

**INDEPENDENT SCHOOL DISTRICT #832**  
**REGULAR MEETING – BOARD OF EDUCATION**  
Thursday, November 8, 2007 - 7:00 PM  
Mahtomedi District Education Center - Community Room

The Mission of the Mahtomedi School District No. 832, as a multi-community public school system, is to provide individually challenging, lifelong learning experiences for all people, leading to productive and self-fulfilling roles in a global society, accomplished through partnerships with students, families, staff and communities all committed to excellence.

**- AGENDA -**

- |     |                                                                                                                                                                                                                               |     |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| 1.  | CALL TO ORDER                                                                                                                                                                                                                 | 4   |
| 2.  | ROLL CALL OF ATTENDANCE                                                                                                                                                                                                       |     |
| 3.  | APPROVAL OF THE AGENDA                                                                                                                                                                                                        |     |
| 4.  | APPROVAL OF THE CONSENT AGENDA - See #14 for Consent Agenda Items                                                                                                                                                             |     |
| 5.  | PRESENTATIONS/RECOGNITION                                                                                                                                                                                                     |     |
|     | A. Wildwood Elementary School - Responsive Classroom                                                                                                                                                                          |     |
| 6.  | PUBLIC COMMENT                                                                                                                                                                                                                |     |
|     | Visitors attending the meeting who wish to address the school board on any issue that is on the agenda may do so at this time. Please refer to the last page for the procedure that has been established for public comments. |     |
| 7.  | REPORT FROM STUDENT REPRESENTATIVE                                                                                                                                                                                            |     |
|     | A. Alec Nicholson, Student Representative                                                                                                                                                                                     |     |
| 8.  | APPROVAL OF MINUTES                                                                                                                                                                                                           |     |
|     | A. October 11, 2007 - Regular Meeting                                                                                                                                                                                         | 5   |
|     | B. October 26, 2007 - Study Session - Annual Data Retreat                                                                                                                                                                     | 10  |
| 9.  | ACTION ITEMS                                                                                                                                                                                                                  |     |
|     | A. Approval of 06-07 Audit                                                                                                                                                                                                    | 13  |
|     | Presenter: Matt Mayer, KDV                                                                                                                                                                                                    |     |
|     | B. Approval of 2008 School Board Meeting Schedule                                                                                                                                                                             | 100 |
| 10. | DISCUSSION/INFORMATION ITEMS                                                                                                                                                                                                  |     |
|     | A. Calendar of Events                                                                                                                                                                                                         | 101 |
|     | B. Follow-up Discussion from Annual Data Retreat                                                                                                                                                                              | 103 |
|     | Presenter: Sue Ann Gruver                                                                                                                                                                                                     |     |
|     | C. Discuss Changes in Joint Powers Agreement with East Metro Integration District 6067 (EMID)                                                                                                                                 | 125 |

Presenter: Kevin Donovan and Mark Wolak

11. SCHOOL BOARD COMMITTEE REPORTS

- A. Association of Metropolitan School Districts (AMSD) Board  
Presenter: Steve Wolgamot
- B. East Metro Integration District 6067 (EMID)  
Presenter: Kevin Donovan
- C. Minnesota School Boards Association (MSBA) Legislative Liaison  
Presenter: Cathy Dalton
- D. Northeast Metro 916 Board  
Presenter: John Belisle

12. SUPERINTENDENT'S REPORT

- A. Mahtomedi Engineering Leadership Program Open House -  
November 1, 2007

13. CLOSE MEETING

- A. Discussion of Labor Negotiations Pursuant to Minnesota Statute  
13D.03

14. OPEN MEETING

15. ADJOURNMENT

16. CONSENT AGENDA ITEMS (Items Approved Under #4)

- A. Approval to Pay Bills 132
- B. Approval of Wire Transfer Transactions 152
- C. Gifts/Grants
  - 1. Approval of Donation from Edina Realty to Community  
Education Halloween Ball - \$300
  - 2. Approval of Donation from Gregg Adler to Wildwood School  
Curriculum Writing - \$250
- D. Personnel
  - 1. Approval of Contracts and Work Agreements
    - a. Patrick Henning - Choir Accompanist - Mahtomedi High  
School (10/22/07)
    - b. Laurie Moga - Special Education Paraprofessional -  
Wildwood Elementary School (10/22/07)

## **PUBLIC PARTICIPATION IN SCHOOL BOARD MEETINGS REGULAR SCHOOL BOARD MEETING**

Thank you for coming. The School Board of Independent School District #832 hopes you will find the meeting informative. By attending, you will better understand how your school district operates. The School Board meeting is a meeting "in public," and not a public meeting. In order to conduct its work in a professional and business-like manner, the school board has established the following rules for conducting the meeting:

- Comments and questions on issues are welcome at the scheduled time on the agenda. The school board is prohibited by law from discussing concerns about individual employees or students in a public meeting. Please forward comments or issues regarding individual employees or students to the superintendent at [mwolak@mahtomedi.k12.mn.us](mailto:mwolak@mahtomedi.k12.mn.us) or 651-407-2001.
- If you would like to speak to the school board, you will be recognized during Public Comment. The public may comment on any item on the agenda. The school board generally does not take action on any issue that is not on the agenda. Concerns or questions are forwarded to the superintendent for review and recommended action before consideration by the school board. Unless requested by a school board member, items on the consent agenda are not discussed by the school board at the meeting.
- The chairperson will ask citizens in attendance to sign in if they wish to address the school board. If you are late and wish to speak, please give your name, address, and agenda number to the clerk when you arrive.
- Individuals will be recognized in the order received. Since we are videotaping tonight's meeting for delayed broadcast, individuals who wish to address the school board or ask questions need to go to the microphone. Please state your name and address after being recognized and limit your comments to three minutes (approximately 450 written words). Everyone wishing to comment will be recognized and heard before anyone speaks twice.



**MAHTOMEDI PUBLIC SCHOOLS**  
Individual Attention with a World View

**Board Addendum**  
**November 6, 2007**

My apologies for the size of the document for review this week. The board materials include the district audit report and the latest revision of the balanced scorecard with some NWEA materials.

**Dinner Session (5:45 p.m.)**

This time we will serve salad and pasta!

We have November and December to prepare for the school board organizational meeting in January. This is your opportunity to discuss board committees, executive and other board appointments.

I asked Russ Fraenkel to join us and share recent meetings with city leaders regarding collecting recreation fees from all cities. His plan was to proceed soon with a recreation fee surcharge to all Grant residents participating in athletics. I want the school board to discuss this strategy carefully prior to implementation. Perhaps we should consider other approaches before we take this step with families and residents of Grant, especially in the year we may ask for money to improve facilities.

**Regular Board Meeting (7:00 p.m.)**

**2006-2007 Audit (pages 14-100)**

Our financial audit for 2006-2007 is enclosed and Matt Mayer of KDV will report findings at the meeting. You will find from the audit report that we witnessed another year of excellent financial stewardship of school funds by the school board and administration. Please let Denise Sundstrom or me know if you have questions prior to the meeting.

**Wind Energy Agreement with JCI (pages 101-103)**

If you are not ready to proceed with this agreement, we can move this item from Action to Discussion/Information and allow the school board additional time to learn about the partnership. A decision must be made by the end of November. I spoke with a number of superintendents who support the Phase I and Phase II projects in Minnesota.

**Negotiations Update**

We will close the school board meeting to provide an update on paraprofessional and teacher negotiations.

# Minutes of Regular Meeting

## Board of Education Mahtomedi Public Schools

---

A Regular meeting of the Board of Education of the Mahtomedi Public Schools was held **October 11, 2007**, beginning at 7:00 PM in the Mahtomedi District Education Center - Community Room.

1. CALL TO ORDER

Meeting called to order at 7:00 p.m. by Chair Judy Schwartz.

2. ROLL CALL OF ATTENDANCE

Present: John Belisle; Cathy Dalton; Kevin Donovan; Judy Schwartz; Steve Wolgamot; and Superintendent Mark Wolak, ex officio. Absent: Bill Roberts and Alec Nicholson, Student Representative.

3. APPROVAL OF THE AGENDA

Belisle moved, Donovan seconded, approval of the agenda. Carried.

4. APPROVAL OF THE CONSENT AGENDA - See #14 for Consent Agenda Items

Donovan moved, Belisle seconded, approval of the actions recommended on the consent agenda. Carried.

5. PRESENTATIONS/RECOGNITION

A. Community Education - Program Review Outcomes

Russ Fraenkel, Director of Community Education, presented the framework for change and improvement in community education. The framework is the outcome of program review and includes those services marked as a high priority for re-design. More than 700 community members participated in an online survey to gather information about the quality of services. The advisory board considered this input in the program review process.

For every dollar in state revenue, community education raises another five dollars in fees and tuition to support local programs and services. Approximately 75 percent of the community education budget is raised through fees and tuition charges. As a next step, community education staff members will develop a balanced scorecard in alignment with the district's goals and scorecard.

6. PUBLIC COMMENT

None.

7. REPORT FROM STUDENT REPRESENTATIVE

None.

8. APPROVAL OF MINUTES

A. September 13, 2007 - Regular Meeting

Dalton moved, Donovan seconded, approval of the minutes from the September 13, 2007, school board meeting. Carried.

B. September 28, 2007 - Study Session

Dalton moved, Donovan seconded, approval of the minutes from the September 28, 2007, school board study session. Carried.

9. ACTION ITEMS

A. Approval to Call for Bids for Turf and Lawn Care Service

Denise Sundstrom, Director of Business Services, requested approval to call for bids for turf and lawn care service. Donovan moved, Dalton seconded, approval to call for bids for turf and lawn care service. Carried.

B. Approval of Contract with Johnson Controls (JCI) Solutions Team

Denise Sundstrom, Director of Business Services, requested school board approval of the contract with JCI Solutions Team for services related to facility planning and development. Steve Wolgamot noted the comprehensive nature of the planning process and the value of the services to the community. John Belisle addressed the changes and improvements made to the agreement through review by legal counsel. Cathy Dalton shared her enthusiasm for the planning process as defined by JCI. Belisle moved, Donovan seconded, approval of contract with Johnson Controls Solutions Team for facility planning. Carried.

C. Approval of Contract with Center for Efficient School Operations (CESO)

Denise Sundstrom, Director of Business Services, requested approval of the contract with the Center for Efficient School Operations (CESO). CESO will serve, at the request of the school district, as owner's representative in the facility planning and improvement process. Wolgamot moved, Belisle seconded, approval of contract with Center for Efficient School Operations (CESO) for facility planning. Carried.

10. DISCUSSION/INFORMATION ITEMS

A. Calendar of Events

Superintendent Mark Wolak noted that the Open House for the Mahtomedi Engineering Leadership Program is scheduled for November 1.

B. Partnership with China

Sue Ann Gruver, Assistant Superintendent, introduced high school senior, Ryan Loomis, Mary George, Community Education, and Tony Jiang to present a new class offering in Mandarin Chinese language. Loomis introduced Jiang in Mandarin. Jiang shared his enthusiasm for the language partnership with Mahtomedi Schools and community. Mary George described the community education class offered and noted that language vocabulary lessons will be available to interested citizens by podcast.

C. 2008 School Board Meeting Schedule

Superintendent Mark Wolak reviewed a proposed meeting schedule for 2008 including four dinner sessions prior to study sessions. The study sessions will move to Thursday evenings at 7:00 pm.

D. Policies

1. Second Reading of Policy 503 - Student Representation on School Board

Superintendent Mark Wolak noted that Section III of the policy may require additional changes based on advice from legal counsel.

2. Second Reading of Policy 515 - Protection and Privacy of Pupil Records

Superintendent Mark Wolak noted additional conversation is needed with school administrators regarding directory information.

