the manner in which your audit is conducted and, potentially, on its costs and findings. In an effort to serve you better and continue to gain efficiency and understanding in the audit process, we have outlined some of the changes and their potential impact on your future audits.

### **STATEMENT OF AUDITING STANDARDS (SAS) 103: AUDIT DOCUMENTATION**

This standard addresses the format and content of the auditors’ workpapers, documentation procedures and results. While you may not see these changes yourself, they will affect the time and effort we must put into your audit. You can help mitigate the effect of this standard on your organization with up-front planning and communications.

- First, the standard tells us that: ***“The auditor’s report should not be dated earlier than the date on which the auditor has obtained sufficient appropriate audit evidence to support the opinion.”*** On the surface, this requirement does not seem much different from existing requirements; however, it has practical implications. A delay between the end of audit fieldwork and approval of draft financial statements can result in a change in the report date and require additional audit steps, such as updating attorney letters, reviewing additional board minutes and interim financial statements, extending subsequent receipts and disbursements testing, etc. for the intervening period. These additional steps would also be required if a significant adjustment were to be made to the financial statements, or information required in the footnotes were to be provided, after the initial fieldwork date.

**For example:** The audit committee charter requires approval of draft audited financial statements before issuance. The audit fieldwork has been timed and executed to have the draft reports presented on April 14; the meeting is cancelled and rescheduled for May 16. The management representation letter under the new standard must now be changed to May 16 requiring additional subsequent events work to be done by the auditor.

- Second, we must now **“lock down” audit files within 60 days of the issuance** of the audit report. This will make workpapers inaccessible for changes. Practically, this means that late management responses can also cause the report date to change when they are incorporated into Single Audit findings or management letter comments, with similar implications for additional audit procedures and billings.

The audit documentation requirements of SAS 103 may reinforce the common perception that auditors ask the same questions and make the same requests multiple times over the course of an annual audit engagement. The purpose of follow-up requests, however, are designed to affirm representations and ensure the completeness of the audit evidence documentation through our report date.

SAS 103 encourages the auditor to corroborate oral representations by client management. Auditors will obtain audit evidence through inquiries of additional personnel and/or written documentation. Therefore, accessibility and responsiveness of all staff to auditor inquiries will be necessary to have an efficient audit. Corroborating information often resides outside the accounting office. For example, information obtained through direct inquiry of non-Business Office department staff such as food service and community service.

Avoiding the effect of additional audit fees, the disruption associated with additional audit procedures and further report delays that may result due to lack of audit staff available to perform the unanticipated procedures requires clear communication of changes in audit circumstances and meeting schedules to all parties (auditor, management and audit committee) well in advance of audit wrap-up.

#### **SAS 112: COMMUNICATING INTERNAL CONTROL RELATED MATTERS NOTED IN THE AUDIT**

This standard includes new language and definitions with which you will need to become familiar. The standard replaces “reportable conditions” and “management points” with new terms as follows:

- **Control Deficiency**—*“A control deficiency 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 misstatements on a timely basis.”*

Items that would fall under this new definition include:

- Lack of sufficient expertise to properly apply accounting principles to the financial statements
  - Lack of control over non-routine and nonsystematic transactions such as journal entries
  - Lack of antifraud programs
  - Lack of timely financial statements
  - Errors uncovered in testing of controls during the audit
- **Significant Deficiency**—*“A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity’s ability to initiate, authorize, record, process or report financial data reliably in accordance with GAAP such that there is more than a remote likelihood that a misstatement of the entity’s financial statements, that is more than inconsequential, will not be prevented or detected by the entity’s internal control.”*

In other words, judging the impact of items like those above, singularly or collectively, could rise to such a level that, in the auditor's judgment, possible misstatements could occur in the financial statements. Strong indicators of this would be:

- Ineffective oversight of reporting or internal control by those responsible for governance
  - Restatement of prior period financials due to errors
  - Material adjustments to financial statements uncovered in the audit process, including the assessment of the reasonableness of estimates
  - Lack of serious response to prior year control deficiency
- **Material Weakness**—*“A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity’s internal control.”*

In other words, depending upon the qualitative analysis of the significant deficiencies above on the financial statements, as well as the number of such items encountered, any or all of the above could rise to the level of material weakness.

**For example**, an entity with an active audit committee that follows up on items, holds management accountable for previously identified lack of controls, but estimates an overstatement of the valuation of accounts receivable for one year. This may be assessed as a control deficiency. However, if the same estimate error occurs a second year, and the audit committee hasn't held management to a corrective action on their approach to the estimate, the control deficiency could rise to a material weakness.

You will note that these new definitions are broader and more inclusive than the previous *“reportable conditions”* and *“material weakness”* that were reported to you under SAS 60.

- Additionally, and perhaps most importantly to you, our communication of significant deficiencies and material weaknesses must be in writing. Verbal communications of deficiencies will not be acceptable. This means, these items must be included in our “management letter” (formerly SAS 60 report), which state agencies and other constituents often request.

Nothing in the new standards precludes the auditor from orally communicating additional items that he/she believes to be of potential benefit to management, such as recommendations for operational or administrative efficiency or improvement in internal controls. If management responses are included in a management letter, we will add a disclaimer according to the appropriateness or accuracy of the response.

Remember, auditor awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors from one year to the next. Therefore, taking corrective action for all of one year's findings does not guarantee that new exceptions will not present themselves the following year, even though financial procedures and controls may not have changed.

## **ADDITIONAL ITEMS**

The Auditing Standards Board of the American Institute of CPA's has issued eight new auditing standards that significantly impact the required level of audit documentation, risk assessment and manner of reporting audit findings to audit committees, or their equivalents, by financial auditors. These audit standards, 104 through 111, will impact the audit process, including the approach, predictability of audit steps, and the overall scope of work to be performed. These standards are effective for the audits of financial statements for periods beginning on or after December 15, 2006. We bring this to your attention as a matter of information to consider in planning and executing your plans for future audits.

- SAS No. 104, Amendment to Statement on Auditing Standards No. 1, Codification of Auditing Standards and Procedures ("Due Professional Care in the Performance of Work")
- SAS No. 105, Amendment to Statement on Auditing Standards No. 95, Generally Accepted Auditing Standards
- SAS No. 106, Audit Evidence
- SAS No. 107, Audit Risk and Materiality in Conducting an Audit
- SAS No. 108, Planning and Supervision
- SAS No. 109, Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement
- SAS No. 110, Performing Audit Procedures in Response to Assessed Risks and Evaluating the Audit Evidence Obtained
- SAS No. 111, Amendment to Statement on Auditing Standards No. 39, Audit Sampling

These Statements establish standards and provide guidance concerning the auditor's assessment of the risks of material misstatement (whether caused by error or fraud) in a financial statement audit, and the design and performance of audit procedures whose nature, timing, and extent are responsive to the assessed risks. Additionally, the Statements establish standards and provide guidance on planning and supervision, the nature of audit evidence, and evaluating whether the audit evidence obtained affords a reasonable basis for an opinion regarding the financial statements under audit.

The primary objective of these Statements is to enhance auditors' application of the audit risk model in practice by specifying, among other things:

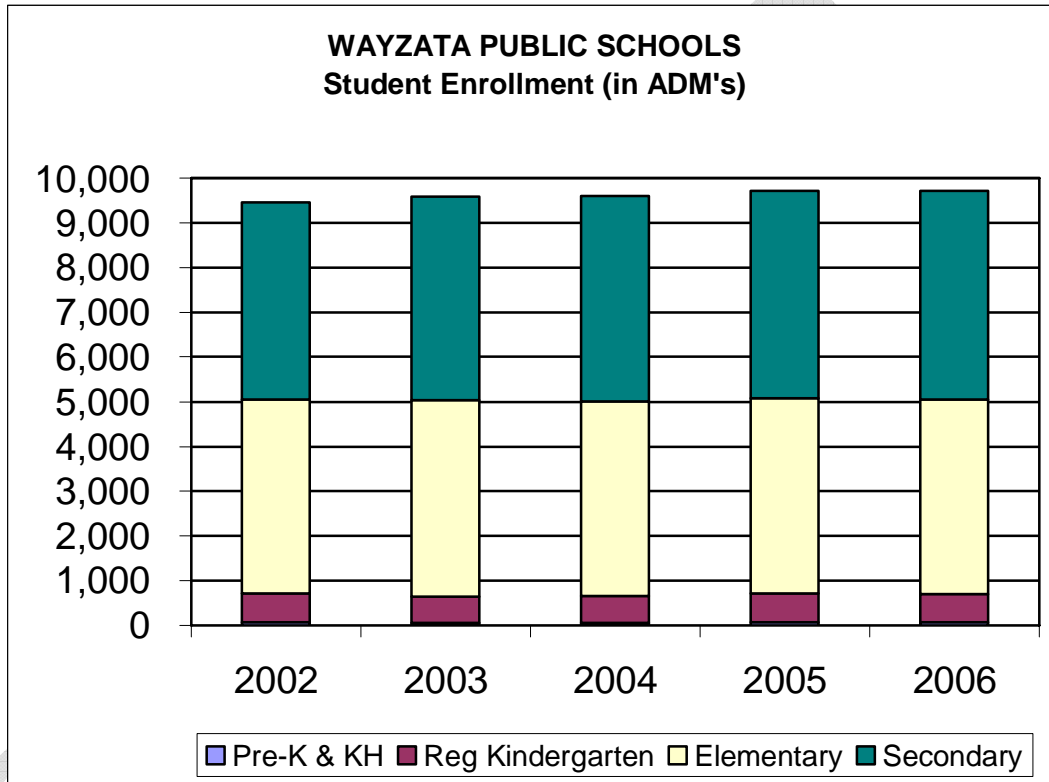
- More in-depth understanding of the entity and its environment, including its internal control, to identify the risks of material misstatement in the financial statements and what the entity is doing to mitigate them
- More rigorous assessment of the risks of material misstatement of the financial statements based on that understanding
- Improved linkage between the assessed risks and the nature, timing, and extent of audit procedures performed in response to those risks

# APPENDIX A

## FINANCIAL TRENDS OF YOUR DISTRICT

Within this report there are a number of areas where condensed financial statement data has been presented. The last page of this document (Appendix E) contains an Independent Auditor's Report on Condensed Financial Statements Included Herein that should be considered when reading such condensed information.

### Student Enrollment

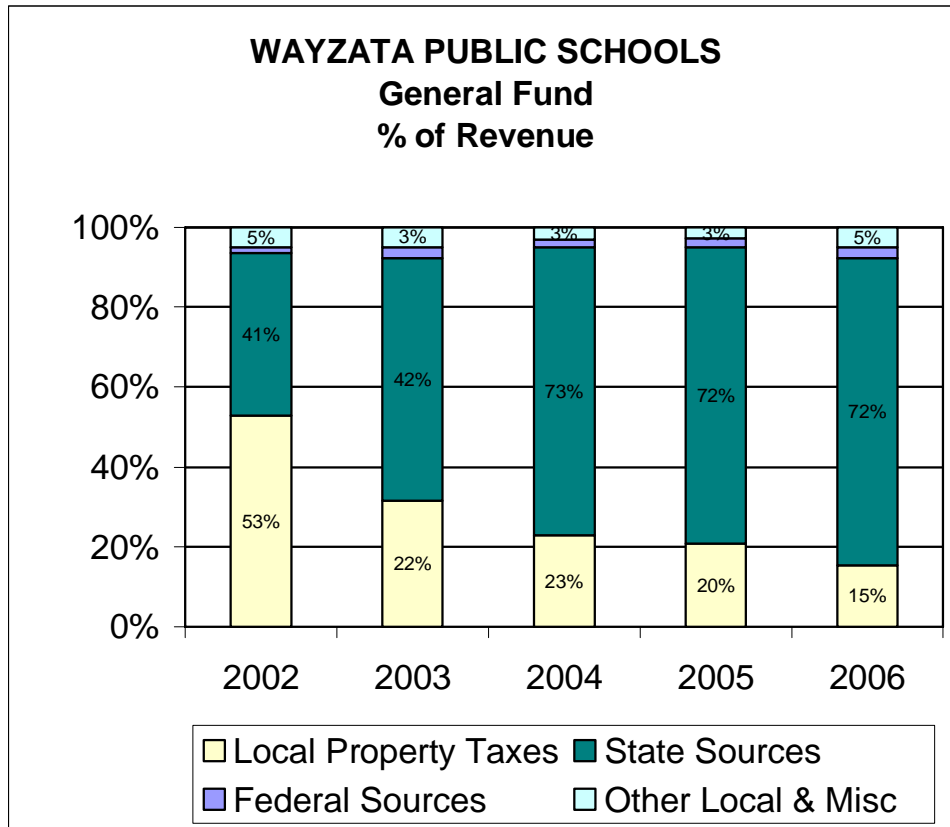


	2002	2003	2004	2005	2006
Pre-K & KH	61.86	59.94	48.60	63.23	68.95
Reg Kindergarten	581.44	611.41	642.75	630.45	638.07
Elementary	4,399.31	4,350.03	4,373.93	4,349.30	4,329.26
Secondary	4,540.66	4,586.93	4,638.27	4,667.51	4,787.90
Net ADM Served	<u>9,583.27</u>	<u>9,608.31</u>	<u>9,703.55</u>	<u>9,710.49</u>	<u>9,824.18</u>
Percent Change	3.73%	0.26%	0.99%	0.07%	1.17%

As noted in the above chart, the District's student count for fiscal 2005-06 remained essentially unchanged from the prior year.