11. SCHOOL BOARD COMMITTEE REPORTS

A. Association of Metropolitan School Districts (AMSD) Board

School board member Steve Wolgamot shared information from a recent metropolitan survey by Bill Morris of Decision Resources Inc.

B. East Metro Integration District 6067 (EMID)

No Report.

C. Minnesota School Boards Association (MSBA) Legislative Liaison

School board member Cathy Dalton reported on the upcoming Minnesota School Boards Association (MSBA) conference.

D. Northeast Metro 916 Board

School board member John Belisle noted his report is included in the school board packet.

12. SUPERINTENDENT'S REPORT

A. Classroom Visits

Superintendent Mark Wolak reported on recent classroom visits at all schools and his observations of the use of technology to deliver instruction. The rapid application of SmartBoard technology by teachers is impressive and he shared his appreciation for the commitment of teachers to apply this new technology effectively.

13. ADJOURNMENT

Belisle moved, Donovan seconded, adjournment. Meeting adjourned at 9:30 p.m. Carried.

14. CONSENT AGENDA ITEMS (Items Approved Under #4)

A. Approval to Pay Bills

B. Approval of Wire Transfer Transactions

C. Gifts/Grants

1. Approval of Donation from Mahtomedi Parent Teacher Organization (PTO) - \$1,250

2. Approval of Donation from Geoff Schmid to Mahtomedi Community Education - \$500

D. Approval of Assurance of Compliance with State and Federal Law Prohibiting Discrimination

E. Approval of Positions to be Added to Appendix C of the Teachers' Contract

1. Environmental Rescue (MMS)

2. Positive Peers (OHA)

F. Approval of Pay Structure for Activity Workers

G. Personnel

1. Approval of Contracts and Work Agreements

a. Dyan Lovgren - Human Resources Assistant - District Office (10/1/07)

b. Allen McCaughey - Custodian - Wildwood Elementary School (10/1/07)

c. Thomas Song - Physical Education Teacher- Mahtomedi High School (11/9/07)

2. Approval of Leaves of Absence
  - a. Krista Feustel - Fourth Grade Teacher - O. H. Anderson Elementary School (1/16/08 to 4/29/08)
  - b. Virginia Mancini - English Teacher - Mahtomedi High School (2/18/08 to 6/6/08)
3. Approval of Resignations/Retirements/Terminations
  - a. Roger Carlson - MLC Teacher - Mahtomedi Learning Center (12/17/07)

STEVEN WOLGAMOT, ACTING CLERK

# Minutes of Study Session

## Board of Education Mahtomedi Public Schools

---

A Study Session of the Board of Education of the Mahtomedi Public Schools was held **October 26, 2007**, beginning at 7:00 AM in the Mahtomedi District Education Center - Community Room.

1. CALL TO ORDER

Meeting called to order at 7:05 a.m. by Acting Chair Steve Wolgamot.

2. ROLL CALL OF ATTENDANCE

Present: John Belisle; Cathy Dalton; Kevin Donovan; Bill Roberts; Steve Wolgamot; and Superintendent Mark Wolak. Absent: Judy Schwartz.

3. DISCUSSION/INFORMATION ITEMS

A. Hear Progress Reports on District Scorecard

Superintendent Mark Wolak described the purpose of the annual data retreat, the preparatory work completed by administration and staff, and the general improvements to the measurement system. All district and school administrators and Dennis Cheesebrow, consultant, were present for the session. Sue Ann Gruver, Assistant Superintendent, provided an overview of the document prepared for the meeting and highlighted several improvements to the progress monitoring system. The scorecard originates from the goals of the school board and administration and serves as a baseline document for measuring district performance across arenas of Student Learning, Professional Practices, System Performance, Satisfaction/Public Image and Community Engagement.

Administration and the School Board reviewed the district scorecard and each of the school or program scorecards. For each arena, administration presented leadership insight statements to guide discussion regarding specific improvements, observations or strategies.

B. Discuss Insights

The school district continues an unwavering commitment to continuous improvement practice and data driven decision making to increase student learning. The process of developing and implementing a balanced scorecard aligns all goals for professional practice, professional development, measurement systems, and resources throughout schools and programs. Improvements to

instructional and measurement technology over the past two years now permits greater accuracy in the measurement of progress by teachers and administrators.

Results of measuring progress over the past year show the district making the greatest progress in overall System Performance. Results indicate a continued need and emphasis in the area of Professional Practices, Community Engagement, and Student Learning.

A copy of the balanced scorecard is available for review on the school district's website. Each school or program will measure progress using a balanced scorecard methodology. This month, staff members will review the scorecard and insight statements to address necessary changes or improvements.

C. Set Targets for Improvement

For 2007-2008, administration and staff will develop an additional arena for measurement in the area of Student Development. This arena will address strategies for overall student health and well-being.

School board members suggested that community engagement may be a potential goal of the school board. Items for follow-up work by administration included development of a national comparison with like school districts using NWEA data, defining proficiency performance levels for tenured teachers, increasing parent participation in the annual School Evaluation Survey, and community engagement. A press release will be developed and distributed to local media.

D. Review and Discuss Wind Energy Agreement with Johnson Controls, Inc. (JCI)

Superintendent Mark Wolak and Denise Sundstrom, Director of Business Services, requested a presentation from Arif Quarashi, Johnson Controls, Inc. (JCI) on renewable wind energy. JCI is in the second phase of a wind turbine development project for six to ten interested Minnesota school districts. Previously, a group of Minnesota school districts participated in a phase one project with JCI. Under the Project Development Agreement, JCI will develop a comprehensive implementation plan, construct a 10-20 megawatt wind farm in Minnesota and sell the power generated to the utilities electric grid system. Participating school districts will be shown cash flow pro-formas to illustrate financial viability prior to joint powers agreement. JCI guarantees the project will be financially viable and the project will positively cash flow annually or the school district can withdraw from the agreement. Financing for the partnership is through multiple sources and includes Clean Renewal Energy Bonds (CREBS). The school district is not required to pay towards the construction or operating costs of the wind turbine farm.

School board members asked questions about the terms of the joint powers agreement, the role of the State of Minnesota in protecting districts from unanticipated liabilities, anticipated revenues on an annual and long-term basis and the assurances made to schools that participate in the joint powers agreement.

4. ADJOURNMENT

Roberts moved, Belisle seconded, adjournment. Meeting adjourned at 12:15 p.m.  
Carried.

WILLIAM ROBERTS, CLERK

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

*Management Letter  
For the Fiscal Year Ended June 30, 2007*

**PRELIMINARY**

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**TABLE OF CONTENTS**

<b>COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS.....</b>	<b>1</b>
<b>SIGNIFICANT DEFICIENCY.....</b>	<b>3</b>
<b>CONTROL DEFICIENCIES .....</b>	<b>4</b>
<b>RECOMMENDATIONS FOR MANAGEMENT .....</b>	<b>5</b>
<b>OTHER INFORMATION .....</b>	<b>6</b>
<b>MATTERS OF COMMUNICATION .....</b>	<b>8</b>
<b>FINANCIAL ANALYSIS.....</b>	<b>11</b>



KERN · DEWENTER · VIERE

October 25, 2007

To the School Board  
Independent School District No. 832  
Mahtomedi, Minnesota

In planning and performing our audit of the financial statements of Independent School District No. 832, Mahtomedi, Minnesota, as of and for the year ended June 30, 2007, in accordance with U.S. generally accepted auditing standards, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Also, projection of any evaluation of the internal control to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or the degree of compliance may deteriorate. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a significant 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. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control. We consider the following deficiency to be a significant deficiency in internal control:

- Lack of Segregation of Accounting Duties

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 District's internal control. We did not consider the deficiency identified above to be a material weakness in internal control.



KERN · DEWENTER · VIERE

The accompanying memorandum also includes financial trend information and suggestions for improvement of accounting procedures and internal accounting control measures that came to our attention as a result of our audit of the financial statements of the District for the year ended June 30, 2007. The matters discussed herein were considered by us during our audit and they do not modify the opinion expressed in our Independent Auditors' Report dated October 25, 2007, on such statements.

This communication is intended solely for the information and use of the School Board, management, others within the District and state oversight agencies and is not intended to be and should not be used by anyone other than these specified parties.

KERN, DEWENTER, VIERE, LTD.  
Minneapolis, Minnesota

*[Faint, illegible text, possibly a signature or stamp]*

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedl, Minnesota**

**SIGNIFICANT DEFICIENCY  
June 30, 2007**

**LACK OF SEGREGATION OF ACCOUNTING DUTIES**

During our audit, we noted a condition which is considered to be a "significant deficiency" as defined by standards established by the American Institute of Certified Public Accountants. During the year ended June 30, 2007, the District had a lack of segregation of accounting duties due to a limited number of office employees. This lack of segregation of accounting can be demonstrated in the following areas, which is not intended to be all inclusive:

- The Payroll Clerk inputs employee hours worked, new pay rates, generates checks and maintains custody of checks until delivered.
- There currently is no cross training in the payroll area.
- One person is responsible for all transactions related to capital asset tracking.

Management is aware of this condition and will take certain steps to compensate for the lack of segregation. However, due to the small accounting staff needed to handle all of the accounting duties, the cost of obtaining desirable segregation of accounting duties can often exceed benefits which could be derived. Due to this reason, management has determined a complete segregation of accounting duties is impractical to correct.

We recommend management, along with the School Board, remain aware of this situation and continually monitor the accounting system including changes that occur. Although this item is considered to be a significant deficiency, we do not believe it is a material weakness.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**CONTROL DEFICIENCIES  
June 30, 2007**

**DEVELOP A CREDIT CARD POLICY**

A December 2004 Statement of Position written by the Office of the State Auditor advocated for the councils and boards of public entities to adopt a credit card policy. During our audit, we noted there were credit cards and other lines of credit issued in the District's name without a written policy from the School Board for their use.

The Statement recommended such a policy be inclusive of the following:

- Identify the employees and officers who are authorized to make purchases on behalf of the District and are eligible to use the card;
- Identify the particular purchases to be made with the credit card;
- Set up a review process for all purchases made with the credit card;
- Prohibit the use of the credit card for personal purchases and
- Require supporting documentation for all purchases made with the credit card.

We recommend the School Board discuss the items presented above and develop a policy to address them.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**RECOMMENDATIONS FOR MANAGEMENT  
June 30, 2007**

**CONSIDER ESTABLISHING A FUND BALANCE POLICY**

We recommend the District establish a fund balance policy for each of its operating funds. Keeping in mind a reasonable cash balance is necessary for cash flow purposes (monthly vendor invoices, payroll, etc.), the District should set an amount it would like to maintain in reserve. This amount may be expressed as a dollar figure or more appropriately as a percentage of annual expenditures. Once established, this policy will play an important roll in budget, levy and user fee decisions.

APPROVED: \_\_\_\_\_  
DATE: \_\_\_\_\_

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**OTHER INFORMATION  
June 30, 2007**

**STATEMENTS OF AUDITING STANDARDS (STANDARDS) NOS. 104-111**

In March 2006, the Auditing Standards Board (ASB) issued Statements of Auditing Standards (Standards) Nos. 104-111 that provide extensive guidance concerning the auditor's assessment of the risks of material misstatement in a financial statement audit and the design and performance of audit procedures whose nature, timing and extent are in response to the identified assessed risks. Additionally, the Standards establish standards and provide guidance on planning and supervision, the nature of audit evidence and evaluating whether the audit evidence obtained provides a reasonable basis for an opinion on the financial statements being audited. These Standards were effective for audits of financial statements December 15, 2006.

Audit teams will be performing additional procedures to gain a more in depth understanding of the District's environment including its internal control. This will involve evaluating the design of the controls and determining those controls have been implemented. The audit procedures performed to obtain the necessary understanding are called "risk assessment procedures" and require more than simple inquiries of management. The Standards specifically call for inquiries of management and other personnel, analytical procedures and observation and inspection. The procedures also involve discussions among the audit team to determine whether the potential exists for misstatements. These Standards also expand the documentation requirements for auditors.