**General Fund Revenue**

The following table and graph summarizes the District's General Fund revenue sources for the last five years.



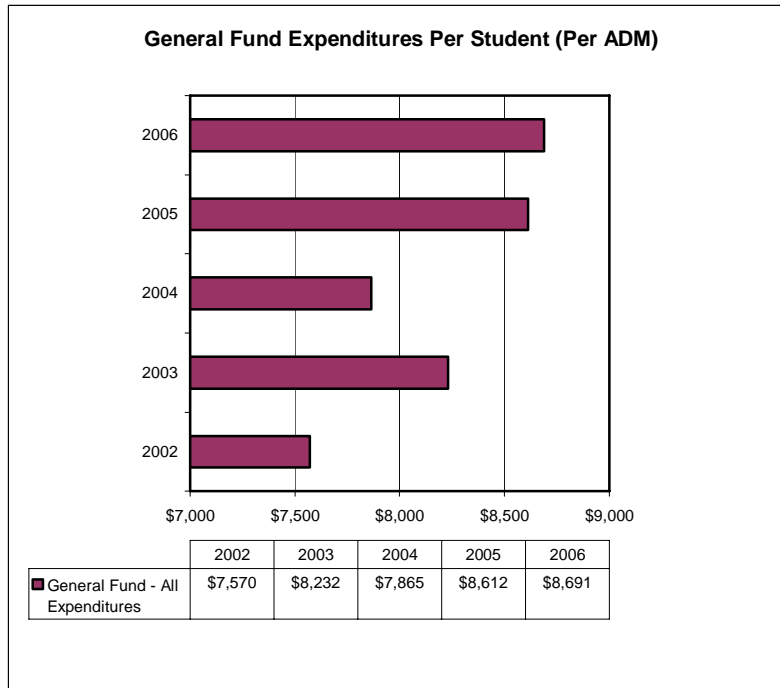
The table below illustrates the fluctuation that occurs between the taxes and state aid categories based on legislative activity. The Legislature determines what portion of the general education funding formula will be paid by local taxpayers. In addition, when the tax shift percentage changes or the state provides property tax relief such as the education homestead credit aid, this only impacts the mix between state aids and taxes and does not change total revenue.

School finance in Minnesota continues to be a very difficult subject to explain to the general public. The large change in the percentage of funding being derived from state aids versus taxes from fiscal 2002 to 2003 was the result of tax relief initiated by the legislature whereby the state took over the funding of the basic general education formula as well as the first \$415 of a school's excess cost operating referendum. In fiscal 2006, the effect of the buydown of the tax shift to 0% is reflected in the decrease in property taxes with a corresponding increase in state sources.

	2002	2003	2004	2005	2006
Local Property Taxes	53%	22%	23%	20%	15%
State Sources	42%	73%	72%	72%	79%
Federal Sources	2%	2%	2%	3%	2%
Other	3%	3%	3%	5%	4%
Total Revenues	100%	100%	100%	100%	100%

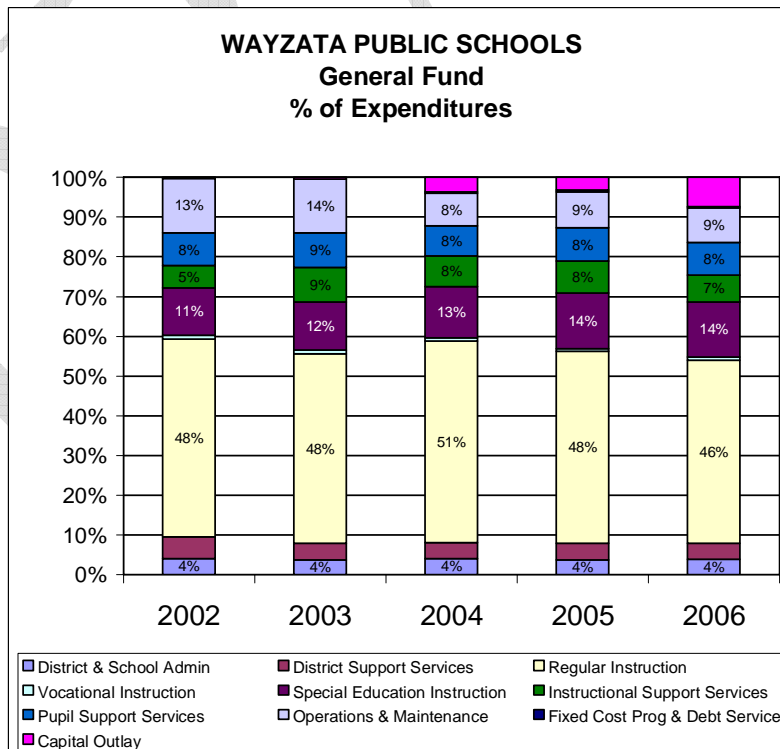
## Expenditures Per Student

Expenditures per student (average daily membership) are summarized in the following graph.

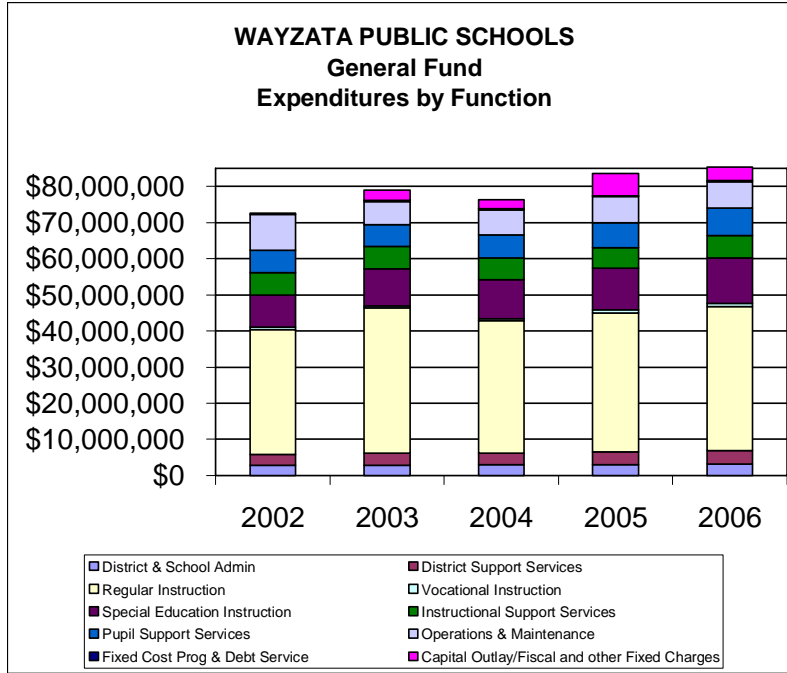


General Fund expenditures for fiscal 2006 were \$85,380,129 which represents an increase of \$1,748,557 or 2.1% from fiscal 2005.

The following schedule shows total expenditures of the General Fund by program type:



**Expenditures Per Student (Continued)**



	2002	2003	2004	2005	2006
District & School Admin	\$ 2,802,200	\$ 2,913,717	\$ 3,004,214	\$ 3,098,903	\$ 3,212,666
District Support Services	2,987,719	3,225,611	3,118,392	3,414,628	3,670,312
Regular Instruction	34,587,244	40,247,200	36,818,249	38,555,114	39,982,100
Vocational Instruction	722,305	628,944	552,176	751,596	705,369
Special Education Instruction	8,795,937	10,270,350	10,679,661	11,566,284	12,636,066
Instructional Support Services	6,213,554	6,137,942	6,079,368	5,675,656	6,197,509
Pupil Support Services	6,295,434	5,941,347	6,407,440	6,849,023	7,619,936
Operations & Maintenance	9,849,830	6,514,523	6,890,531	7,272,144	7,337,607
Capital Outlay	293,543	2,911,515	2,395,172	6,124,600	3,649,451
Fixed Cost Prog & Debt Service	-	302,648	370,560	323,624	369,113
<b>Total Expenditures</b>	<b>\$72,547,766</b>	<b>\$79,093,797</b>	<b>\$76,315,763</b>	<b>\$83,631,572</b>	<b>\$85,380,129</b>

The following chart summarizes District General Fund expenditures by object type.

	2006		Over (Under)		2005	
	Budget	Actual	Budget	%	Actual	
Salaries	\$ 47,859,688	\$ 47,569,207	\$ (290,481)	-0.6%	\$ 45,430,779	
Employee Benefits	15,768,047	15,943,404	175,357	1.1%	15,572,747	
Purchased Services	14,887,926	14,473,446	(414,480)	-2.8%	12,853,285	
Supplies and Materials	3,674,777	3,626,110	(48,667)	-1.3%	3,526,008	
Capital Expenditures	3,090,431	3,649,451	559,020	18.1%	6,124,600	
Other Expenditures	1,772,776	118,511	(1,654,265)	-93.3%	124,153	
<b>Total Expenditures</b>	<b>\$ 87,053,645</b>	<b>\$ 85,380,129</b>	<b>\$ (1,673,516)</b>	<b>-1.9%</b>	<b>\$ 83,631,572</b>	

## General Fund Operations and Financial Position

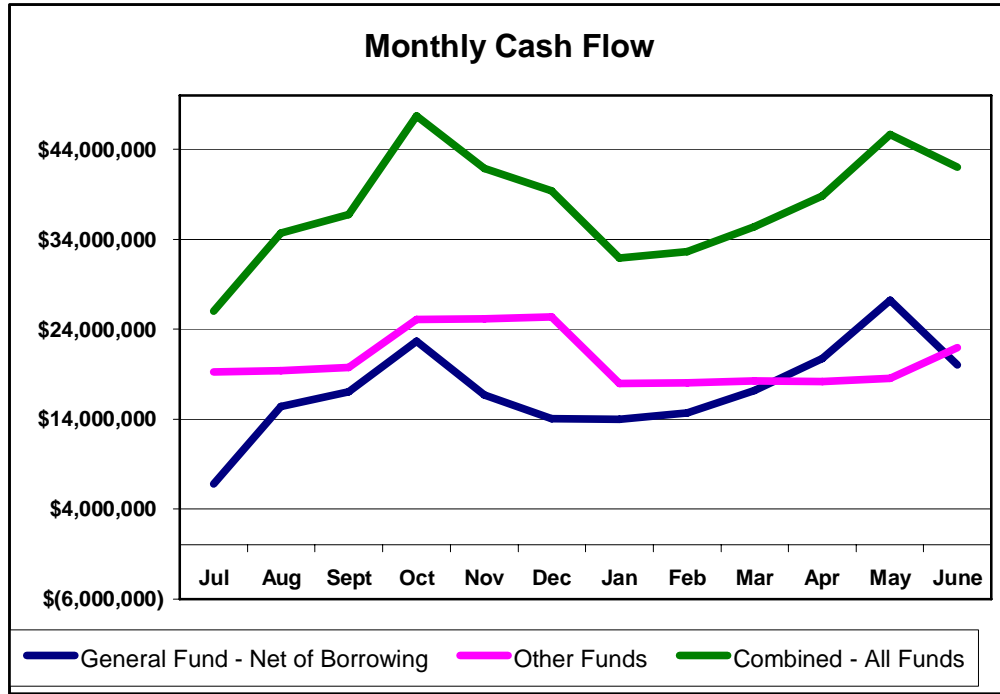
The following table presents five years of comparative operating results for the District's General Fund.