In summary, these Standards will result in a substantial change in audit practice. The Standards will strengthen the auditor's understanding of the District and its environment, including its internal control, to identify the risks of material misstatement in the financial statements and determine what the District is doing to mitigate those risks. Auditors will identify assessed risks based on the understanding obtained. There will be an improved correlation between those assessed risks and the nature, timing and extent of audit procedures performed in response to those risks.

**CONSIDER IMPLICATIONS OF POST EMPLOYMENT BENEFITS**

Many school districts offer their employees Other Post Employment Benefits (OPEB) as part of a compensation package. These Benefits are part of an exchange of salaries and benefits for employee services rendered. For example, many employees receive post employment health care benefits such as health insurance payments after retirement. Current U.S. generally accepted accounting principles do not require a liability to be recorded for these benefits; school districts record the expenditures only as they are incurred (on a pay-as-you-go basis).

The Government Accounting Standards Board (GASB) Statement No. 45 addresses these OPEB concerns. This Statement improves the usefulness of financial reporting by requiring a method for measuring and recognizing the OPEB expense over the estimated years of service for each individual employee; in addition it provides information on an estimated actuarial OPEB liability and whether or not the plan is properly funded.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**OTHER INFORMATION  
June 30, 2007**

The District currently offers access to the District's health insurance pool to qualifying retired employees which would be considered OPEB. With GASB Statement No. 45, the District will be required to recognize the costs of these Benefits in the period in which the related services were received by the employer. The District will also be required to have an actuarial valuation completed every two years, which will show to what extent the OPEB plan will be funded or unfunded. The first year of implementation for your District for this Statement will be for the period of July 1, 2008 to June 30, 2009.

2007 FINANCIAL STATEMENT

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MATTERS OF COMMUNICATION  
June 30, 2007**

We have audited the financial statements of the District for the year ended June 30, 2007, and have issued our report dated October 25, 2007. Professional standards require that we provide you with the following information related to our audit.

**THE AUDITORS' RESPONSIBILITY UNDER U.S. GENERALLY ACCEPTED  
AUDITING STANDARDS AND *GOVERNMENT AUDITING STANDARDS***

As stated in our audit engagement letter, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the basic 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.

As part of our audit, we considered the internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

**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 of the financial statements.

**MANAGEMENT JUDGMENTS AND ACCOUNTING ESTIMATES**

Accounting estimates are an integral part of the basic 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 basic 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 are depreciation on capital assets and calculation of receivables and payables.

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

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedl, Minnesota**

**MATTERS OF COMMUNICATION  
June 30, 2007**

**SIGNIFICANT AUDIT ADJUSTMENTS**

An audit adjustment, whether or not recorded by the District, is a proposed correction of the basic financial statements that, in our judgment, may not have been detected except through our auditing procedures performed. Audit adjustments, individually or in the aggregate, may have a significant effect on the District's financial reporting process. Matters underlying adjustments proposed by us but not recorded by the District could potentially cause future financial statements to be materially misstated, even though we may have concluded that the adjustments are not material to the current financial statements.

We concluded that the entries proposed did not reflect significantly of the financial reporting process.

**DISAGREEMENTS WITH MANAGEMENT**

Disagreements with management, whether or not satisfactorily resolved, are defined as matters that individually or in the aggregate could be significant to the District's financial statements or the auditors' report. Disagreements may occasionally arise over the application of accounting principles to the District specific transactions and events and the basis for management's judgments about accounting estimates. Disagreements may also arise regarding the scope of the audit, disclosures to be included in the District's financial statements and the wording of the auditors' report.

No such disagreements with management occurred during the course of our audit.

**CONSULTATIONS WITH OTHER ACCOUNTANTS**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditors' 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.

We are aware of no consultations by the District's management with other accountants during the course of our audit.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MATTERS OF COMMUNICATION  
June 30, 2007**

**MAJOR ISSUES DISCUSSED WITH MANAGEMENT PRIOR TO RETENTION**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management prior to retention as the District auditors.

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**

We encountered no difficulties in dealing with management related to the performance of our audit.

*[Faint, illegible text, possibly a signature or stamp]*

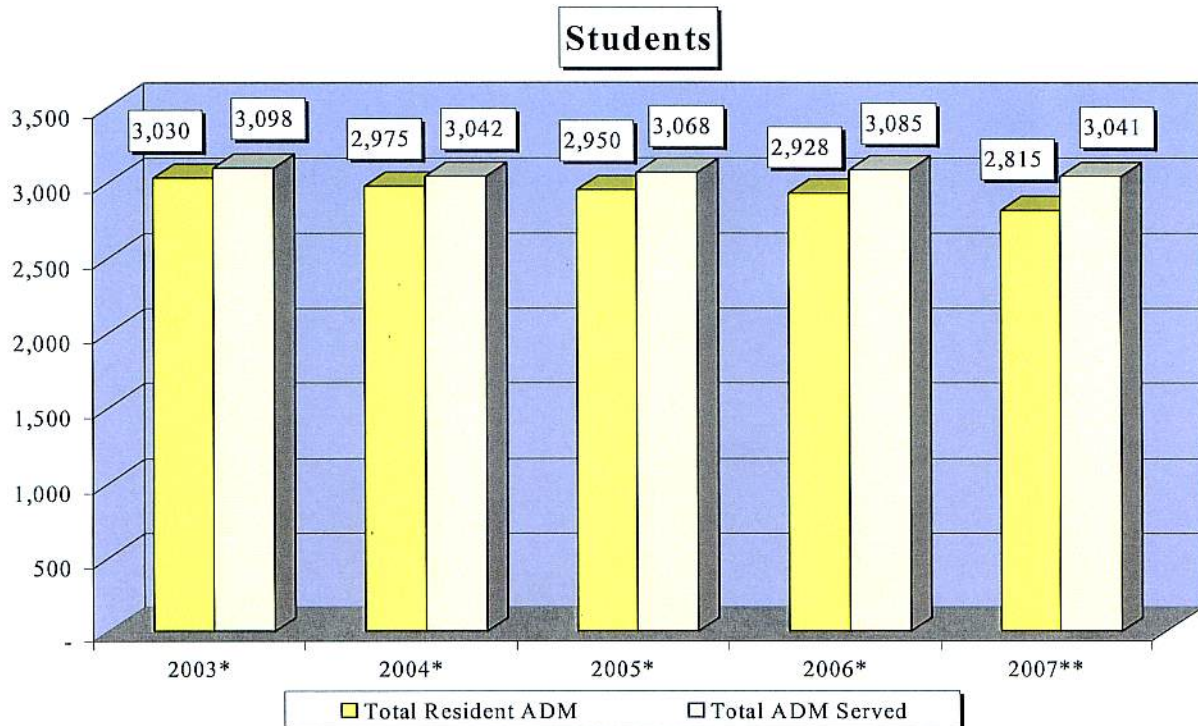
**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**FINANCIAL ANALYSIS  
June 30, 2007**

**AVERAGE DAILY MEMBERSHIP**

The following graphs summarize resident Average Daily Membership (ADM) and ADM served of the District, over the past five years ended June 30. Resident ADM includes all residents who are enrolled in the District, educated in another district for whom tuition is paid or attending another district under enrollment option legislation. Total ADM served includes residents attending the District, residents at other districts on tuition, nonresident enrollment option students and nonresident tuition students.

<b>Resident ADM</b>	<b>2003*</b>	<b>2004*</b>	<b>2005*</b>	<b>2006*</b>	<b>2007**</b>
Kindergarten and Other	171	166	180	177	135
Elementary	1,294	1,238	1,208	1,179	1,122
Secondary	1,565	1,571	1,562	1,572	1,559
<b>Total Resident ADM</b>	<b>3,030</b>	<b>2,975</b>	<b>2,950</b>	<b>2,928</b>	<b>2,815</b>
<b>Total ADM Served</b>	<b>3,098</b>	<b>3,042</b>	<b>3,068</b>	<b>3,085</b>	<b>3,041</b>



\* Source: *School District Profiles*

\*\* Estimate as of September 24, 2007

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**FINANCIAL ANALYSIS  
June 30, 2007**

**AVERAGE DAILY MEMBERSHIP**

As the charts on the previous page illustrate, resident ADM decreased 113, or 3.8%, in fiscal year 2007 compared to fiscal year-end 2006, while ADM served also decreased 44, or 1.4%. Over the past five years, resident ADM has steadily decreased and ADM served also decreased in the current year. In fiscal year 2008, the District has approved open enrollment which will to increase students served.

**GENERAL FUND SOURCES OF REVENUE**

General Fund sources of revenue are summarized as follows:

For the Year Ended June 30,	2003	2004	2005	2006	2007
Local Property Taxes	\$ 3,222,589	\$ 4,257,332	\$ 3,804,222	\$ 2,964,153	\$ 4,977,096
State Sources	19,986,421	18,669,816	18,895,693	21,457,739	20,212,292
Other	1,174,981	1,381,186	1,796,964	2,292,577	2,248,612
<b>Total</b>	<b>\$ 24,383,991</b>	<b>\$ 24,308,334</b>	<b>\$ 24,496,879</b>	<b>\$ 26,714,469</b>	<b>\$ 27,438,000</b>

General Fund revenues increased \$ 723,531, or 2.7%, over 2006 levels. General Fund revenues over the past five years are portrayed in the following graph.

**General Fund Sources of Revenue**

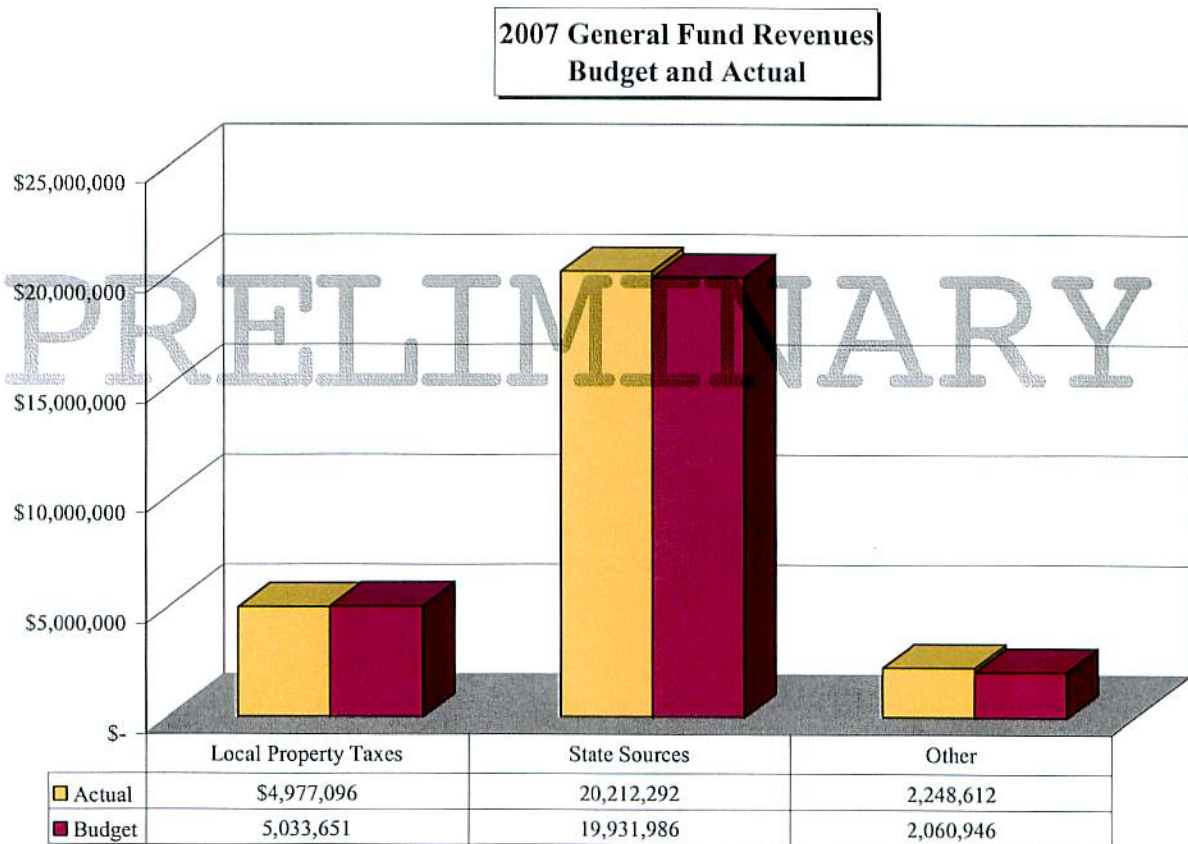


**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**FINANCIAL ANALYSIS  
June 30, 2007**

**GENERAL FUND BUDGET AND ACTUAL REVENUES**

The chart below represents the District's actual revenue compared to budgeted revenue. Overall, actual revenues exceeded budgeted amounts by \$ 411,417. The other category revenues exceeded the budget by approximately \$ 188,000 as the result of additional donations and a change in recording student activity transactions.



**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**FINANCIAL ANALYSIS  
June 30, 2007**

**EXPENDITURES PER STUDENT (ADM SERVED)**

Expenditures per student (per ADM served) for all operating programs are summarized as follows:

District	2003*	2004*	2005*	2006*	2007
General Fund	\$ 7,678	\$ 7,995	\$ 7,821	\$ 8,541	\$ 9,097
Food Service	337	373	351	346	366
Community Service	547	508	569	616	634
<b>Total</b>	<b>\$ 8,562</b>	<b>\$ 8,876</b>	<b>\$ 8,741</b>	<b>\$ 9,503</b>	<b>\$ 10,097</b>

Regional Average**	2003	2004	2005	2006	2007
General Fund	\$ 8,428	\$ 8,115	\$ 9,038	\$ 10,157	NA
Food Service	340	324	366	351	NA
Community Service	475	422	454	240	NA
<b>Total</b>	<b>\$ 9,243</b>	<b>\$ 8,861</b>	<b>\$ 9,858</b>	<b>\$ 10,748</b>	<b>-</b>

State Average***	2003	2004	2005	2006	2007
General Fund	\$ 8,004	\$ 8,379	\$ 8,681	\$ 9,070	NA
Food Service	348	368	387	396	NA
Community Service	334	393	407	427	NA
<b>Total</b>	<b>\$ 8,686</b>	<b>\$ 9,140</b>	<b>\$ 9,475</b>	<b>\$ 9,893</b>	<b>-</b>

\* Source: *School District Profiles* – not including Building Construction or Debt Service Funds

\*\* Source: *School District Profiles* – including Counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington

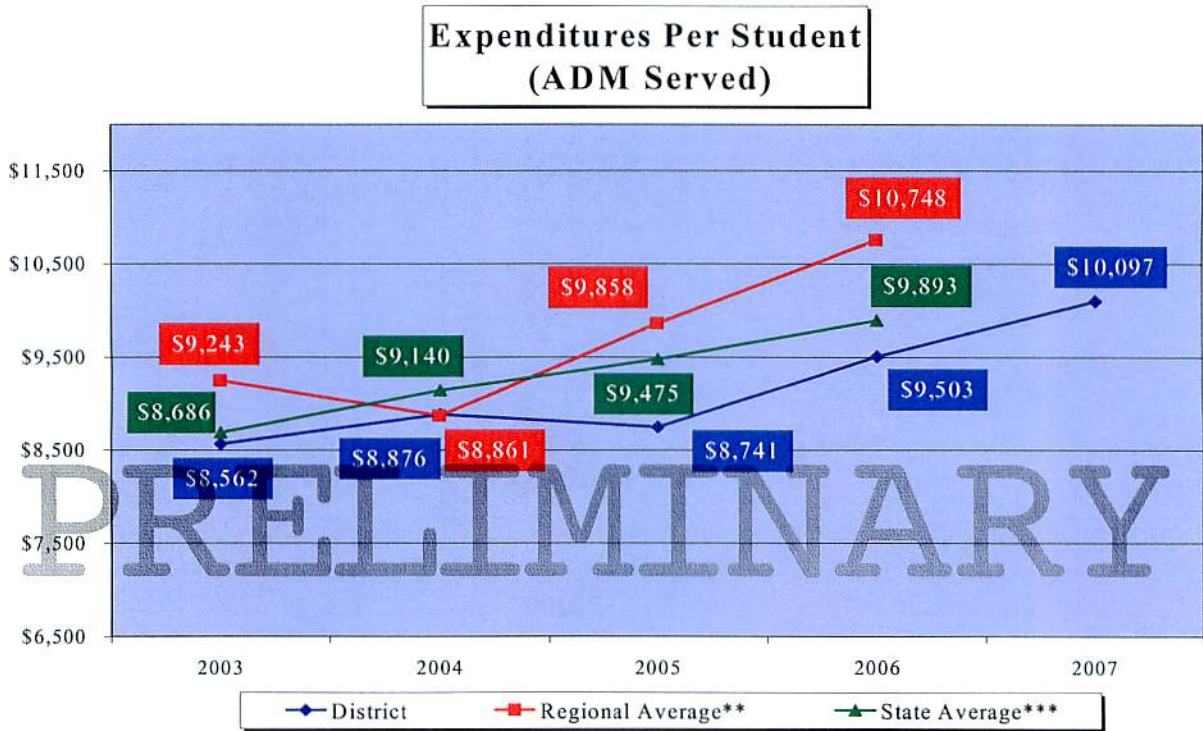
\*\*\* Source: *School District Profiles* – State average expenditures per ADM served

Expenditures per ADM increased from fiscal year 2006 to fiscal year 2007 by 6.5% for the General Fund and 6.3% overall for all operating funds (including General, Food Service and Community Service Funds) as a result of decreases in ADM'S served and increases in salaries and related benefits. Overall averages have remained consistently lower than other districts within the region and throughout the state.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**FINANCIAL ANALYSIS  
June 30, 2007**

**EXPENDITURES PER STUDENT (ADM SERVED)**



\* Source: *School District Profiles* – not including Building Construction or Debt Service Funds

\*\* Source: *School District Profiles* – including Counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington

\*\*\* Source: *School District Profiles* – State average expenditures per ADM served

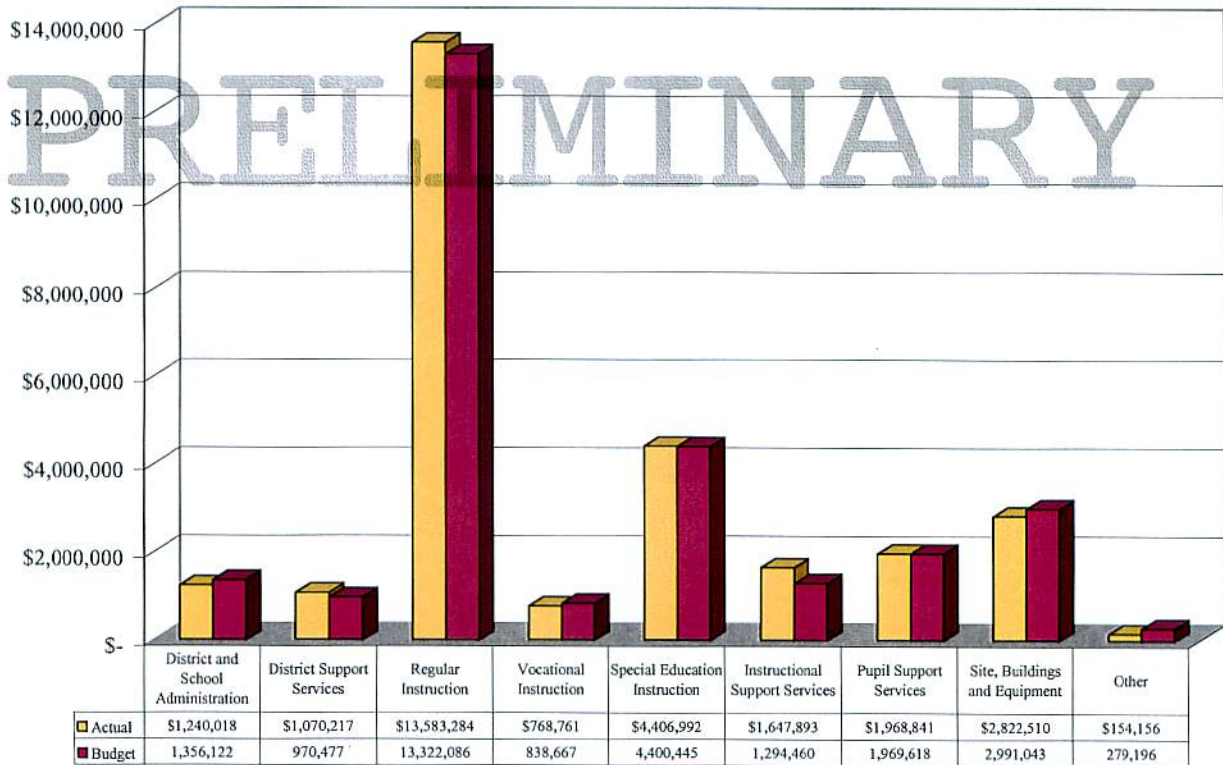
**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**FINANCIAL ANALYSIS  
June 30, 2007**

**GENERAL FUND BUDGET AND ACTUAL EXPENDITURES**

The chart below represents actual expenditures compared to budgeted expenditures for the District. Overall, the District's General Fund expenditures exceeded the budget by \$ 240,558. Most of the over budgeted amount fell in the instructional support services, expenditures exceeded budgeted amounts by approximately \$ 353,000 as a result of budgeting staff development workshop days by school and recording the related actual expenditures all within this category. The variance within the regular instruction category is due to the change in recording student activity transactions discussed earlier.