	Year Ended June 30,				
	2002	2003	2004	2005	2006
Revenues	\$ 72,499,097	\$ 82,342,245	\$ 79,047,742	\$ 82,116,392	\$ 85,915,552
Expenditures	<u>72,547,766</u>	<u>79,093,797</u>	<u>76,315,763</u>	<u>83,631,572</u>	<u>85,380,129</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(48,669)	3,248,448	2,731,979	(1,515,180)	535,423
Other Financing Sources (Uses):					
Sale of Equipment Proceeds	-	-	-	1,380	3,844
Insurance Recovery Proceeds	-	-	-	98,392	1,576
Capital Lease Proceeds	-	-	3,645,000	-	224,178
Operating Transfers (Out)	-	-	(581,796)	(328,204)	(542,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,063,204</u>	<u>(228,432)</u>	<u>(312,402)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(48,669)	3,248,448	5,795,183	(1,743,612)	223,021
Fund Balance:					
Beginning of Year	<u>7,499,184</u>	<u>7,450,515</u>	<u>10,698,963</u>	<u>16,494,146</u>	<u>14,750,534</u>
End of Year	<u>\$ 7,450,515</u>	<u>\$ 10,698,963</u>	<u>\$ 16,494,146</u>	<u>\$ 14,750,534</u>	<u>\$ 14,973,555</u>
Reserved and Designated Fund Balance	\$ 3,338,335	\$ 5,164,250	\$ 9,794,662	\$ 7,754,109	\$ 8,238,432
Unreserved-Undesignated Fund Balance	<u>4,112,180</u>	<u>5,534,713</u>	<u>6,699,484</u>	<u>\$ 6,996,425</u>	<u>\$ 6,735,123</u>
Total Fund Balance	<u>\$ 7,450,515</u>	<u>\$ 10,698,963</u>	<u>\$ 16,494,146</u>	<u>\$ 14,750,534</u>	<u>\$ 14,973,555</u>
Unreserved-Undesignated Fund Balance as a Percentage of Expenditures	<u>5.67%</u>	<u>7.00%</u>	<u>8.78%</u>	<u>8.37%</u>	<u>7.89%</u>

The District's General Fund had an excess of revenues over expenditures and other financing uses of \$223,021 for fiscal 2006, bringing total fund balance to \$14,973,555 at June 30, 2006. Total fund balance includes a net of \$6,862,923 in reserved accounts as prescribed by state statute plus an additional \$1,375,509 in designated accounts. That leaves an unreserved-undesignated fund balance of \$6,735,123 at year-end.

**General Fund Operations and Financial Position (Continued)**

Some of the primary reasons it is essential for a district to maintain an adequate fund balance in the General Fund are to provide cash flow and to provide some cushion against unanticipated variances such as in enrollment estimates, special education tuition costs, and other similar variables. Due to the timing in which the District receives its tax settlements and state aid payments, there are times during the year when the District must depend on its cash reserves to finance operations. The following graph summarizes the monthly level of cash and investments during fiscal year 2006 (excluding building construction and internal service fund activity):



The graph above shows the peaks and valleys of the District's cash and investment balances over the course of the past fiscal year. While most Minnesota school districts have been forced to rely on short-term borrowing to meet cash requirements when they are due, Wayzata Public Schools has had an adequate cash supply. The District did not use short-term borrowing for fiscal 2005-06 or in recent years.

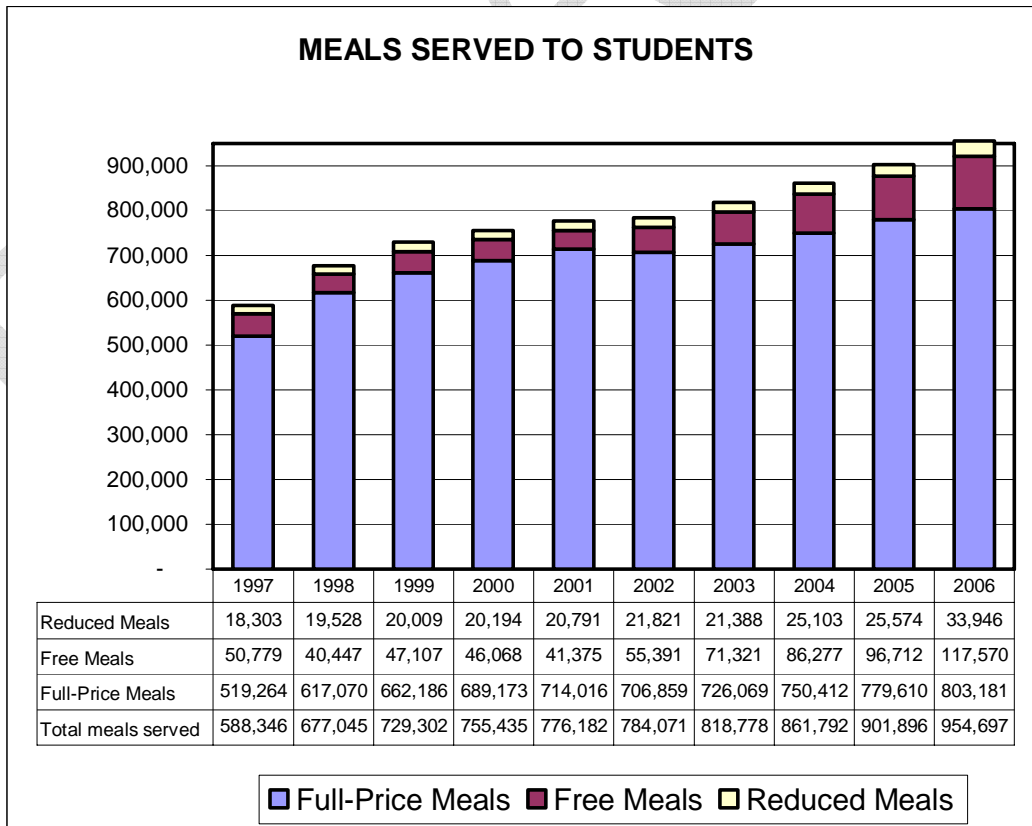
## Food Service Fund

The following chart reflects the growth of the food service program over the past five years:

	Year Ended June 30,				
	2002	2003	2004	2005	2006
Revenues	\$ 3,450,595	\$ 3,616,138	\$ 3,896,461	\$ 4,015,842	\$ 4,378,522
Expenditures	3,337,802	3,522,257	4,192,288	3,876,502	4,278,633
Excess (Deficiency) of Revenues Over (Under) Expenditures	112,793	93,881	(295,827)	139,340	99,889
Fund Balance					
Beginning of Year	944,958	1,057,751	1,151,632	855,805	995,145
End of Year	\$ 1,057,751	\$ 1,151,632	\$ 855,805	\$ 995,145	\$ 1,095,034
Lunches Served to Students	784,071	818,778	861,792	901,896	954,697
Revenue per Lunch Served	\$ 4.40	\$ 4.42	\$ 4.52	\$ 4.45	\$ 4.59

Total expenditures exceeded total revenues by \$99,889 in the District's Food Service Fund for 2006, resulting in an ending fund balance of \$1,095,034 at June 30, 2006. Total actual revenue was higher than the budgeted amount by \$363,994. Total expenditures were also higher than the budgeted amount by \$277,058. The net impact of these variances was to increase the fund balance of the Food Service Fund by \$88,436 more than had been reflected in the adopted budget.

The following chart reflects the number and type of meals served to students over the past ten years:



## Community Service Fund

The following table presents five years of comparative operating results for the District's Community Service Fund:

	Year Ended June 30,				
	2002	2003	2004	2005	2006
Revenues	\$ 4,692,212	\$ 4,820,528	\$ 5,270,221	\$ 5,593,845	\$ 6,329,330
Expenditures	5,087,261	4,966,775	5,056,930	5,707,625	6,064,317
Excess (Deficiency) of Revenues Over (Under) Expenditures	(395,049)	(146,247)	213,291	(113,780)	265,013
Fund Balance:					
Beginning of Year	1,120,811	725,762	579,515	792,806	679,026
End of Year	\$ 725,762	\$ 579,515	\$ 792,806	\$ 679,026	\$ 944,039
Fund Balance					
Reserved for Comm Educ	\$ 541,354	\$ 410,857	\$ 619,023	\$586,850	\$877,131
Reserved for ECFE	147,060	103,096	111,885	55,304	\$44,344
Reserved for School Readiness	22,231	27,743	21,767	25,595	\$2,242
Unreserved/Undesignated	15,117	37,819	40,131	11,277	\$20,322
Total Fund Balance	\$ 725,762	\$ 579,515	\$ 792,806	\$ 679,026	\$ 944,039

The District's Community Service Fund had an excess of revenues over expenditures of \$265,013 for fiscal 2006, bringing the combined fund balance to \$944,039 at June 30, 2006. The fund balance reserves for Community Ed, ECFE and school readiness are limited by statute to 25% of program expenditures so it important to continue monitoring those balances carefully to ensure that no funding is lost for those programs.

Total revenues of the District's Community Service Fund for 2006 were \$274,225 (or 4.5%) higher than the budgeted amount while total expenditures were over budget by \$214,984 (or 3.7%). As a result, total fund balance increased by \$59,241 more than had been reflected in the budget.

## APPENDIX B

The table below reflects the three main sources of funding available to Minnesota school districts. Revenues for all funds are included except for proceeds from the sale of real property and equipment, insurance recoveries, sales of bonds, loans and interfund transfers.

### Sources of Revenue

	Statewide		Seven County Metro Area		ISD No. 284 Wayzata		
	2004	2005	2004	2005	2004	2005	2006
	Federal	8%	8%	7%	8%	2%	3%
State	68%	70%	64%	67%	57%	58%	64%
Local and Other	24%	22%	29%	25%	41%	39%	34%
	<u>100%</u>	<u>100%</u>	<u>99%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Source of Statewide and Seven-county Metro Area Data: School District Profiles report published by the Department of Education

As the table reflects, for ISD No. 284 Wayzata, due to property values, a higher percentage of the available funding has historically been derived from local taxpayers than is true for either the metro-area or on a statewide basis. An important aspect of this difference also relates to the amount of excess operating referendum revenue that the District accesses through the local levy.

The table below reflects the comparative data available from the Minnesota Department of Education for all expenditures incurred for the benefit of pre-elementary through secondary education, except expendable trust fund activity.

### Expenditures Per Student (ADM) Served

	Statewide	Seven-county Metro Area	ISD No. 284 Wayzata		
	2005	2005	2004	2005	2006
District and School Admin and Support Services	\$ 726	\$ 694	\$628	\$668	\$699
Regular Instruction (including Co- & Extra-Curricular)	4,054	4,159	3,779	3,955	4,059
Vocational Instruction (Career & Technical)	130	124	57	77	72
Special Education Instruction	1,533	1,687	1,096	1,187	1,283
Instructional Support Services	382	445	624	582	629
Pupil Support Services (including Transportation)	710	771	658	703	774
Operations & Maintenance and Other	716	674	745	779	745
Total General Fund	8,251	8,554	7,588	7,951	8,259
Food Service	387	391	380	390	434
Community Service	407	510	519	586	616
Capital Expenditure	431	359	443	733	370
Debt Service	833	920	1,233	1,204	1,331
Total Pre-K - 12 Expenditures	\$ 10,309	\$ 10,734	\$ 10,163	\$ 10,863	\$ 11,010
Percent Change from Prior Year				6.89%	1.35%

Source of Statewide and Seven-county Metro Area Data: School District Profiles published by the MN Dept of Education

District & school admin and support services - all costs related to providing administration to the District (school board, superintendent, principals, assistant superintendents, directors of instructional areas, etc.) and all central office administration (business services, human resources, legal, data processing, other district-wide support activities)

Regular instruction - includes all activities dealing directly with the teaching of pupils including co-curricular and extra-curricular activities and the interaction between teachers and pupils in the classroom (excluding exceptional, vocational and community education instruction) and includes activities of aides or assistants of any type (paraprofessionals, clerks, graders, etc.) who assist in the educational process, except spec ed aides

Vocational instruction - consists of costs related to courses and activities which develop knowledge, skills, attitudes and behavioral characteristics for students seeking career exploration and employability

Special education instruction - consists of activities providing learning experiences for pupils of any age, who because of certain atypical characteristics or conditions, have been identified as requiring, or who would benefit by, educational programs differentiated from those provided pupils in regular or vocational instruction

Instructional support services - activities for assisting instructional staff with content and process of providing learning experiences for pupils in K-12 (curriculum, staff dev, educ media, libraries and media centers, etc.)

Pupil support services - all services to pupils not classified as instructional (counseling & guidance, health services, psychological services, social work, etc.)

Operations and maintenance - activities related to the operation, maintenance, repair and remodeling of all physical plant, facilities and grounds of the District

Food Service - all costs of the Food Service Fund

Community service - all costs of the Community Service Fund

Capital Expenditures - all capital expenditures charged to operating funds

Debt service - all Debt Service Fund costs (principal, interest and fiscal agent costs--excluding refunding bond payments)

# APPENDIX C

## LEGISLATIVE ACTIVITY

The 2006 Legislative session was fairly uneventful for Minnesota K-12 finance. After years of reductions, the early education formula and the adult basic education formula were given a boost in funding, however, the tax committee did not provide any property tax relief for schools. Conferees agreed on eliminating the marriage penalty and reducing the alternative minimum tax rather than reducing property taxes, even though reducing the K-12 capital expenditure levy had been proposed by both bodies.

Throughout the State, we're seeing a significant increase in the number of business manager positions that either have changed over or will be changing over due to pending retirements, movements between districts or just leaving positions for opportunities outside of K-12 public education. These positions are often getting more and more difficult to fill with experienced personnel, yet education funding and finance continues to get ever more complex. To alleviate the potential for problems related to the turnover of key finance personnel, we continue to emphasize the importance of appropriate financial planning and forecasting, the necessity for good budget development and monitoring methodologies and the need for cash flow planning in response to the ongoing complexity of education funding formulas, however, each of these areas should also include the involvement of multiple personnel and board members and require appropriate documentation of underlying assumptions and source documents. What follows are some education-related highlights of recent legislative sessions as summarized from information made available by the Minnesota Department of Education and the Minnesota House of Representatives.

### GENERAL EDUCATION

#### Formula Allowance

The 2006 legislature did not change the basic formula allowance. The basic formula allowance that had been \$4,601 per adjusted marginal cost pupil unit since fiscal 2003, was increased by the 2005 Legislature by 4% (\$182) to \$4,783 per pupil unit for fiscal year 2006, and an additional 4% (\$191) to \$4,974 per pupil unit for fiscal year 2007 and later.

No changes were made in the calculation of adjusted marginal cost pupil units--grade level pupil unit weightings and the 77% current year / 23% prior year marginal cost pupil unit calculations for declining enrollment districts remain unchanged.

No changes were made in the linkage of other formulas to the general education formula: compensatory, operating sparsity, transportation sparsity, PSEO, shared time, contract alternative, nonpublic pupil, and tribal contract aids all continue to be calculated using the current formula allowance, and thereby receive a 4% increase each year of the biennium. Extended time revenue, which is not linked to the formula, does not receive an inflationary increase, and continues to be calculated using a formula allowance of \$4,601.

#### Gifted and Talented Revenue

The 2005 Legislature had created a new component of general education revenue called "gifted and talented revenue." The revenue was set equal to \$4 times a district's adjusted marginal cost pupil units for fiscal year 2006 and \$9 times a district's adjusted marginal cost pupil units for fiscal year 2007 and later. A school district is required to reserve gifted and talented revenue and spend the revenue only to:

- (1) identify gifted and talented students
- (2) provide education programs for gifted and talented students
- (3) provide staff development to prepare teachers to best meet the unique needs of gifted and talented students

### **Quality Compensation for Teachers Revenue**

The 2005 Legislature initiated the Quality Compensation for Teachers program (Q-comp). The Q Comp program has five components: career ladders for teachers, job-embedded professional development, instructional observations and standards-based assessments, measures to determine student growth, and alternative teacher compensation or performance pay. Beginning in fiscal year 2006, school districts, charter schools, and intermediate districts that had fully implemented an alternative teacher professional pay system by October 1 of that school year were eligible for alternative teacher compensation revenue.

For fiscal year 2006, the Q comp revenue and aid equaled \$260 times the October 1 enrollment for the previous fiscal year. For a district where only selected sites participated, the calculation was based on the enrollment at those sites on October 1 of the previous fiscal year. For fiscal year 2007 and later, the total alternative teacher compensation revenue remains \$260 times the October 1 enrollment for the previous fiscal year, but a portion of the revenue is funded with an equalized local levy.

The state total basic alternative compensation aid was limited to \$19,329,000 for fiscal year 2006 and \$75,636,000 for fiscal year 2007 and later. The limit on basic alternative compensation aid also limits the total alternative teacher compensation revenue, since only those districts qualifying for aid are allowed to levy. This limits participation in the program to school districts, charter schools and intermediates accounting for 9% of the state total enrollment for fiscal 2006 and 48% of the state total enrollment in fiscal 2007 and later.

In general, the Commissioner must approve applications on a first come, first served basis. However, there are exceptions to this rule as there are limits on the total dollar amount of basic alternative compensation aid that can be directed toward three separate constituencies, namely charter schools, rural Minnesota districts and the seven-county metro area.

The transition period for districts that participated in the old alternative teacher compensation revenue program in fiscal 2005 was extended to include fiscal years 2008 and 2009. During the transition period, these districts may continue to receive funding under the fiscal 2005 formula, not to exceed the district's fiscal 2005 alternative teacher compensation aid, if the district continues to participate in the old program. This creates a small savings in the state budget for fiscal years 2008 and 2009, because the aid is charged against the basic aid limit for the Q Comp program, and the participating districts do not qualify for \$70 equalized levy that would otherwise go to districts participating in Q Comp.

### **Equity Revenue**

The 2005 Legislature also added new components to equity revenue. For fiscal 2006 and later, districts with referendum revenue per Resident Marginal Cost Pupil Unit (RMCPU) less than 10 percent of the state average receive additional revenue to bring the district up to the 10 percent level. However, a district cannot receive more than \$100,000 under this provision. Since the estimated state averages are \$560 per RMCPU for fiscal 2006 and \$670 per RMCPU for fiscal 2007, a district with no referendum revenue would receive an increase of \$56 per RMCPU for fiscal 2006 and \$67 per RMCPU for fiscal 2007 (not to exceed \$100,000 per year). For fiscal 2006 only, this component was funded entirely with state aid.

For fiscal 2006 and later, the equity revenue for metro districts, (excluding the revenue under the \$46 / \$23 provision described below), was increased by 25 percent. For fiscal 2006 only, this component was funded entirely with state aid. For fiscal 2007 and later, districts with referendum revenue per adjusted marginal cost pupil unit (AMCPU) below the regional (metro or rural) 95<sup>th</sup> percentile will receive additional equity revenue equal to \$46 times the AMCPU, while districts with referendum revenue above the regional 95<sup>th</sup> percentile will receive additional equity revenue equal to \$23 times the AMCPU. This provision applies to all districts, including Minneapolis, St. Paul and Duluth, which do not otherwise receive equity revenue.

### **Operating Capital Revenue**

During the 2005 legislative session, the equalizing factor for operating capital was lowered from \$22,222 to \$10,700 for fiscal year 2007 and later. The result was a substantial levy increase for this component of the general education formula.

### **Referendum Revenue**

The 2005 Legislature increased the general referendum allowance limit from (a) the greater of 18.6 percent of the basic formula allowance or the product of \$855.79 per pupil unit times an inflation factor to (b) the greater of 26 percent of the basic formula allowance or the product of \$1,294 per pupil unit times an inflation factor. For fiscal 2007, the updated estimated inflation factor over the fiscal 2004 base is 1.0955 (previously estimated at 1.0735), which generates a general referendum allowance limit of \$1,417.58 (previously estimated at \$1,389.11 per pupil unit) when applied to the \$1,294 base amount. The inflation adjustment ratio for fiscal 2008 is currently estimated at 1.1157 (11.57% increase over the fiscal 2004 base). This estimate increases the standard cap to \$1,443.72 and will be used to calculate referendum levy authority for Pay 07 taxes (revenue for fiscal 2008).

The alternative maximum allowance for districts that were capped in 1994 had been adjusted upwards by \$200 per pupil unit by the 2005 Legislature. In addition, the dollar amount of the first tier of referendum equalization was increased from \$500 to \$600 per pupil unit for fiscal year 2007, and to \$700 per pupil unit for fiscal year 2008 and later.

Operating referendum ballot language now allows districts to specify that the referendum amount per pupil stated on the ballot can increase annually with inflation, rather than having to have specific dollar amounts stated. The inflationary factor used in this calculation is the consumer price index (CPI) for urban consumers.

### **One-Time Energy Assistance**

One-time energy assistance of \$3.67 per pupil unit was provided for fiscal 2006 for heating fuel or other energy costs at a cost of approximately \$3.5 million.

### **Student Crisis Management/Exits**

A district is required to provide at least five lock-down drills, five fire drills, and one tornado drill and is prohibited from locking any exits.

### **UFARS Data Converted to a Consolidated Financial Statement**

MDE is directed, in consultation with the Advisory Committee on Financial Management, Accounting and Reporting, to develop and maintain a school district consolidated financial statement format that converts UFARS data into a more consumer-friendly product. The consolidated financial statement must be published on the Department's web site by January 15 of the next fiscal year, effective for fiscal 2006 year-end financial statements.

### **On-Line Learning Parameters**

Students with IEPs are permitted to access on-line learning. Under current law it must be included in the IEP.

### **Limits on Liability Claims Against School Districts**

The legislature placed limits state and municipal tort liability damages awards to that of a single entity for a claim brought against one or more entities participating in a joint venture or joint enterprise under the joint powers statute, Minnesota Statutes, Section 471.59. Also, provides for gradual increases in the caps on total liability claims against school districts – effective January 1, 2008.

### **Unemployment Levy Clarification**

The Department clarified the calculation of the unemployment insurance levy for districts with a balance remaining in their reserve for reemployment as of June 30, 2003, consistent with past Department practice. These districts may not expend the reserved funds for future reemployment expenditures. Each year a levy reduction must be made to return these funds to taxpayers. The amount of the levy reduction must be equal to the lesser of: (1) the remaining reserved balance for reemployment, or (2) the amount of the district's current levy.

### **Safe Schools Levy**

Beginning in fiscal 2006, districts are required to reserve safe schools levy revenue. Clarifies that the requirement to initially attempt to contract with the police or sheriff's department serving the area where the school is located merely creates a priority for those departments over contracts with other local police or sheriff's departments, and does not interfere with a district's discretion to use safe schools levy funds for other crime prevention, drug abuse prevention, student and staff safety and violence prevention measures taken by the school district.

### **Pupil Transportation**

Definitions – Regular Transportation – Beginning in fiscal 2006 a district is allowed to designate a "school day care facility" as the home of the pupil for part or all of the day.

District Transportation Reports – Clarifies that employees working part-time on transportation as a transportation director, assistant to a transportation director, or providing direct transportation services must maintain documentation of time spent on pupil transportation matters.

Transportation Notification from Charter Schools – By March 1 of each fiscal year (July 1 for a charter school's first operational year), a charter school must notify the district in which the school is located and MDE if it will provide its own transportation or use the transportation services of the district in which it is located.

Compliance by Nonpublic and Charter School Students – Requires that a nonpublic or charter school student transported by a public school district shall comply with student bus conduct and student bus discipline policies of the transporting public school district.

## **Pupil Weights**

The pupil weights used in computing weighted average daily membership that were first implemented by the 1999 Legislature will continue forward as follows:

- Pre-kindergarten disabled: remains at 1.25
- Kindergarten disabled: remains at 1.00
- Regular kindergarten: remains at 0.557
- Grades 1 - 3: remains at 1.115
- Grades 4 - 6: remains at 1.06
- Grades 7 - 12: remains at 1.30

There had previously been a reduction in pupil counts that resulted from the capping of Learning Year pupil units at 1.2.

## **Marginal Cost Pupil Units**

The 2000 Legislature changed the calculation of marginal cost pupil units to include a hold-harmless feature whereby schools get the greater of a) 100% of the current year enrollment, or b) 77% current year, 23% prior year. This change applied to both the adjusted marginal cost pupil units (AMCPU) used for most general education revenue calculations and to the resident marginal cost pupil units used in computing operating referendum revenue.