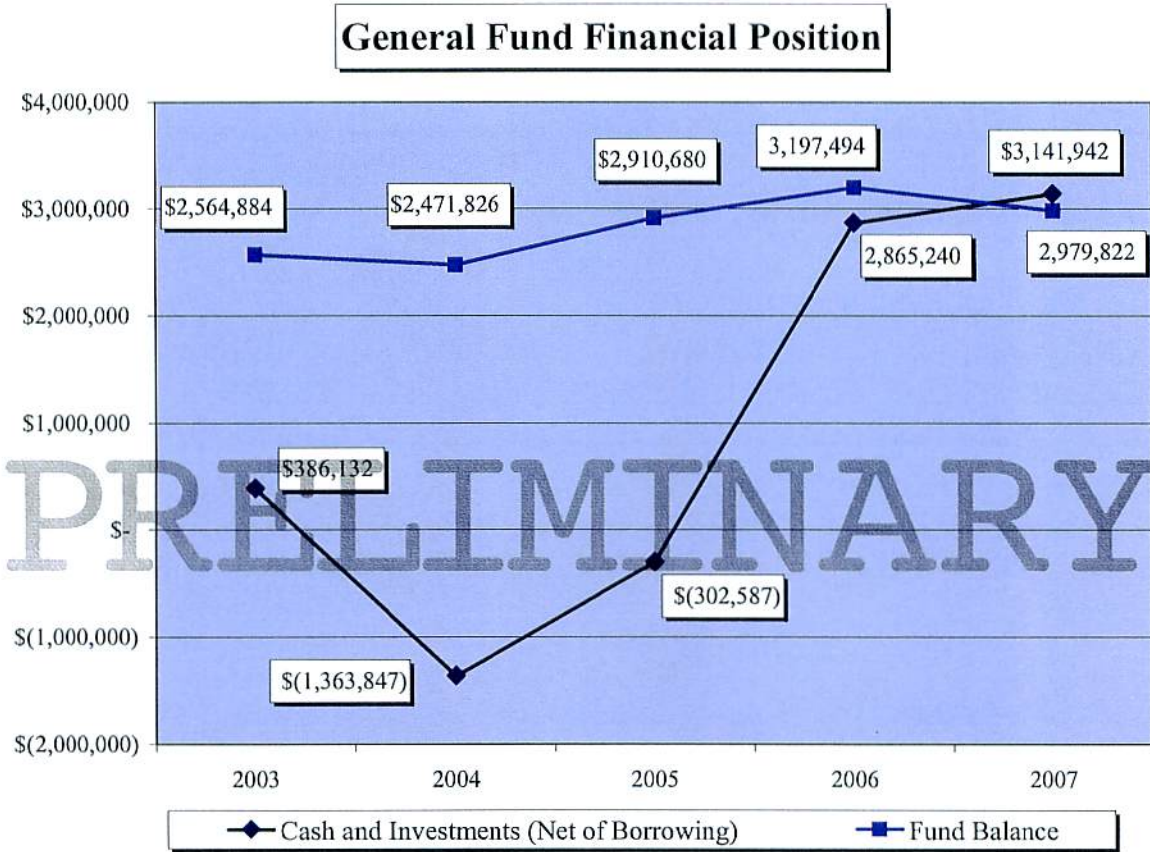
**2007 General Fund Expenditures  
Budget and Actual**



**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**FINANCIAL ANALYSIS  
June 30, 2007**

**GENERAL FUND FINANCIAL POSITION**



The District's General Fund cash balance in relation to its fund balance has fluctuated significantly over the course of the last five years. The main factor in these variances is the percentage of aid paid by the State of Minnesota prior to each fiscal year-end. This amount has varied from as low as 80% to as high as 90% over the five year period shown. The percentage has remained stable at 90% for 2006 and 2007, resulting in a cash balance very close to fund balance each of the last two years. In 2007, the District no longer required borrowing Aid Anticipation Certificates for cash flow.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**FINANCIAL ANALYSIS  
June 30, 2007**

**GENERAL FUND OPERATIONS**

The following presents five years of comparative operating results for the District's General Fund:

<b>For Year Ended June 30,</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Revenues	\$24,383,991	\$24,308,334	\$24,496,879	\$26,714,469	\$27,438,000
Expenditures	(24,343,279)	(24,401,392)	(24,178,281)	(26,427,655)	(27,662,672)
Excess of Revenues Over (Under) Expenditures	40,712	(93,058)	318,598	286,814	(224,672)
Other Financing Sources	-	-	120,256	-	7,000
Fund Balance, July 1	2,524,172	2,564,884	2,471,826	2,910,680	3,197,494

<b>Fund Balance, June 30</b>	<b>\$ 2,564,884</b>	<b>\$ 2,471,826</b>	<b>\$ 2,910,680</b>	<b>\$ 3,197,494</b>	<b>\$ 2,979,822</b>
------------------------------	---------------------	---------------------	---------------------	---------------------	---------------------

<b>Components of Fund Balance</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
Unreserved:					
Undesignated	\$ 1,575,837	\$ 1,244,644	\$ 1,456,551	\$ 1,546,991	\$ 1,422,687
Designated for Student Activities	170,842	192,038	225,406	216,782	152,806
Designated for Building Discretionary	-	-	62,850	158,301	275,836
Reserved for:					
Bus Purchases	41,101	41,101	-	-	-
Reemployment	(8,896)	(5,472)	-	-	-
Severance Pay	180,000	180,000	445,000	414,298	430,914
Down Payment Levy	939	-	-	-	-
Disabled Accessibility	-	-	-	-	-
Student Transport Safety	8,787	6,672	-	-	-
State Approved Alt. Program	13,160	29,719	-	-	-
Operating Capital	815,368	849,719	740,022	684,004	616,941
Health and Safety	(232,254)	(66,595)	(19,149)	177,118	80,638
<b>Fund Balance, June 30</b>	<b>\$ 2,564,884</b>	<b>\$ 2,471,826</b>	<b>\$ 2,910,680</b>	<b>\$ 3,197,494</b>	<b>\$ 2,979,822</b>

For fiscal year 2007, General Fund revenues increased 2.7% and expenditures increased by 4.6%. This resulted in an overall decrease to General Fund balance of \$ 217,772.

This unreserved, undesignated fund balance represents 5.1% of a year's expenditures at 2007 spending levels.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**FINANCIAL ANALYSIS  
June 30, 2007**

**FOOD SERVICE FUND**

The following table presents five years of comparative operating results for the District's Food Service Fund:

For Year Ended June 30,	2003	2004	2005	2006	2007
Revenues	\$1,066,744	\$1,145,207	\$1,098,414	\$1,134,358	\$1,164,080
Expenditures	(1,042,864)	(1,138,168)	(1,078,463)	(1,071,711)	(1,114,367)
Excess of Revenues Over Expenditures	23,880	7,039	19,951	62,647	49,713
Fund Balance, July 1	48,183	72,063	79,102	99,053	161,700
<b>Fund Balance, June 30</b>	<b>\$ 72,063</b>	<b>\$ 79,102</b>	<b>\$ 99,053</b>	<b>\$ 161,700</b>	<b>\$ 211,413</b>

Overall, food service revenues increased 2.6% while expenditures increased 3.9%. The fund balance position at June 30, 2007 represents approximately two month's expenditures. The Department of Education recommends districts maintain a fund balance not to exceed 3 months of expenditures, based on a 10 month operating year. Based on this calculation, the maximum fund balance at June 30, 2007 would be \$ 334,310.

**COMMUNITY SERVICE FUND**

The following table presents five years of comparative operating results for the District's Community Service Fund:

For Year Ended June 30,	2003	2004	2005	2006	2007
Revenues	\$1,662,755	\$1,532,712	\$1,676,834	\$1,882,457	\$1,916,127
Expenditures	(1,695,033)	(1,549,190)	(1,749,421)	(1,905,826)	(1,929,455)
Excess of Revenues Expenditures	(32,278)	(16,478)	(72,587)	(23,369)	(13,328)
Fund Balance, July 1	389,447	357,169	340,691	268,104	244,735
<b>Fund Balance, June 30</b>	<b>\$ 357,169</b>	<b>\$ 340,691</b>	<b>\$ 268,104</b>	<b>\$ 244,735</b>	<b>\$ 231,407</b>

Components of the Community Service Fund balance at June 30, 2007 are as follows: community education \$ 213,130; Early Childhood and Family Education (ECFE) \$ 15,978 and school readiness \$ 2,299. Both revenues and expenditures increased slightly over 2006 levels.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

*Audited Financial Statements  
For the Fiscal Year Ended June 30, 2007*

**PRELIMINARY**

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**TABLE OF CONTENTS**

<b>BOARD OF EDUCATION AND ADMINISTRATION.....</b>	<b>1</b>	
<b>INDEPENDENT AUDITORS' REPORT.....</b>	<b>2</b>	
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS.....</b>	<b>5</b>	
<b>BASIC FINANCIAL STATEMENTS:</b>		
<b>Government-Wide Financial Statements:</b>		
Statement of Net Assets.....	20	
Statement of Activities .....	21	
<b>Fund Financial Statements:</b>		
Balance Sheet – Governmental Funds.....	22	
Reconciliation of the Balance Sheet to the Statement of Net Assets – Governmental Funds.....	23	
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds.....	24	
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities – Governmental Funds.....	25	
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund.....	26	
Statement of Fiduciary Net Assets .....	27	
Statement of Changes in Fiduciary Net Assets.....	27	
Notes to the Financial Statements .....	29	
<b>SUPPLEMENTARY INFORMATION:</b>		
Combining Balance Sheet – Nonmajor Governmental Funds.....	50	
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds.....	51	
Uniform Financial Accounting and Reporting Standards Compliance Table.....	52	
Schedule of Expenditures of Federal Awards .....	53	
Notes to the Schedule of Expenditures of Federal Awards .....	54	
<b>REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i> .....</b>		<b>55</b>
<b>REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH <i>OMB CIRCULAR A-133</i> .....</b>		<b>57</b>

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

TABLE OF CONTENTS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS IN ACCORDANCE WITH <i>OMB CIRCULAR A-133</i> .....	59
REPORT ON LEGAL COMPLIANCE.....	61
SCHEDULE OF FINDINGS AND CORRECTIVE ACTION PLANS ON LEGAL COMPLIANCE AND INTERNAL CONTROLS .....	62

PRELIMINARY

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

BOARD OF EDUCATION AND ADMINISTRATION  
For the Year Ended June 30, 2007

<u>Board of Education</u>	<u>Position</u>	<u>Term Expires</u>
Judith Schwartz	Chairperson	January 5, 2009
William Roberts	Clerk	January 5, 2009
Steven Wolgamot	Treasurer	January 5, 2009
John Belisle	Director	January 3, 2011
Cathy Dalton	Director	January 3, 2011
Kevin Donovan	Director	January 3, 2011

<u>Administration</u>	
Mark Wólak	Superintendent
Denise Sundstrom	Director of Business Services



KERN · DEWENTER · VIERE

## INDEPENDENT AUDITORS' REPORT

October 25, 2007

To the School Board  
Independent School District No. 832  
Mahtomedi, 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. 832, Mahtomedi, Minnesota, as of and for the year ended June 30, 2007, 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.

We conducted our audit in accordance with U.S. generally accepted auditing standards 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 the District as of June 30, 2007, and the respective changes in financial position thereof, and the budgetary comparison for the General Fund for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2007, 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 and 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.



KERN · DEWENTER · VIERE

The Management's Discussion and Analysis, which follows this report letter, is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally management inquiries regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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 supplementary information identified in the Table of Contents, including the Schedule of Expenditures of Federal Awards, as required by U.S. Office of Management and Budget *OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary 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.

KERN, DEWENTER, VIERE, LTD.  
Minneapolis, Minnesota

PRELIMINARY

**PRELIMINARY**  
(THIS PAGE LEFT BLANK INTENTIONALLY.)

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

**FINANCIAL HIGHLIGHTS**

**Government-wide Assets and Government-wide Activities**

- Mahtomedi Schools have implemented the requirements of GASB 34. These requirements have resulted in additional information including a government-wide Statement of Net Assets, a government-wide Statement of Activities (revenues and expenditures) and a report from management which will focus on the activities and developments that took place over the past year.
- Total government-wide net assets as indicated on the Statement of Net Assets were \$ 2,776,361.
- The change in government-wide net assets from the prior year as indicated on the Statement of Activities amounted to \$ 891,978.

**Governmental Funds**

- Overall enrollment for the District decreased from the previous year. Students served for FY 2006-07 amounted to 3,041, which is a decrease of 44 students or approximately 1.4 % when compared to the FY 2005-06 school year.
- General Fund revenues were \$ 27,438,000 and expenditures were \$ 27,662,672 resulting in an operating deficit of \$ 224,672 or about .8% of the actual expenditures.
- The final budget for the General Fund called for a decline in fund balance of \$ 395,531 compared to actual results showing a decline of \$ 217,672.
- For the Special Revenue Funds, which include food service and community service, revenues exceeded expenditures by \$ 36,385 based on \$ 3,080,207 of revenues and \$ 3,043,822 of expenditures. This amount is 1.2% of actual expenditures.