## **Property Tax Levy Recognition Shift**

Much of the tax shift language was eliminated from statute, because the funds were available to complete the buyback of property tax recognition shifts. The buyback of the property tax shift involves districts getting the use of their cash back, but does not increase the revenue of the district. The language that carries forward includes the sum of:

- a. 31% of the Pay 2001 referendum levy, plus
- b. 100% of the following levies: integration levies for first-class cities; unemployment insurance levies; health insurance, health benefits and certain retirement levies; career and technical levy; and levy adjustments for law changes.

Related to the buyback of the property tax shift, there were also sufficient funds available to re-set the state aid payment schedule to 90%/10%.

## **Special Education Tuition Billing**

Q Comp revenue is excluded from the definition of general education revenue used in tuition billing calculations, to avoid penalizing districts that receive this revenue.

Intermediate school districts, joint powers special education cooperatives, and host district special education cooperatives that served as the applicant agency for federal special education aid in fiscal 2006 are exempted from uniform special education tuition billing for fiscal 2006. These agencies are allowed to apply for a waiver from the uniform special education tuition billing calculations and aid adjustments for fiscal 2007. The Commissioner must grant a waiver within 30 days after the applicant agency submits information documenting the agency's special education tuition calculation methodology, and sufficient data to determine how the agency's actual tuition calculations for each student differ from the amounts that would have been calculated using the uniform methodology.

### **Special Education Maintenance of Effort**

The Department is required to reduce the general education aid paid to a school district or charter school that failed to meet federal special education maintenance of effort for the previous fiscal year by the amount that must be paid to the federal government due to the shortfall. The amounts recovered under this section must be paid to the federal government to meet the state's obligations resulting from the district's or charter school's failure to meet federal special education maintenance of effort. MDE previously reduced the federal special education aid for districts failing to maintain effort; however, federal auditors have required repayment from state and local funds instead of federal funds.

### **Deferred Maintenance Revenue**

The 2005 Legislature created an equalized deferred maintenance levy for smaller districts that do not qualify for the alternative facilities bonding and levy program. Beginning in fiscal 2008 (on the Pay 07 Levy Certification), the maximum revenue is set at \$60 per adjusted marginal cost pupil unit times the lesser of one or the ratio of the district's average building age to 35 years. The levy is spread against net tax capacity, and is equalized at \$5,900 of ANTC per AMCPU. The revenue must be maintained in a reserve account and can only be used for expenditures that would be eligible for the alternative facilities program.

### **Budget Publication**

The deadline for the required budget publication was changed from October 1 to the earlier of November 30 or one week after school board acceptance of the final audit report, to ensure that the budget publication reflects final audited data for the previous fiscal year. Allows a district to publish its budget information on the district web site, instead of the local newspaper, if the district publishes an announcement in the newspaper that includes the Internet address where the information has been posted.

### **Education Excellence**

AP/IB - A program was established to increase the number of students participating in pre-IB/AB and IB/AP programs, by increasing the availability to a more diverse population and increasing the number of low income and other disadvantage students enrolling and successfully completing IB/AP classes. Districts or charter schools that apply may receive up to \$85 times the number of pupils at the site on October 1, of the previous year; or the approved supplemental expenditures based on the budget submitted. Funding may be used for:

- Teacher training and instruction to more effectively serve students, including low income and other disadvantaged students, who participate in AP/IB
- Further develop advanced placement courses or programs
- Improve the transition from between grade levels to better prepare students, including low income and other disadvantage students
- Purchase books and supplies, pay course or program fees
- Increase students' participation in and success with advanced placement programs
- Expand students' access to pre-advanced placement or advanced placement course or programs through online learning
- Hire licenses personnel to teach additional AP classes
- Engage in other directly related activities that will expand students' access or increase successful completion of the AP programs

Each district must provide an annual report. A total of \$1 million is appropriated on a one-time basis (there is no base funding for fiscal 2008) to expand the number of students.

Mandarin Chinese – Allows the Commissioner to contract with a qualified Minnesota public entity to develop and/or expand a Chinese language curriculum.

Character Development Education Revenue Pilot Program – Districts will be able to receive \$30 per pupil unit for approved character development programs. The curriculum must include:

- Age appropriate character development for the classroom in all elementary and secondary grades
- Curriculum for extracurricular activities
- Teacher training
- Plans for school assemblies
- Midyear consulting between the school district and the provider
- Assessment program

The Commissioner must use an approved provider and applicants must agree to use the program of the approved provider. This is a one-time appropriation.

### **Early Childhood Developmental Screening**

Some adjustments to and clarification of reimbursement for developmental screenings were made as follows: \$50 for a child screened at age 3; \$40 for a child screened at age 4; \$30 for child screened at a 5 or 6 prior to kindergarten and \$30 for a student screened within 30 day after first enrolling in public kindergarten if the student has not been previously screened. Aid cannot be paid for any student who is screened more than 30 days after the first day of attendance in kindergarten, except in cases where a student transfers to another public kindergarten within 30 days of enrollment.

### **ECFE Revenue**

The revenue for ECFE was increased from \$104 to \$112 for fiscal 2007 and later.

### **Adult Basic Education (ABE) Revenue**

The bill requires programs to submit student contact hours for programs that offer adult high school diplomas according to eligibility requirements established by the commissioner. The state aid for ABE is increased by 3% for fiscal 2007 and beyond.

### **Adult Literacy Grants for Recent Immigrants**

A total of \$1.25 million was provided for fiscal years 2007 and 2008 for a grant program to meet the English language needs of unanticipated refugees and immigrants to the state. The Commissioner must consult with ABE providers in establishing the grant program.

### **School Lunch**

The school lunch aid was increased from 10 cents to 10.5 cents.

## APPENDIX D

### FORMAL REQUIRED COMMUNICATIONS

Board of Education  
Independent School District No. 284  
Wayzata Public Schools

We have audited the financial statements of Independent School District No. 284 (the District) as of and for the year ended June 30, 2006, and have issued our report thereon dated November 17, 2006. Professional standards require that we provide you with the following information related to our audit.

#### **Our Responsibility Under U.S. Generally Accepted Auditing Standards and OMB Circular A-133**

As stated in our engagement letter dated May 1, 2006, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance about whether the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with OMB Circular A-133, we examined, on a test basis, evidence about the District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on the District's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the District's compliance with those requirements.

### **Other Information in Documents Containing Audited Financial Statements**

We provide no opinion or assurance on any information prepared by management that accompanies the District's audited financial statements.

### **Significant Accounting Policies**

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year audited. We noted no transactions entered into by the District during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

### **Accounting Estimates**

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

- Due from Minnesota Department of Education
- Due from the Federal Government through the Minnesota Department of Education
- Claims Incurred but Not Reported
- Early Retirements Incentive and Severance Benefits Payable
- Estimated Useful Lives of Depreciable Capital Assets

Management's estimate of Due from Minnesota Department of Education is based on amounts anticipated to be received from the state for various aid entitlements for fiscal 2005-06. The most significant of these is the aid portion of General education revenue. General education revenue and certain other revenues are computed by applying an allowance per student to the number of students served by the District. Student attendance is accumulated in a statewide database – MARSS. Because of the complexity of student accounting and because of certain enrollment options, student information is input by other school districts and the MARSS data for fiscal year 2006 is not finalized until well into fiscal year 2007. General education revenue and certain other revenues are computed using preliminary information on the number of students served in the resident district and also utilizing some estimates, particularly in the area of enrollment options. Management expects that any differences between estimates and actual will be insignificant.

Management's estimate of Due from the Federal Government through the Minnesota Department of Education is based on expenditure data reported under federal programs by the District for reimbursement from the Minnesota Department of Education.

Management's estimate of Claims Incurred but Not Reported in its Self-Insurance Fund is based on data reported to the District by the plan administrator.

**Accounting Estimates and Management Judgments (Continued)**

Management's estimate of Early Retirement Incentive and Severance Benefits Payable is based on certain assumptions made by the District. As required by GASB Statement No. 16, the District has recorded a liability in long-term debt for accumulated sick leave convertible to early retirement pay for which it is probable the employees will be compensated. The "vesting method" used by the District to calculate this liability is based on assumptions involving the probability of employees becoming eligible to receive the benefits (vesting), the potential use of accumulated sick leave prior to termination, and the age at which such employees are likely to retire, as calculated ultimately by an independent actuary. The benefits that have been accumulated to pay such benefits have also been taken into consideration.

Management's estimate of useful lives for depreciable assets is based on guidance recommended by the Minnesota Department of Education and other sources. The useful life of a depreciable asset determines the amount of depreciation that will be recorded in any given reporting period as well as the amount of accumulated depreciation that is reported at the end of a reporting period.

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

**Audit Adjustments**

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us, but not recorded by the District, which could potentially cause future financial statements to be materially misstated, even though we have concluded that such adjustments are not material to the current financial statements. In addition, the attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

**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 that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

**Consultations with Other Independent Accountants**

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

**Issues Discussed Prior to Retention of Independent Auditors**

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

**Difficulties Encountered in Performing the Audit**

There were no significant difficulties encountered by us in the course of performing the audit.

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

**LARSON, ALLEN, WEISHAIR & CO., LLP**

Minneapolis, Minnesota  
November 17, 2006

DRAFT

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
SUMMARY OF UNRECORDED ADJUSTING ENTRIES  
JUNE 30, 2006**

Number	Description	Debit	Credit
1	Salary Expenditures Fund Balance	\$ 266,414	\$ 266,414
	(Proposed adjustment to reflect removal of compensated absences from General Fund Statements in prior year to fund balance rather than salary expenditures)		
2	Salary Expenditures Fund Balance	22,188	22,188
	(Proposed adjustment to reflect removal of compensated absences from Food Service Fund Statements in prior year to fund balance rather than salary expenditures)		
3	Salary Expenditures Fund Balance	15,659	15,659
	(Proposed adjustment to reflect removal of compensated absences from Community Service Fund Statements in prior year to fund balance rather than salary expenditures)		
4	Revenue Fund Balance/Net Assets	14,738	14,738
	(Proposed adjustment to reflect prior year unrecorded revenue to fund balance/net assets rather than current year revenue in both Community Service Fund and government-wide		
5	Expenditures Net Assets	173,878	173,878
	(Proposed adjustment to reflect prior year unrecorded bond issuance costs to Net Assets rather than current year expenditures in government-wide statements)		

## APPENDIX E

### REPORT ON CONDENSED FINANCIAL STATEMENTS INCLUDED HEREIN

Board of Education  
Independent School District No. 284  
Wayzata Public Schools  
Wayzata, Minnesota

We have audited the financial statements of Independent School District No. 284 (the District), as of and for the years ended June 30, 2006, 2005, 2004 and 2003 (not presented herein). These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Independent School District No. 284 for the years ended June 30, 2002 were audited by other auditors.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The condensed Statements of Revenues, Expenditures and Changes in Fund Balance for the years presented on pages 16, 18, and 19, are presented as a summary and, therefore, do not include all of the disclosures required by U.S. generally accepted accounting principles.

In our opinion, because of the significance of the omission of the information referred to in the preceding paragraph, the condensed financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the results of its operations for the years then ended.

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.

**LARSON, ALLEN, WEISHAIR & CO., LLP**

Minneapolis, Minnesota  
November 17, 2006

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284**

**SCHEDULE OF EXPENDITURES OF FEDERAL  
AWARDS AND REPORTS OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS  
AND OTHER REQUIRED REPORTS**

**JUNE 30, 2006**

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INDEPENDENT SCHOOL DISTRICT NO. 284  
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**SINGLE AUDIT AND OTHER REQUIRED REPORTS**

DRAFT

## 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

Board of Education  
Independent School District No. 284  
Wayzata Public Schools  
Wayzata, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 284 as of and for the year ended June 30, 2006, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 17, 2006. 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.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation 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 of 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 determination of financial statement amounts. 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 test disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Board of Education  
Independent School District No. 284  
Wayzata Public Schools

We noted certain other matters that we reported to management of the District in a separate letter dated December 7.

This report is intended solely for the information and use of the Board of Education, management of the District, the Minnesota Department of Education, and state and federal awarding entities and is not intended to be and should not be used by anyone other than these specified parties.

**LARSON, ALLEN, WEISHAIR & CO., LLP**

Minneapolis, Minnesota  
November 17, 2006

DRAFT

**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND ON THE SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS**

Board of Education  
Independent School District No. 284  
Wayzata Public Schools  
Wayzata, Minnesota

### **Compliance**

We have audited the compliance of the Independent School District No. 284 with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a 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. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

### **Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operations that we consider to be material weaknesses.

**Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 284, Wayzata, Minnesota, as of and for the year ended June 30, 2006, and have issued our report thereon dated November 17, 2006. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Education, management of the District, the Minnesota Department of Education, and state and federal awarding entities and is not intended to be and should not be used by anyone other than these specified parties.

**LARSON, ALLEN, WEISHAIR & CO., LLP**

Minneapolis, Minnesota  
November 17, 2006

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2006**

FEDERAL AGENCY/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL EXPENDITURES
<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
Passed Through Minnesota Department of Education:		
Food Distribution (& Commodity Rebate Program)	10.550	\$ 121,739
National School Breakfast Program	10.553	19,883
National School Lunch Program	10.555	474,790
Total U. S. Department of Agriculture		<u>616,412</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>		
Passed Through Minnesota Department:		
Title III LEP	84.365	14,212
Special Education Grants to States	84.027	1,511,441
Special Education Preschool Grants	84.173	71,914
Hurricane Aid	84.938	12,724
Safe and Drug Free School and Communities State Grants	84.186	25,885
Title II Part A Improving Teacher Quality State Grants	84.367	173,618
Title V Innovative Education Program Strategies	84.298	24,263
Total U. S. Department of Education		<u>1,834,057</u>
Passed Through Intermediate School District No. 287:		
Vocation Education - Basic Grants to States	84.048	46,476
Special Education Infants and Families (Part H)	84.181	55,233
		<u>101,709</u>
		<u>\$ 2,552,178</u>

Notes to Schedule of Expenditures of Federal Awards:

Note 1:

The Schedule of Expenditures of Federal Awards presents the activity of federal award programs expended by Independent School District No. 284.

Note 2:

The expenditures on this schedule are on the modified accrual basis of accounting, which is described in Note 1 to the basic financial statements of the District.

Note 3:

Nonmonetary assistance is reported in this schedule at the fair market value of commodities received and disbursed for the USDA Commodities Program (CFDA #10.550).

Note 4:

The pass-through entity identifying number is unknown.

## REPORT ON MINNESOTA LEGAL COMPLIANCE

Board of Education  
Independent School District No. 284  
Wayzata Public Schools  
Wayzata, Minnesota

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 284 as of and for the year ended June 30, 2006, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 17, 2006.

We conducted our audit in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government*, promulgated by the State Auditor pursuant to Minn. Stat. Section 6.65. Accordingly, the audit included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The *Minnesota Legal Compliance Audit Guide for Local Government* covers six main categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, and uniform financial accounting and reporting standards for school districts. Our study included all of the listed categories.

The results of our tests indicate that, with respect to the items tested, the District complied, in all material respects, with the provisions referred to in the preceding paragraph.

This report is intended solely for the information and use of the Board of Education, management of the District, the Minnesota Department of Education, and the Office of the Minnesota State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

**LARSON, ALLEN, WEISHAIR & CO., LLP**

Minneapolis, Minnesota  
November 17, 2006

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2006**

**A. SUMMARY OF AUDITOR'S RESULTS**

1. The auditors' report expresses an unqualified opinion on the financial statements of Independent School District No. 284.
2. No reportable conditions were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Independent School District No. 284 were disclosed during the audit.
4. No reportable conditions were disclosed during the audit of the major federal award programs.
5. The auditors' report on compliance for the major federal award programs for Independent School District No. 284 expresses an unqualified opinion.
6. No audit findings relative to the major federal award programs for Independent School District No. 284 were disclosed during the audit.
7. The programs tested as major programs included:

U.S. Department of Education – Special Education Cluster:

Special Education Grants to States	CFDA #84.027
Special Education Preschool Grants	CFDA #84.173

U.S. Department of Agriculture – Nutrition Cluster

National School Breakfast Program	CFDA #10.553
National School Lunch Program	CFDA #10.555

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Independent School District No. 284 was determined to be a low-risk auditee.

**B. FINDINGS – FINANCIAL STATEMENT AUDIT**

None

**C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

**D. FINDINGS AND QUESTIONED COSTS – MINNESOTA LEGAL COMPLIANCE**

None

**EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS**

DRAFT

## INDEPENDENT AUDITORS' REPORT ON EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS

The School Board  
Independent School District No. 284  
Wayzata Public Schools  
Wayzata, Minnesota

We have audited the accompanying statement of cash receipts and disbursements of the extracurricular student activity funds of Independent School District No. 284 as of and for the year ended June 30, 2006. This financial statement is the responsibility of the District's extracurricular student activity accounts management. Our responsibility is to express an opinion on this financial statement based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The District has not established procedures to provide assurance that all cash collections are recorded in the accounting records. Accordingly, it was not practicable for us to extend our audit of such cash collections beyond the amounts recorded.

As described in Note 1, this financial statement has been prepared on the cash basis of accounting, as prescribed by the Minnesota Department of Education, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

In our opinion, except for such adjustments, if any, as might have been determined to be necessary had the cash collections referred to above been susceptible to satisfactory audit tests, the financial statement referred to above presents fairly, in all material respects, the cash transactions of the District's extracurricular student activity accounts for the year ended June 30, 2006, and the cash balances at that date on the basis of accounting as described in Note 1.

**LARSON, ALLEN, WEISHAIR & CO., LLP**

Minneapolis, Minnesota  
November 17, 2006

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
YEAR ENDED JUNE 30, 2006**

	<u>Balance July 1, 2005</u>	<u>Receipts and Transfers In</u>	<u>Disbursements and Transfers Out</u>	<u>Balance June 30, 2006</u>
Miscellaneous				
AD Building	\$ 557	\$ 562	\$ 393	\$ 726
Elementary Band	31	-	31	-
Wayzata High School				
DRAMA	1,930	12,564	10,040	4,454
WAYAKO	8,737	148,816	142,136	15,417
CERAMICS	345	4,440	4,458	327
CHEERLEADERS	(4,076)	7,478	2,528	874
CHOIR	(75)	42,766	33,373	9,318
DANCELIN	19,277	35,552	33,654	21,175
CLASS OF 03	-	9,496	7,297	2,199
CLASS OF 08	-	39,907	7,767	32,140
CLASS OF 07	2,677	-	-	2,677
CLASS OF 09	134	299	134	299
CLASS OF 10	298	1,200	1,498	-
CLASS OF 06	5,759	-	2,500	3,259
CONCESSIONS/ACTIVITY SUPPORT	46,539	39,692	22,498	63,733
DECA	(66)	79,386	60,255	19,065
FRENCH	1,053	330	213	1,170
GERMAN	5,756	22,954	20,976	7,734
LETTERMAN	(12,874)	36,045	11,133	12,038
FINE ARTS	1,530	5,262	5,221	1,571
LOCKER FUND	17,340	1,054	-	18,394
BAND	28,720	145,249	118,198	55,771
MISCELLANEOUS/SMOKING FINES	1,022	189	1,000	211
NATIONAL HONOR	1,778	17,420	15,636	3,562
SPECIAL/STUDENT SERVICES	17,437	245	76	17,606
ORCHESTRA	3,200	5,633	2,520	6,313
STUDENT COUNCIL	(1,546)	32,231	30,682	3
SPANISH	805	1,298	651	1,452
MUSICAL	19,573	16,635	23,653	12,555

See accompanying Notes to Extracurricular Student Activity Accounts.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2006**

	Balance July 1, 2005	Receipts and Transfers In	Disbursements and Transfers Out	Balance June 30, 2006
Wayzata High School (Continued)				
RARE	\$ 2,209	\$ 4,331	\$ 2,401	\$ 4,139
SCHOLARSHIPS	791	-	10	781
THEATRE ARTS	2,495	3,234	441	5,288
BUSINESS PROFESS	1,526	18,710	18,864	1,372
SCHOOL STORE	1,112	65	15	1,162
VICA	2,589	38,645	27,292	13,942
ART CLUB	184	640	-	824
LINK 4	3,590	2,927	3,643	2,874
B.A.D./BPA/DECA	5,188	17,462	14,356	8,294
HIGH MILEAGE TEAM	551	1,291	2,661	(819)
Y.E.S.	-	1,000	947	53
Creative Writing	-	809	-	809
Total Wayzata High School	185,508	795,255	628,727	352,036
Wayzata High School Athletics				
BASEBALL	5,752	8,438	11,972	2,218
BASKETBALL - BOYS	805	8,162	4,104	4,863
BASKETBALL - GIRLS	(95)	11,955	9,058	2,802
CROSS COUNTRY - BOYS	3,806	12,553	12,331	4,028
CROSS COUNTRY - GIRLS	3,763	3,696	4,210	3,249
FOOTBALL	23,062	51,317	38,505	35,874
GYMNASTICS	(485)	4,969	4,387	97
GOLF - BOYS	406	3,095	2,387	1,114
GOLF - GIRLS	920	1,559	2,221	258
HOCKEY - BOYS	2,907	22,362	22,189	3,080
HOCKEY - GIRLS	3,083	8,798	8,363	3,518
SKIING - ALPINE	1,511	12,292	11,782	2,021
SKIING - NORDIC	3,966	11,327	11,711	3,582
SOFTBALL	1,360	3,029	3,383	1,006
SWIMMING/DIVING - BOYS	725	6,070	6,345	450
SWIMMING/DIVING - GIRLS	6,187	19,427	16,343	9,271
SOCCER - BOYS	5,485	16,247	17,345	4,387
SOCCER - GIRLS	2,473	2,978	1,301	4,150
SYNCHRONIZED SWIMMING	2,792	6,578	4,148	5,222
TENNIS - BOYS	4,090	5,121	2,450	6,761
TENNIS - GIRLS	3,810	5,535	5,185	4,160
TRACK/FIELD - BOYS	4,751	4,413	3,406	5,758
TRACK/FIELD - GIRLS	5,053	11,674	11,420	5,307
VOLLEYBALL	2,699	9,368	8,435	3,632
WRESTLING	350	6,876	7,250	(24)
ADAPTIVE ATHLETICS	1,716	430	593	1,553
Total Wayzata High School Athletics	90,892	258,269	230,824	118,337

See accompanying Notes to Extracurricular Student Activity Accounts.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2006**

	Balance <u>July 1, 2005</u>	Receipts and <u>Transfers In</u>	Disbursements and <u>Transfers Out</u>	Balance <u>June 30, 2006</u>
Central Middle School				
DRAMA	\$ 15,813	\$ 19,870	\$ 19,918	\$ 15,765
VALLEYFAIR	5,641	16,991	17,904	4,728
STUDENT COUNCIL	1,313	1,102	968	1,447
BAND	2,043	3,892	4,626	1,309
CHOIR	1,165	3,581	4,110	636
YEARBOOKS	2,907	19,258	17,104	5,061
DISCRETIONARY/STUDENT SERVICES	5,483	21,278	15,959	10,802
FAMILY CONSUMER SCIENCE	2,197	-	2,197	-
MINI COURSES	(1,122)	14,201	8,842	4,237
Total Central Middle School	<u>35,440</u>	<u>100,173</u>	<u>91,628</u>	<u>43,985</u>
West Middle School				
BAND	9,490	10,978	20,457	11
CHOIR	19,210	20,796	29,553	10,453
CHECK SERVICE	4,916	18,510	16,706	6,720
SCHOOL STORE	653	-	653	-
STUDENT COUNCIL	4,010	2,721	4,796	1,935
YEARBOOK	9,284	13,534	15,285	7,533
THEATER	7,342	17,242	10,296	14,288
Total West Middle School	<u>54,905</u>	<u>83,781</u>	<u>97,746</u>	<u>40,940</u>
East Middle School				
CHECK SERVICE/STUDENT SERVICES	8,187	32,054	30,554	9,687
LOCKERS	79	-	(25)	104
BAND	620	4,536	4,372	784
STUDENT COUNCIL	1,272	4,671	4,097	1,846
VARIETY FUND	8,184	4,900	4,346	8,738
Total East Middle School	<u>18,342</u>	<u>46,161</u>	<u>43,344</u>	<u>21,159</u>

See accompanying Notes to Extracurricular Student Activity Accounts.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2006**