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007

OVERVIEW OF THE FINANCIAL STATEMENTS

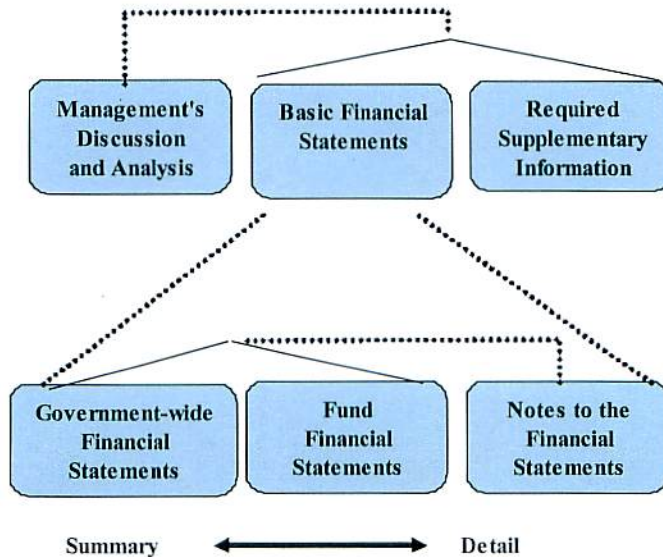
This annual report consists of two parts: Management's Discussion and Analysis (this section) and the Basic Financial Statements. The Basic Financial Statements include two kinds of statements that present different views of the district:

- 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.
- *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.

PRELIMINARY

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  
Organization of Mahtomedi School District's  
Annual Financial Report



**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

**Major Features of the Government-wide and Fund Financial Statements**

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

Figure A-2			
Major Features of the Government-wide and Fund Financial Statements			
	Government-Wide Statements	Fund Financial Statements	
		Governmental Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Instances in which the District administers resources on behalf of someone else, such as scholarship programs
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 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 focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both short-term and long-term; 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 good or services have been received and the related liability is due and payable	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

The District's activities are:

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

**Fund Financial Statements**

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

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

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007

OVERVIEW OF THE FINANCIAL STATEMENTS

Fund Financial Statements (Continued)

The District has two kinds of funds:

- *Governmental funds:* Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information on a following page explains the relationship (or differences) between them.
- *Fiduciary fund:* The District is the trustee, or *fiduciary*, for assets that belong to others such as the scholarship fund. 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. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operations.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

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

**Net Assets**

The District's total net assets as of June 30, 2007 were \$ 2,776,361 which is summarized in the Figure A-3 below.

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

	<u>Governmental Activities</u> 2006-07	<u>Governmental Activities</u> 2005-06
Current and Other Assets	\$ 14,804,548	\$ 18,096,619
Capital Assets	30,007,883	30,052,364
<b>Total Assets</b>	<b>44,812,431</b>	<b>48,148,983</b>
Long-Term Liabilities	29,038,523	31,252,619
Other Liabilities	12,997,547	15,011,981
<b>Total Liabilities</b>	<b>42,036,070</b>	<b>46,264,600</b>
<b>Net Assets</b>		
Invested in Capital Assets, Net of Related Debt	6,586,901	5,432,079
Restricted	1,536,558	1,591,073
Unrestricted	(5,347,098)	(5,138,769)
<b>Total Net Assets</b>	<b><u>\$ 2,776,361</u></b>	<b><u>\$ 1,884,383</u></b>

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

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

**Net Assets (Continued)**

The net change in assets for 2006-07 was \$ 891,978 based on total revenues of \$ 33,524,441 and total expenses of \$ 32,632,463. Figure A-4 below shows the breakdown into the various revenue and expense categories.

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

	<u>Governmental Activities 2006-07</u>	<u>Governmental Activities 2005-06</u>
<b>Revenues</b>		
<b>Program Revenues</b>		
Charges for Services	\$ 2,735,542	\$ 3,126,916
Operating Grants and Contributions	4,199,142	3,972,223
Capital Grants and Contributions	308,699	725,833
<b>General Revenues</b>		
Property Taxes	8,056,502	5,773,974
State Formula Aid	16,975,582	18,022,447
Other	1,248,974	1,002,128
<b>Total Revenues</b>	<u>33,524,441</u>	<u>32,623,521</u>
<b>Expenses</b>		
Administration	1,282,611	1,271,288
District Support Services	1,075,397	910,996
Elementary and Secondary Regular Instruction	13,250,592	13,121,498
Vocational Educational Instruction	766,761	767,512
Special Education Instruction	4,403,672	3,947,570
Instructional Support Services	1,614,730	1,532,878
Pupil Support Services	1,976,833	1,932,024
Sites and Buildings	2,843,923	2,821,930
Fiscal and Other Fixed Cost Programs	154,156	273,347
Food Service	1,091,679	1,043,596
Community Education Services	1,974,860	1,915,980
Unallocated Depreciation	863,544	848,856
Interest and Fiscal Charges on Long-Term Debt	1,333,705	1,365,292
<b>Total Expenses</b>	<u>32,632,463</u>	<u>31,752,767</u>
<b>Increase (Decrease) in Net Assets</b>	<u>\$ 891,978</u>	<u>\$ 870,754</u>
<b>Ending Net Assets</b>	<u>\$ 2,776,361</u>	<u>\$ 1,884,383</u>

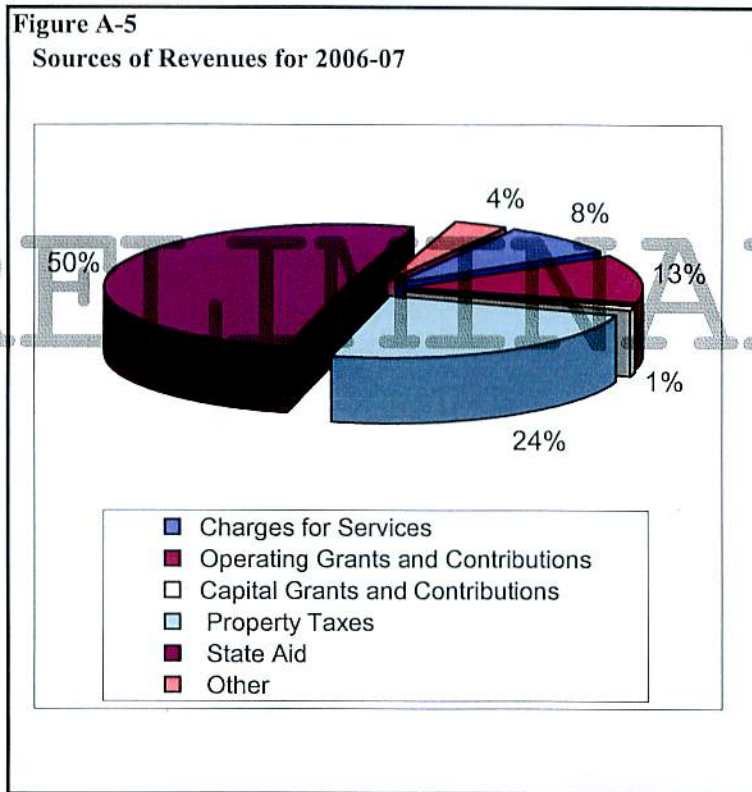
INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Assets (Continued)

As you can see in the chart in Figure A-5, state aid and property taxes accounted for most of the District's revenue, with state aid representing 50% and property tax representing 24% of the total. Another 13% came from state and federal aid for specific programs and the remainder from fees charged for services and miscellaneous sources.

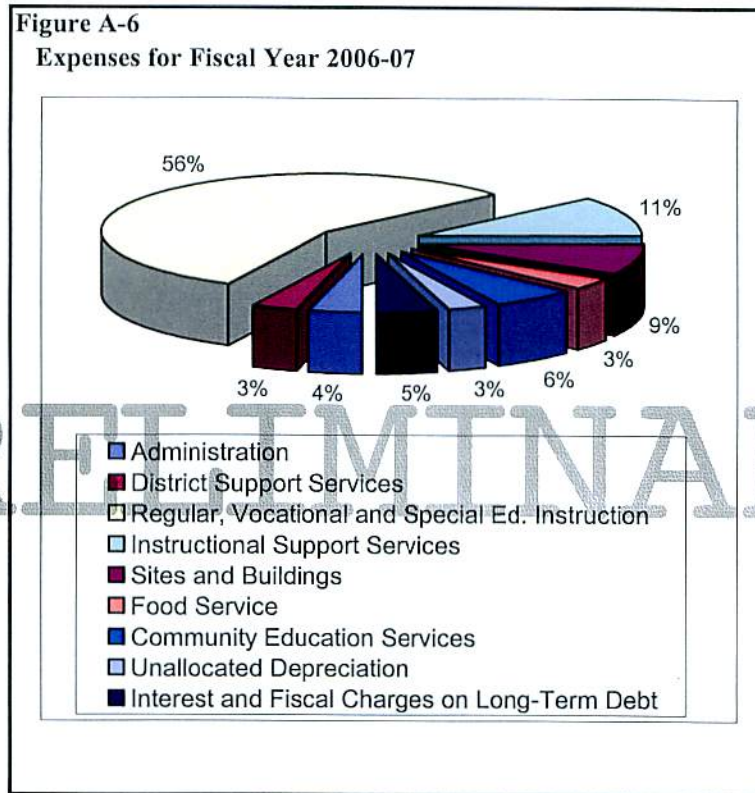


INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Assets (Continued)



Governmental Activities

The majority of the District's expenses are related to instructing or supporting the instruction of students. Figure A-6 above indicates the breakdown of the total expenditures on a percentage basis. The direct instruction categories of expense, which include elementary and secondary, vocational, and special education represent approximately 56% of the total expenses. The indirect categories of instructional and pupil support (which includes student transportation) amount to about 11% and administration and District support services combined represented 7% of the total expenses for the year. Other major categories of expense included food service, community service and principal and interest payments on our outstanding debt.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

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

**Net Assets (Continued)**

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

Figure A-7  
Net Cost of Governmental Activities

	Total Cost of Services 2006-07	Net Cost of Services 2006-07	Total Cost of Services 2005-06	Net Cost of Services 2005-06
Administration	\$ 1,282,611	\$ 1,282,611	\$ 1,271,288	\$ 1,271,288
District Support Services	1,075,397	1,075,397	910,996	910,996
Elementary and Secondary Regular Instruction	13,250,592	11,798,915	13,121,498	11,493,903
Vocational Educational Instruction	766,761	735,123	767,512	747,675
Special Education Instruction	4,403,672	2,080,154	3,947,570	1,564,901
Instructional Support Services	1,614,730	1,606,943	1,532,878	1,522,352
Pupil Support Services	1,976,833	1,670,798	1,932,024	1,628,926
Sites and Buildings	2,843,923	2,472,900	2,821,930	2,037,923
Fiscal and Other Fixed Cost Programs	154,156	154,156	273,347	273,347
Food Service	1,091,679	(53,666)	1,043,596	(80,645)
Community Education Services	1,974,860	368,500	1,915,980	342,981
Unallocated Depreciation	863,544	863,544	848,856	848,856
Interest and Fiscal Charges on Long-Term Debt	1,333,705	1,333,705	1,365,292	1,365,292
<b>Total</b>	<b>\$ 32,632,463</b>	<b>\$ 25,389,080</b>	<b>\$ 31,752,767</b>	<b>\$ 23,927,795</b>

- The cost of all *governmental* activities this year was \$ 32,632,463.
- The users of the District's programs through fees and other charges financed \$ 2,735,542 or 8.3% of the cost.
- The federal and state governments subsidized specific programs with grants and contributions totaling \$ 4,199,142 or 12.9% of the cost.
- State and local taxpayers, however, financed the majority of the costs. State aid and local property taxes as determined by the legislature through the statewide funding formulas, amounted to \$ 16,975,582 and \$ 8,056,502, respectively, for a total of \$ 25,032,084 or 77% of the District's total costs.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

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

The stable 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 combined fund balances of \$ 4,164,320 (excluding capital projects), which is \$ 94,122 less than last year's ending fund balances. This decrease in combined fund balances is due to health and safety and operating capital reserves in the general fund.