	Balance July 1, 2005	Receipts and Transfers In	Disbursements and Transfers Out	Balance June 30, 2006
<b>Birchview</b>				
KINDERGARTEN	\$ 948	\$ -	\$ -	\$ 948
1ST GRADE	364	322	504	182
2ND GRADE	117	-	-	117
3RD GRADE	715	597	714	598
4TH GRADE	1,123	921	1,207	837
5TH GRADE	1,396	1,700	1,300	1,796
STUDENT COUNCIL	2,656	3,280	5,356	580
GENERAL FUND	1,279	229	(304)	1,812
MEDIA	605	164	-	769
Total Birchview	<u>9,203</u>	<u>7,213</u>	<u>8,777</u>	<u>7,639</u>
<b>Greenwood</b>				
KINDERGARTEN	(24)	249	60	165
MEDIA	210	160	80	290
GENERAL/STUDENT SERVICES	16,504	4,001	13,147	7,358
STUDENT COUNCIL	1,027	-	1,027	-
Total Greenwood	<u>17,717</u>	<u>4,410</u>	<u>14,314</u>	<u>7,813</u>
<b>Oakwood</b>				
LATTERELL/STUDENT SERV - K	81	-	81	-
STONE/STUDENT SERV - GR 2	18	-	18	-
SULLWOOD/STUDENT SERV - GR 4	476	-	476	-
PYZDROWSKI/STUDENT SERV - GR 5	28	199	222	5
KATZMAREK/STUDENT SERV - GR 3	144	117	149	112
STUDENT COUNCIL	826	2,092	2,205	713
MISC./STUDENT SERV - GENERAL	6,954	1,741	1,270	7,425
CHESS CLUB	141	205	151	195
Total Oakwood	<u>8,668</u>	<u>4,354</u>	<u>4,572</u>	<u>8,450</u>
<b>Sunset Hill</b>				
PRINCIPAL	7,938	9,726	8,726	8,938
MISC	355	173	528	-
PENCIL MACHINE/STORE	1,602	2,507	1,458	2,651
Total Sunset Hill	<u>9,895</u>	<u>12,406</u>	<u>10,712</u>	<u>11,589</u>

See accompanying Notes to Extracurricular Student Activity Accounts.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS (CONTINUED)  
YEAR ENDED JUNE 30, 2006**

	Balance July 1, 2005	Receipts and Transfers In	Disbursements and Transfers Out	Balance June 30, 2006
<b>Plymouth Creek</b>				
CHOIR/STUDENT COUNCIL	\$ 453	\$ -	\$ -	\$ 453
GENERAL/STUDENT SERVICES	7,921	9,058	2,567	14,412
Total Plymouth Creek	<u>8,374</u>	<u>9,058</u>	<u>2,567</u>	<u>14,865</u>
<b>Gleason Lake</b>				
GENERAL ACCOUNT/STUDENT SERVICES	5,000	2,873	3,212	4,661
SCHOOL STORE/STUDENT COUNCIL	207	530	-	737
MEDIA	3,025	-	754	2,271
KINDERGARTEN/STUDENT SERV - K	199	-	199	-
FIRST GRADE/STUDENT SERV - GR 1	200	-	200	-
SECOND GRADE/STUDENT SERV - GR 2	200	-	200	-
THIRD GRADE/STUDENT SERV - GR 3	200	-	200	-
FOURTH GRADE/STUDENT SERV GR 4	187	-	187	-
FIFTH GRADE/STUDENT SERV - GR 5	221	-	221	-
Total Gleason Lake	<u>9,439</u>	<u>3,403</u>	<u>5,173</u>	<u>7,669</u>
<b>Kimberly Lane</b>				
GENERAL	2,253	3,965	2,998	3,220
GJESTRANG	612	468	601	479
CARLSON	292	403	264	431
WESLEY/SPRAQUE	(43)	830	782	5
ROBERTS/STUDENT SERV - GR1	238	187	54	371
GRADE 2/STUDENT SERV - GR 2	1,262	-	311	951
GRADE 3/STUDENT SERV - GR 3	466	-	293	173
GRADE 4/STUDENT SERV - GR 4	19	-	-	19
GRADE 5/STUDENT SERV - GR 5	357	-	-	357
MEDIA	238	376	311	303
MISCELLANEOUS	11,795	15,092	13,334	13,553
Total Kimberly Lane	<u>17,489</u>	<u>21,321</u>	<u>18,948</u>	<u>19,862</u>
Total District	<u>\$ 466,460</u>	<u>\$ 1,346,366</u>	<u>\$ 1,157,756</u>	<u>\$ 655,070</u>

See accompanying Notes to Extracurricular Student Activity Accounts.

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
NOTES TO EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS  
JUNE 30, 2006**

**NOTE 1 BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

Student activity account transactions are defined as extracurricular programs conducted for the motivation and enjoyment of students. These programs and activities are not offered for school credits nor required for graduation. Activities are generally conducted outside of school hours. The content of the activities is determined primarily by the student, under the guidance of a staff member or other adult.

Student activities are to be self-sustaining with all expenses paid by dues, admissions, or other student fundraising events. These funds are not included in the combined financial statements of Independent School District No. 284, and are restricted for the student activity uses, as established.

The accounts of the student activity funds are maintained, and the accompanying financial statement has been prepared, on the cash basis of accounting which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. Consequently, receipts are recognized when received rather than when earned, and disbursements are recognized when paid rather than when the obligations are incurred.

**NOTE 2 DEPOSITS AND INVESTMENTS**

All cash and investments of the student activity accounts are held in a demand accounts.

Custodial credit risk is the risk that in the event of a bank failure, the School's deposits may not be returned to it. The School does not have a deposit policy for custodial credit risk and follows Minnesota Statutes for deposits.

Minnesota statutes require that all District deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance.

Authorized collateral includes certain state or local government obligations, obligations of the U.S. Treasury and U.S. agencies, irrevocable standby letter of credit issued by the Federal Home Loan Bank accompanied by written evidence that the Federal Home Loan Bank's public debt is rated "AA" or better by Moody's or Standard & Poor's Corporation, and certificates of deposit insured by the FDIC.

Minnesota statutes require that securities pledged as collateral be held in safekeeping by the District Treasurer or in a financial institution (as agent for the District) other than that furnishing the collateral.

All student activity bank deposits are covered by deposit insurance or are collateralized by securities held by the District or its Agent in the District's name.

## REPORT ON COMPLIANCE WITH UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS APPLICABLE TO EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS

The School Board, Advisers, and Students  
Independent School District No. 284  
Wayzata Public Schools  
Wayzata, Minnesota

We have audited the statement of cash receipts and disbursements of the student activity funds of Independent School District No. 284 for the year ended June 30, 2006, and have issued our report thereon dated November 17, 2006. In our report, our opinion was qualified because the District has not established procedures to provide assurance that all cash collections are recorded in the accounting records. Further, the financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the provisions of the *Manual of Activity Fund Accounting*, issued by the Minnesota Department of Education, pursuant to Minnesota Statutes Section 123.38.

The *Manual of Activity Fund Accounting* provides uniform financial accounting and reporting standards for student activities. Compliance with student activity laws and regulations is the responsibility of the District's management. We have performed auditing procedures to test compliance with the provisions of this manual. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the District's extracurricular student activity accounts complied with the material terms and conditions of applicable legal provisions except as described on the Schedule of Findings and Questioned Costs for Student Activity Accounts.

This report is intended solely for the information and use of the School Board, management, and students of Independent School District No. 284 and the Minnesota Department of Education and is not intended to be and should not be used by anyone other than these specified parties.

**LARSON, ALLEN, WEISHAIR & CO., LLP**

Minneapolis, Minnesota  
November 17, 2006

**WAYZATA PUBLIC SCHOOLS  
INDEPENDENT SCHOOL DISTRICT NO. 284  
EXTRACURRICULAR STUDENT ACTIVITY ACCOUNTS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2006**

**MINNESOTA LEGAL COMPLIANCE FINDINGS FOR STUDENT ACTIVITY ACCOUNTS**

***Finding: 06-1***

**Improper Student Activity Accounts**

*Finding:* During fiscal 2005-06, the District maintained a number of accounts as part of its student activity fund which did not meet the state's guideline for inclusion as a student activity account in accordance with the Manual of Activity Fund Accounting (MAFA) which was effective beginning July 1, 2002.

Corrective Action Plan: During fiscal 2006-07, the District intends to continue to rectify this finding by transferring non-compliant accounts out of the District's student activity fund to the extent practicable.

***Finding: 06-2***

**Deficit Account Balances**

*Finding:* We noted that certain activity accounts have deficit account balances at June 30, 2006. According to the *Manual of Activity Fund Accounting*, individual account balances should not be a deficit amount and may constitute a personal liability of the advisor for the particular group.

Corrective Action Plan: The District will continue monitoring deficit accounts to ensure that receipts exceed expenses such that the deficit does not exist at June 30, 2006. The District has specific plans to eliminate the deficit balances in fiscal year 2006-07.

***Finding: 06-3***

**Inactive Accounts**

*Finding:* We noted that certain activity accounts have remained inactive during the year ended June 30, 2006. According to the *Manual of Activity Fund Accounting*, inactive accounts should be removed and funds transferred to another appropriate account as determined by the student group.

Corrective Action Plan: During fiscal 2006-07, the District intends to continue to rectify this finding by ensuring that all inactive accounts have been appropriately closed at June 30, 2007.

**WAYZATA PUBLIC SCHOOLS**

Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

**AGENDA SECTION: 5. Superintendent’s Reports and Recommendations**

**ITEM: C. Finance and Business Services**

**COMMENTS BY: Mr. Hopeman, Jr.**

**3) Certification of 2006 Payable 2007 Tax Levy**

The Administration recommends certification of the 2006 Payable 2007 Property Tax Levy in the amount of \$38,460,358.62. This is an increase of 3.78% over last year’s levy.

Attached is a spreadsheet showing each component of this year’s levy, with comparative data for last year’s levy. Also attached is the certification form which must be submitted to Hennepin County.

**RECOMMENDED ACTION:** Certify the final 2006 Payable 2007 Levy for Independent School District 284 as follows:

General Fund – Referendum Market Value – Voter Approved	\$15, 694,237.47
General Fund – Referendum Market Value – Other	176,080.89
General Fund – Net Tax Capacity – Voter Approved	4,250,000.00
General Fund – Net Tax Capacity – Other	7,287,408.95
Community Service Fund	1,133,237.81
Debt Service Fund	<u>9,719,393.50</u>
<b>Total Certified Levy</b>	<b>\$38,460,358.62</b>

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_

Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_

Abstentions \_\_\_\_\_

LEVY CATEGORY	MAXIMUM LEVY BEFORE OFFSETS	OFFSET ADJUSTMENTS (B)	TACONITE ADJUSTMENTS	MAXIMUM LEVY LIMITATION	FINAL CERTIFIED LEVY
(1) GENERAL--RMV VOTER JOBZ NONEXEMPT	10,410,919.50			10,410,919.50	10,410,919.50
(2) GENERAL--RMV VOTER JOBZ EXEMPT	5,283,317.97			5,283,317.97	5,283,317.97
(3) GENERAL--RMV OTHER JOBZ EXEMPT	176,080.89			176,080.89	176,080.89
(4) GENERAL--NTC VOTER JOBZ EXEMPT	4,250,000.00			4,250,000.00	4,250,000.00
(5) GENERAL--NTC OTHER JOBZ EXEMPT	7,287,408.95			7,287,408.95	7,287,408.95
(6) COMMUNITY SERV--OTHER JOBZ EXEMPT	1,333,237.81			1,333,237.81	1,333,237.81
(7) GEN DEBT SERV--VOTER JOBZ NONEXEMPT	9,719,393.50			9,719,393.50	9,719,393.50
(8) GEN DEBT SERV--VOTER JOBZ EXEMPT					
(9) GEN DEBT SERV--OTHER JOBZ NONEXEMPT					
(10) GEN DEBT SERV--OTHER JOBZ EXEMPT					
(11) TOTAL LEVY	38,460,358.62			38,460,358.62	38,460,358.62
(12) GENERAL ADJUST OFFSET CARRIED FORWARD					
(13) DEBT SERVICE OFFSET CARRIED FORWARD					
(14) TOTAL CERTIFIED ON REFER MARKET VALUE = (1)+(2)+(3)					15,870,318.36
(15) TOTAL CERTIFIED ON NET CAPACITY = (4)+(5)+(6)+(7)+(8)+(9)+(10)					22,590,040.26
(16) GRAND TOTAL CERTIFIED LEVY = (14)+(15)					38,460,358.62

A) TRUTH IN TAXATION CATEGORIES: VOTER APPROVED LEVIES = (1)+(2)+(4)+(7)+(8)  
ALL OTHER LEVIES = (3)+(5)+(6)+(9)+(10)  
B) OFFSETTING ADJUSTMENTS USED TO ENSURE THAT THE MAXIMUM LEVY LIMITATION IN EACH LEVY CATEGORY IS NOT LESS THAN ZERO. IF THERE IS NOT ENOUGH LEVY AUTHORITY WITHIN THE GENERAL & COMMUNITY SERVICE FUNDS, OR IN THE GENERAL DEBT SERVICE FUND, A NEGATIVE BALANCE WILL BE CARRIED FORWARD TO PAY 2008.  
C) SCHOOL DISTRICTS CERTIFYING THE MAXIMUM LEVY LIMITATION FOR THE FINAL LEVY MUST CERTIFY THE DOLLAR LIMITATION SHOWN. SCHOOL DISTRICTS MUST ADOPT THEIR FINAL LEVY ON OR BEFORE DECEMBER 27, 2006.  
D) SCHOOL DISTRICTS CERTIFYING LESS THAN THE MAXIMUM LEVY LIMITATION FOR ANY CATEGORY MUST COMPLETE THE APPROPRIATE SECTIONS OF PAGES 25 THROUGH 33 AS NEEDED TO DOCUMENT THE SPECIFIC AMOUNTS CERTIFIED FOR EACH LEVY COMPONENT.  
E) THE SCHOOL DISTRICT MUST SUBMIT THE COMPLETED ORIGINAL OF THIS FORM TO THE HOME COUNTY AUDITOR BY DECEMBER 28, 2006. A DUPLICATE COPY MUST BE SUBMITTED TO MINNESOTA DEPT OF EDUCATION, PROGRAM FINANCE DIVISION, 1500 HIGHWAY 36 WEST, ROSEVILLE, MN 55113, BY JANUARY 8, 2007.