**General Fund Budgetary Highlights**

Over the course of the year, the District revised the annual operating budget in February. These budget amendments fall into two general categories:

- Revisions were made to reflect up-to-date projection of revenues. Revenue formulas were updated to reflect updated student enrollment numbers, which are the basis for most state and federal programs. Other revenue adjustments included adjusting special education tuition and student activities.
- Increases were made to reflect a more up-to-date projection of expenditures in student activities, health and dental insurance and tuition paid to other districts. The operating capital budget was increased for the purchase of staff computers. The rest of the budget such utility costs, supply costs, contracted services, and other miscellaneous budget categories were, for the most part, left unchanged from the adopted budget.

The District's final budget for the General Fund anticipated that expenditures would exceed revenues by (\$395,531). Actual results for the year show a net change in fund balance of (\$217,672) for the year. This is a positive variance of \$ 177,859 from the final budget that was adopted by the Board in February 2007.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

By the end of 2007, the District had invested \$ 44,460,573 in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment, and administrative offices (see Figure A-8). Depreciation expense for the year was \$ 1,015,765 with total accumulated depreciation amounting to \$ 14,452,690. (More detailed information on capital assets can be found in Note 4 to the financial statements.)

**Figure A-8  
Capital Assets**

	<u>Governmental Activities</u>		<u>Percentage Change</u>
	<u>2006-07</u>	<u>2005-06</u>	
Land	\$ 1,571,466	\$ 1,571,466	0.00%
Construction in Progress	1,121,953	463,577	142.02%
Buildings	37,191,409	37,191,409	0.00%
Improvements Other Than Buildings	2,704,921	2,434,173	11.12%
Equipment and Furniture	1,870,824	1,874,695	-0.21%
<b>Total</b>	<b><u>\$ 44,460,573</u></b>	<b><u>\$ 43,535,320</u></b>	<b><u>2.13%</u></b>

The District is almost complete with the land development project for the District/community field expansion approved by the District's voters in the November 2001 election.

The District also has a ten-year plan in place to fund the support and replacement of computers, software, phones and other network related equipment. Fiscal year 2006-07 was the sixth year of the ten-year plan in which the District either replaced or added several new computer labs for students.

**Long-Term Debt**

At year-end, the District had \$ 31,483,794 in general obligation bonds and other long-term liabilities outstanding – a decrease of 6.32% from last year – as shown in Figure A-9. (More detailed information about the District's long-term liabilities is presented in Note 5 to the financial statements.)

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Long-Term Debt (Continued)**

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

	<u>Total School District</u>		<u>Percentage Change</u>
	<u>2006-07</u>	<u>2005-06</u>	
General Obligation Bonds	\$ 27,591,412	\$ 29,136,988	-5.30%
Certificate of Participation	1,310,000	1,435,000	-8.71%
Capital Leases	32,540	83,799	-61.17%
Postemployment Severance and Compensated Absences Payable	2,549,842	2,951,971	-13.62%
<b>Total</b>	<b>\$ 31,483,794</b>	<b>\$ 33,607,758</b>	<b>-6.32%</b>

- The District retired \$ 2,045,000 in general obligation debt in fiscal year 2006-07 and paid off several Capital Leases for technology.

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

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

- The District is examining all programs and services provided by the District through a community process that started May 2005. Program review will determine those priority programs and services that most impact student learning and development. The comprehensive planning during program review will direct our future in the face of economic uncertainty and future enrollment changes. The review has been completed for Early Childhood through Grade 8. The High School is currently under review.
- The District is continuing the joint powers agreements with Stillwater School District for Food Service management and White Bear Lake School District for transportation and operations planning and management. These joint agreements financially benefit the District and are evaluated each year.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2007**

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Business Services (phone: 651-407-2000) at the District Education Center for Mahtomedi Schools located at 1520 Mahtomedi Avenue, Mahtomedi, MN 5511.

**PRELIMINARY**

# PRELIMINARY

BASIC FINANCIAL STATEMENTS

**INDEPENDENT SCHOOL DISTRICT NO. 832**  
**Mahtomedi, Minnesota**

**STATEMENT OF NET ASSETS**  
**June 30, 2007**

	<u>Governmental Activities</u>
<b>ASSETS:</b>	
Cash and Investments (Including Cash Equivalents)	\$ 6,828,630
Current Property Taxes Receivable	4,898,402
Delinquent Property Taxes Receivable	121,282
Accounts Receivable	109,937
Interest Receivable	31,889
Due from Department of Education	1,850,768
Due from Federal Government through Department of Education	448,835
Due from Other Minnesota School Districts	187,734
Due from Other Governmental Units	28,215
Lease Receivables	248,804
Inventory	13,392
Prepaid Items	36,660
Capital Assets:	
Land	1,571,466
Construction In Progress	1,121,953
Land Improvements	2,704,921
Buildings	37,191,409
Machinery and Equipment	1,870,824
Less Accumulated Depreciation	<u>(14,452,690)</u>
Total Assets	<u>\$ 44,812,431</u>
<b>LIABILITIES AND NET ASSETS:</b>	
<b>Liabilities:</b>	
Accounts Payable	\$ 581,157
Salaries and Benefits Payable	648,422
Interest Payable	596,790
Due to Other Minnesota School Districts	112,202
Unearned Revenue	283,995
Property Taxes Levied for Subsequent Year's Expenditures	8,329,710
Bond Principal Payable:	
Payable Within One Year	2,150,000
Payable After One Year	25,406,833
Unamortized Premium on Bonds Payable:	
Payable Within One Year	34,579
Certificates of Participation:	
Payable Within One Year	135,000
Payable After One Year	1,175,000
Capital Lease Payable:	
Payable Within One Year	30,272
Payable After One Year	2,268
Severance and Vacation Payable:	
Payable Within One Year	95,420
Payable After One Year	<u>2,454,422</u>
Total Liabilities	<u>42,036,070</u>
<b>Net Assets:</b>	
Invested in Capital Assets, Net of Related Debt	6,586,901
Restricted for:	
Debt Service	176,658
Other Purposes	1,359,900
Unrestricted	<u>(5,347,098)</u>
Total Net Assets	<u>2,776,361</u>
<b>Total Liabilities and Net Assets</b>	<u><b>\$ 44,812,431</b></u>

PRELIMINARY

The Notes to the Financial Statements are an integral part of this statement.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2007**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental Activities:</b>					
Administration	\$ 1,282,611	\$ -	\$ -	\$ -	\$ (1,282,611)
District Support Services	1,075,397	-	-	-	(1,075,397)
Elementary and Secondary Regular Instruction	13,250,592	223,151	1,228,526	-	(11,798,915)
Vocational Education Instruction	766,761	-	31,638	-	(735,123)
Special Education Instruction	4,403,672	1,093	2,322,425	-	(2,080,154)
Instructional Support Services	1,614,730	-	7,787	-	(1,606,943)
Pupil Support Services	1,976,833	-	306,035	-	(1,670,798)
Sites and Buildings	2,843,923	62,324	-	308,699	(2,472,900)
Fiscal and Other Fixed Cost Programs	154,156	-	-	-	(154,156)
Food Service	1,091,679	969,870	175,475	-	53,666
Community Education and Services	1,974,860	1,479,104	127,256	-	(368,500)
Unallocated Depreciation	863,544	-	-	-	(863,544)
Interest and Fiscal Charges on Long-Term Debt	1,333,705	-	-	-	(1,333,705)
<b>Total Governmental Activities</b>	<b>\$ 32,632,463</b>	<b>\$ 2,735,542</b>	<b>\$ 4,199,142</b>	<b>\$ 308,699</b>	<b>(25,389,080)</b>
<b>General Revenues:</b>					
<b>Taxes:</b>					
Property Taxes, Levied for General Purposes					4,946,641
Property Taxes, Levied for Community Service					278,395
Property Taxes, Levied for Debt Service					2,831,466
State Aid-Formula Grants					16,975,582
Other General Revenues					861,028
Investment Income					387,946
<b>Total General Revenues</b>					<b>26,281,058</b>
Change in Net Assets					891,978
Net Assets - Beginning					1,884,383
<b>Net Assets - Ending</b>					<b>\$ 2,776,361</b>

21 The Notes to the Financial Statements are an integral part of this statement.

**INDEPENDENT SCHOOL DISTRICT NO. 832**  
**Mahtomedi, Minnesota**

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2007**

	General	Debt Service	Capital Projects	Other Nonmajor Funds	Total Governmental Funds
<b>ASSETS:</b>					
Cash and Investments (Including Cash Equivalents)	\$ 3,141,942	\$ 2,199,913	\$ 714,155	\$ 772,620	\$ 6,828,630
Current Property Taxes Receivable	3,232,084	1,507,473	-	158,845	4,898,402
Delinquent Property Taxes Receivable	73,828	43,152	-	4,302	121,282
Accounts Receivable	107,295	-	-	2,642	109,937
Interest Receivable	31,889	-	-	-	31,889
Due from Department of Education	1,835,854	6,982	-	7,932	1,850,768
Due from Federal Government through Department of Education	448,614	-	-	221	448,835
Due from Other Minnesota School Districts	187,734	-	-	-	187,734
Due from Other Governmental Units	28,215	-	-	-	28,215
Lease Receivables	248,804	-	-	-	248,804
Inventory	-	-	-	13,392	13,392
Prepaid Items	34,020	-	-	2,640	36,660
<b>Total Assets</b>	<b>\$ 9,370,279</b>	<b>\$ 3,757,520</b>	<b>\$ 714,155</b>	<b>\$ 962,594</b>	<b>\$ 14,804,548</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 379,354	\$ 1,035	\$ 93,264	\$ 107,504	\$ 581,157
Salaries and Benefits Payable	583,469	-	-	64,953	648,422
Due to Other Minnesota School Districts	112,202	-	-	-	112,202
Deferred Revenue	283,368	31,770	-	32,708	347,846
Property Taxes Levied for Subsequent Year's Expenditures	5,032,064	2,983,037	-	314,609	8,329,710
<b>Total Liabilities</b>	<b>6,390,457</b>	<b>3,015,842</b>	<b>93,264</b>	<b>519,774</b>	<b>10,019,337</b>
<b>Fund Balances:</b>					
Reserved	1,128,493	741,678	620,891	231,407	2,722,469
Unreserved:					
General Fund	1,851,329	-	-	-	1,851,329
Nonmajor Special Revenue Funds	-	-	-	211,413	211,413
<b>Total Fund Balances</b>	<b>2,979,822</b>	<b>741,678</b>	<b>620,891</b>	<b>442,820</b>	<b>4,785,211</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 9,370,279</b>	<b>\$ 3,757,520</b>	<b>\$ 714,155</b>	<b>\$ 962,594</b>	<b>\$ 14,804,548</b>

PRELIMINARY

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**RECONCILIATION OF THE BALANCE SHEET TO  
THE STATEMENT OF NET ASSETS - GOVERNMENTAL FUNDS  
June 30, 2007**

Total Fund Balances - Governmental Funds \$ 4,785,211

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

Capital assets used in governmental activities are not current financial resources  
and, therefore, are not reported as assets in governmental funds.

Cost of Capital Assets	44,460,573
Less Accumulated Depreciation	(14,452,690)

Long-term liabilities, including bonds payable, are not due and payable in  
the current period and, therefore, are not reported as liabilities in the funds.

Long-term liabilities at year-end consist of:

Bond Principal Payable	(27,556,833)
Unamortized Premium on Bonds Payable	(34,579)
Certificates of Participation	(1,310,000)
Capital Lease Payable	(32,540)
Severance and Compensated Absences Payable	(2,549,842)

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

63,851

Governmental funds do not report a liability for accrued interest on bonds  
and capital loans until due and payable.