THE CERTIFIED LEVY LISTED ABOVE IS THE LEVY VOTED BY THE SCHOOL BOARD FOR TAXES PAYABLE IN 2007.

SIGNATURE OF SCHOOL BOARD CLERK \_\_\_\_\_  
DATE OF CERTIFICATION \_\_\_\_\_

Fund and Levy Category	2005 Certified Levy Amount	2006 Levy (Payable 2007)		
		Preliminary Levy Amount	Dollar Change	Percent Change
<b>General Fund</b>				
Referendum (Market Value)	14,748,790.04	15,694,237.47	945,447.43	6.41%
Equity	701,710.01	707,656.75	5,946.74	0.85%
Transition	12,625.14	12,732.14	107.00	0.85%
Adjustments--Equity & Trans	(125,677.42)	(544,308.00)		
Safe Schools	304,356.15	306,935.46	2,579.31	0.85%
Judgment	0.00	0.00	0.00	0.00%
Health Ins. & Benefits	15,288.96	6,725.35	(8,563.61)	-56.01%
Health & Safety	846,434.87	472,332.49	(374,102.38)	-44.20%
Alternative Facilities	1,429,400.00	1,735,601.00	306,201.00	21.42%
Building Lease	780,026.15	795,209.00	15,182.85	1.95%
Ice Arena Operating Levy	137,591.74	158,718.60	21,126.86	15.35%
Technology	4,252,373.02	4,250,000.00	(2,373.02)	-0.06%
Career Technical	100,577.08	100,577.08	0.00	0.00%
Integration	311,051.72	308,479.20	(2,572.52)	-0.83%
Interest Lost	141,207.61	0.00	(141,207.61)	-100.00%
Reemployment	70,000.00	70,000.00	0.00	0.00%
Reemployment Adjustment	(70,000.00)	(70,000.00)	0.00	0.00%
Alt Teacher Compensation	677,788.54	686,111.40	8,322.86	1.23%
Operating Capital	1,921,175.66	2,122,720.70	201,545.04	10.49%
Deferred Maintenance Levy		565,345.88	565,345.88	new
Abatements & Other Adjustments	73,782.73	28,652.79	(45,129.94)	-61.17%
<b>Total General Fund</b>	<b>26,328,502.00</b>	<b>27,407,727.31</b>	<b>1,079,225.31</b>	<b>4.10%</b>
<b>Community Education Fund</b>				
Basic Community Educ.	396,806.75	405,376.10	8,569.35	2.16%
Early Childhood Family Educ.	359,840.00	387,520.00	27,680.00	7.69%
Home Visiting	5,536.00	5,536.00	0.00	0.00%
Adults with Disabilities	7,500.00	7,500.00	0.00	0.00%
School-Age Care	400,000.00	450,000.00	50,000.00	12.50%
Abatements & Other Adjustments	(31,173.65)	77,305.71	108,479.36	-347.98%
<b>Total Community Education</b>	<b>1,138,509.10</b>	<b>1,333,237.81</b>	<b>194,728.71</b>	<b>17.10%</b>
<b>Debt Service Fund</b>				
Initial Gen. Debt Service	10,335,985.80	10,213,334.00	(122,651.80)	-1.19%
Abatements & Other Adjustments	35,605.50	6,059.50	(29,546.00)	-82.98%
Debt Service Excess Reduction	(780,005.07)	(500,000.00)	280,005.07	
<b>Total Debt Service</b>	<b>9,591,586.23</b>	<b>9,719,393.50</b>	<b>127,807.27</b>	<b>1.33%</b>
<b>Grand Total, All Funds</b>	<b>37,058,597.33</b>	<b>38,460,358.62</b>	<b>1,401,761.29</b>	<b>3.78%</b>
<b>Adjusted Net Tax Capacity (ANTC)</b>	103,434,518	113,747,503 (2005)	10,312,985	9.97%
<b>Referendum Market Value</b>	7,981,826,800	8,870,290,700 (2005)	888,463,900	11.13%

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

AGENDA SECTION: 2. Approval of Agenda and Consent Agenda Items

ITEM: C. Human Resource Recommendations

COMMENTS BY: Ms. Annie Doughty

Employment

**Samuel Bass** .9 Vocal Music Teacher Sunset Hill  
Increased Enrollment and Transfers

**Crystal Gildea** 1.0 Social Studies Teacher (LTR) High School  
Leave of Absence – Caitlin Serrano

**Cameryn Robinson** 1.0 Art Teacher (LTR) Kimberly Lane  
Leave of Absence – Ericka Bachmeier

**Matalia Valiarovskaia** 3.75 hour Culinary Express Central Middle  
Transfer – Marie Beck

**Janette Wachs** 1.0 Kindergarten Teacher (LTR) Sunset Hill  
Leave of Absence – Molly Willihnganz

**Thomas Wallfred** 10-Month Technology Para High School  
Retirement – Pat Jenson

Leave of Absence Without Pay

**Barry Braun**, High School Art Teacher, has requested a leave of absence from February 8-9, 2007.

Disability/Child Care Leave of Absence

**Katie Gleason**, Special Education Paraprofessional at Oakwood Elementary School, has requested to reduce her leave of absence from eight to six weeks beginning with the birth of her baby which is due December 8, 2006.

**Amanda Johnson**, Special Education Teacher currently on childcare leave of absence, has requested to extend her leave through the end of the 2006-2007 school year.

**Melissa Nazal**, Special Education Paraprofessional at Kimberly Lane Elementary School, has requested a childcare leave of absence to begin with the birth of her baby which is due on May 3, 2007. She is requesting a leave of absence through the end of the 2006-2007 school year.

**Emily Semsch**, Non-public School Counselor at Providence Academy, has requested a childcare leave of absence to begin with the birth of her baby which is due on April 14, 2007. She is requesting a disability leave followed by a childcare leave of absence through the end of the 2006-2007 school year.

**Andrew Worth**, 5<sup>th</sup> Grade Teacher at Sunset Hill Elementary School, has requested a seven-day childcare leave of absence to begin with the birth of his baby which is due April 22, 2007.

**Heather Zenzen**, 3<sup>rd</sup> Grade Teacher at Birchview Elementary School, has requested a childcare leave of absence to begin with the birth of her baby which is due on March 19, 2007. She is requesting a disability leave followed by a childcare leave of absence through the end of the 2006-2007 school year.

Resignation

**Jane Hesslein**, Vision 21 Teacher currently on Mobility Leave of Absence, has resigned her position effective December 6, 2006.

**Jill Watson**, ELL Teacher at East Middle School, has resigned her position on a date to be determined, no later than January 25, 2007.

**Tara Willemsen**, Culinary Express at Gleason Lake Elementary School, has resigned her position effective December 8, 2006.

**RECOMMENDED ACTION:** Approve the Human Resource Actions as recommended.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_

Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_

Abstentions \_\_\_\_\_

**WAYZATA PUBLIC SCHOOLS**

Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

**AGENDA SECTION:** 6. Other Board Action

**ITEM:** A. Approval of Legislative Platform for 2007

**COMMENTS BY:** Board Chair Cohen

The District’s Legislative Action Committee (LAC) has been working on the development of the 2007 legislative platform for several months. The process began with LAC members meeting with current legislators and lobbyists to identify key issues that will likely be considered during the legislative session. After several committee discussions, a draft was developed, which has been modified several times. The platform was unanimously approved by the committee at its December 1 meeting.

In addition to the platform, the LAC is in the process of finalizing legislative position statements. A draft of these statements will be discussed by the Board at the December 18 work session and presented to the Board for approval at the January meeting. The 2007 legislative platform is presented tonight for adoption.

**RECOMMENDED ACTION:** Adopt the Legislative Platform for the 2007 Legislative Session as presented.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_

Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_

Abstentions \_\_\_\_\_



## **Legislative Action Committee – 2007 Platform**

**(DRAFT – December 1, 2006)**

The school board of Wayzata Public Schools and its Legislative Action Committee (LAC) has established the following legislative priorities for the 2007 session:

### **Appropriate and Stable Investment in Education**

The financial issues that affect school districts are multi-faceted, complex and interrelated. School funding must be considered from a systemic perspective to achieve an appropriate and stable investment in education. In order to provide school districts with this level of funding and to improve the ability of local school boards to plan for future years, we recommend that the Minnesota Legislature address the following issues:

- Provide general education funding that is increased by at least the rate of inflation and establish a clear, long-term vision for investing in schools
- Revise the current education funding formula to provide resources necessary to allow school districts to meet high academic standards. The revised formula should also include the following:
  - Recognize and fund regional labor cost differences
  - Modify the equity levy formula to eliminate drastic reductions in revenue for districts whose referendum revenue places them over the 95<sup>th</sup> percentile
  - Restore special education formula growth factors to account for inflation and phase in increases for the state special education entitlement, currently prorated at 82.6 percent
- Fully restore the reductions in ECFE funding that were made in 2003, pay the entire cost of mandated early childhood screening and increase school readiness funding to serve all qualifying families.

### **More Reliance on Local Decision Making**

Although all schools share the common goal of providing their students the best education possible, school districts vary greatly in many other aspects including size, number of schools, labor and transportation costs and level of parent involvement. Given these differences, Wayzata Public Schools believes that local school boards should be given the discretion and flexibility to make decisions that are best for their district. In order to allow for local decision making and flexibility, we recommend that the Minnesota Legislature address the following issues:

- Oppose any legislation that would mandate school districts to participate in a statewide health insurance pool.
- Oppose any legislation that would mandate school districts to spend a specific percentage of the annual budget on regular classroom instruction. Local districts should be allowed to spend financial resources on areas that best meet local needs.

**WAYZATA PUBLIC SCHOOLS**  
Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

**Regular Meeting – December 11, 2006**

**AGENDA SECTION: 7. Audience Opportunity to Address School Board**

**ITEM: \_\_\_\_\_**

**COMMENTS BY: Board Chair Cohen**

This section of the agenda provides an opportunity for members of the audience to address the School Board.

**WAYZATA PUBLIC SCHOOLS**

Independent School District 284  
Wayzata, Minnesota

**BOARD OF EDUCATION**

Regular Meeting – December 11, 2006

AGENDA SECTION: \_\_\_\_\_

ITEM: \_\_\_\_\_

COMMENTS BY: Board Chair Cohen

8. **Board Reports**

9. **New Business**

This section of the agenda provides an opportunity for Board members and/or the Superintendent to bring up any items of new business.

10. **Adjourn**

If there is no additional business before the School Board, the Chair will call for a motion to adjourn the meeting.

Motion by: \_\_\_\_\_ Yes \_\_\_\_\_ Passed \_\_\_\_\_

Second by: \_\_\_\_\_ No \_\_\_\_\_ Failed \_\_\_\_\_

Abstentions \_\_\_\_\_