(596,790)

Total Net Assets - Governmental Activities \$ 2,776,361

**INDEPENDENT SCHOOL DISTRICT NO. 832**  
Mahtomedi, Minnesota

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
For the Year Ended June 30, 2007

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Nonmajor Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES:</b>					
Local Property Taxes	\$ 4,977,096	\$ 2,837,153	\$ -	\$ 278,663	\$ 8,092,912
Other Local and County Revenues	1,359,606	83,731	51,936	1,559,468	3,054,741
Revenue from State Sources	20,212,292	69,824	-	127,509	20,409,625
Revenue from Federal Sources	868,837	-	-	144,697	1,013,534
Sales and Other Conversion of Assets	20,169	-	-	969,870	990,039
Total Revenues	<u>27,438,000</u>	<u>2,990,708</u>	<u>51,936</u>	<u>3,080,207</u>	<u>33,560,851</u>
<b>EXPENDITURES:</b>					
Current:					
Administration	1,240,018	-	-	-	1,240,018
District Support Services	1,070,217	-	-	-	1,070,217
Elementary and Secondary Regular Instruction	13,583,284	-	-	-	13,583,284
Vocational Education Instruction	768,761	-	-	-	768,761
Special Education Instruction	4,406,992	-	-	-	4,406,992
Instructional Support Services	1,647,893	-	-	-	1,647,893
Pupil Support Services	1,968,841	-	-	-	1,968,841
Sites and Buildings	2,822,510	-	1,133,171	-	3,955,681
Fiscal and Other Fixed Cost Programs	154,156	-	-	-	154,156
Food Service	-	-	-	1,114,367	1,114,367
Community Education and Services	-	-	-	1,929,455	1,929,455
Debt Service:					
Principal	-	2,045,000	-	-	2,045,000
Interest and Fiscal Charges	-	858,543	-	-	858,543
Total Expenditures	<u>27,662,672</u>	<u>2,903,543</u>	<u>1,133,171</u>	<u>3,043,822</u>	<u>34,743,208</u>
Excess of Revenues Over (Under) Expenditures	(224,672)	87,165	(1,081,235)	36,385	(1,182,357)
<b>OTHER FINANCING SOURCES:</b>					
Proceeds from Sale of Capital Assets	7,000	-	-	-	7,000
Net Change in Fund Balances	(217,672)	87,165	(1,081,235)	36,385	(1,175,357)
<b>FUND BALANCES:</b>					
Beginning of Year	<u>3,197,494</u>	<u>654,513</u>	<u>1,702,126</u>	<u>406,435</u>	<u>5,960,568</u>
End of Year	<u>\$ 2,979,822</u>	<u>\$ 741,678</u>	<u>\$ 620,891</u>	<u>\$ 442,820</u>	<u>\$ 4,785,211</u>

The Notes to the Financial Statements are an integral part of this statement.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES TO THE STATEMENT  
OF ACTIVITIES - GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2007**

Net Change in Fund Balances - Total Governmental Funds \$ (1,175,357)

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

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

Capital Outlays	984,889
Depreciation Expense	(1,015,765)
Loss on Disposal	(13,605)

Severance payments are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities. 402,129

Principal payments on long-term debt are recognized as expenditures in the governmental funds but as an increase in the net assets in the Statement of Activities. 2,221,259

Accreted Interest on Bonds (558,703)

Bond discounts and premiums are amortized in the Statement of Activities, whereas governmental funds record the discount and premiums as an other financing use and source at the time of issuance. 59,279

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. 24,262

Delinquent property taxes receivable will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds. (36,410)

Change in Net Assets - Governmental Activities \$ 891,978

The Notes to the Financial Statements are an integral part of this statement. 25

**INDEPENDENT SCHOOL DISTRICT NO. 832**  
**Mahtomedi, Minnesota**

**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL - GENERAL FUND**  
**For the Year Ended June 30, 2007**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
<b>REVENUES:</b>				
Local Property Taxes	\$ 5,033,651	\$ 5,033,651	\$ 4,977,096	\$ (56,555)
Other Local and County Revenues	1,053,450	1,104,399	1,359,606	255,207
Revenue from State Sources	19,864,791	19,931,986	20,212,292	280,306
Revenue from Federal Sources	940,122	936,547	868,837	(67,710)
Sales and Other Conversion of Assets	-	20,000	20,169	169
Total Revenues	<u>26,892,014</u>	<u>27,026,583</u>	<u>27,438,000</u>	<u>411,417</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
Administration	1,341,865	1,356,122	1,240,018	(116,104)
District Support Services	953,208	970,477	1,070,217	99,740
Elementary and Secondary Regular Instruction	13,359,421	13,322,086	13,583,284	261,198
Vocational Education Instruction	743,366	838,667	768,761	(69,906)
Special Education Instruction	4,145,806	4,400,445	4,406,992	6,547
Instructional Support Services	1,298,540	1,294,460	1,647,893	353,433
Pupil Support Services	1,919,201	1,969,618	1,968,841	(777)
Sites and Buildings	2,929,876	2,991,043	2,822,510	(168,533)
Fiscal and Other Fixed Cost Programs	351,379	279,196	154,156	(125,040)
Total Expenditures	<u>27,042,662</u>	<u>27,422,114</u>	<u>27,662,672</u>	<u>240,558</u>
Excess of Revenues Over (Under) Expenditures	(150,648)	(395,531)	(224,672)	170,859
<b>OTHER FINANCING SOURCES:</b>				
Proceeds from Sale of Capital Assets	-	-	7,000	7,000
Net Change in Fund Balances	<u>\$ (150,648)</u>	<u>\$ (395,531)</u>	<u>(217,672)</u>	<u>\$ 177,859</u>
<b>FUND BALANCES:</b>				
Beginning of Year			<u>3,197,494</u>	
End of Year			<u>\$ 2,979,822</u>	

The Notes to the Financial Statements are an integral part of this statement.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**STATEMENT OF FIDUCIARY NET ASSETS  
June 30, 2007**

	<b>Private Purpose Trust Fund</b>
<b>ASSETS:</b>	
Cash and Investments (Including Cash Equivalents)	\$ 31,284
<b>NET ASSETS:</b>	
Held in Trust for Scholarships	\$ 31,284

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
For the Year Ended June 30, 2007**

	<b>Private Purpose Trust Fund</b>
PRELIMINARY	
<b>ADDITIONS:</b>	
Contributions	\$ 19,000
<b>DEDUCTIONS:</b>	
Scholarships	27,341
Change in Net Assets	(8,341)
<b>NET ASSETS:</b>	
Beginning of Year	39,625
End of Year	\$ 31,284

**PRELIMINARY**  
(THIS PAGE LEFT BLANK INTENTIONALLY.)

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

The accounting policies of the District conform to U.S. generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant policies.

**A. Reporting Entity**

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

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

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

The student activity accounts of Independent School District No. 832, Mahtomedi, Minnesota, are under the School Board's control; therefore, all activity is included within the District's financial statements.

**B. Basic Financial Statement Information**

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 Statement 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.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**B. Basic Financial Statement Information (Continued)**

The District applies restricted resources first when an expense is incurred for a purpose 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 that function. Depreciation expense relating to assets that serve multiple functions is presented as unallocated depreciation in the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. The effect of interfund activity has been removed from these Statements.

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

The Trust Funds are presented in the fiduciary fund financial statements. Since by definition, these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the District, these Funds are not incorporated into the government-wide statements.

**C. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the 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. Other revenue is considered available if collected within one year.

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**C. Measurement Focus and Basis of Accounting (Continued)**

**2. Recording of Expenditures**

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

**Description of Funds:**

**Major Funds:**

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

Debt Service Fund – This Fund is used to account for the accumulation of resources for and payment of; general obligation bond principal, interest and related costs.

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

**Nonmajor Funds:**

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

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

**Fiduciary Fund:**

Private Purpose Trust Fund – This Fund is used to account for resources received and held by the District in a trustee capacity to be used in making scholarship awards.

**D. Deposits and Investments**

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the State Treasurer's Investment Pool. Earnings from the pooled investments are allocated to the individual funds based on the average of month-end cash and investment balances.

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Deposits and Investments (Continued)

Short-term, highly liquid debt instruments (including commercial paper, banker's acceptances and U.S. Treasury and agency obligations) purchased with a remaining maturity of one year or less are reported at amortized cost. Other investments are reported at fair value.

Cash and investments at June 30, 2007 were comprised of deposits, government securities, commercial paper, money markets and shares in the Minnesota School District Liquid Asset Fund (MSDLAF). The MSDLAF is an external investment pool not registered within the Securities Exchange Commission (SEC) that follows the same regulatory rules of the SEC under Rule 2.a.7. The fair value of the position in the pool is the same as the value of the pool shares.

Custodial Credit Risk – Deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a deposit policy that requires the District's deposits to be in compliance with *Minnesota Statutes* 118A.

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

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. *Minnesota Statutes* 118A.04 and 118A.05 limits investments in the top two ratings issued by nationally recognized statistical rating organizations. The District's investment policy does not address credit risk.

Concentration of Credit Risk: The District's investment policy places no limit on the amount the District may invest in any one issuer. However, it does discuss the need to diversify investments.

Interest Rate Risk: The District's investment policy includes limits on investment maturities as a means of managing its exposure to fair value arising from increasing interest rates.

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

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**E. Property Tax Receivable**

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

**F. Property Taxes Levied for Subsequent Years' Expenditures**

Property taxes levied for subsequent years' expenditures consist principally of property taxes levied in the current year which will be collected and recognized as revenue in the District's following fiscal year to properly match those revenues with the budgeted expenditures for which they were levied. This amount is equal to the amount levied by the School Board in December 2006, less various components and their related adjustments as mandated by the state. These portions of that levy were recognized as revenue in fiscal year 2007. The remaining portion of the levy will be recognized when measurable and available.

**G. Inventories**

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

**H. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are recorded as an expenditure at the time of consumption.

**I. Property Taxes**

Independent School District No. 832 is located in Washington County.

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

A portion of property taxes levied is paid by the State of Minnesota through various tax credits, which are included in revenue from state sources in the financial statements.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**J. Capital Assets**

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

Capital assets are defined by the District as assets with an initial individual cost of more than \$ 2,500 and an estimated useful life in excess of five years. Such assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

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

Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purpose by the District, no salvage value is taken into consideration for depreciation purpose. Useful lives vary from 20 to 50 years for land improvements and buildings and 5 to 20 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, such as sidewalks and parking lots. Such items are considered to be part of the cost of buildings or other improvable property.

**K. Long-Term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

In the fund financial statements, the face amount of debt issued is reported as other financing sources.

**L. Compensated Absences**

The District compensates administration, clerical and custodial employees upon termination of employment for unused vacation. All vacation must be used within six months after the end of the year in which it was earned.

Employees are not compensated for unused sick leave upon termination of employment, unless taken in conjunction with severance pay as described in Note 1.M. Sick leave pay is shown as an expenditure in the year paid.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**M. Post Employment Severance**

Full-time teachers who are at least 50 years of age or have completed 20 years of professional service in the appropriate unit in the District shall be eligible for severance pay pursuant to the provisions in the Severance Pay Article of the Teachers' Master Agreement. All persons whose actual service began prior to July 1, 1988, shall be eligible for this benefit.

The full-time teachers shall accumulate 10 days of credit for each full year of actual teaching in the District up to a maximum of a year's salary as determined by the salary schedule placement. In applying these provisions, a teacher's daily rate of pay shall be the basic rate of the teacher's last day of actual service as provided in the basic salary schedule for the basic school year.

Other District employees are entitled to a percentage of accumulated sick leave balances upon retirement.

**N. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to employees for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in the District's insurance coverage during the fiscal year ended June, 30, 2007.

**O. Fund Equity**

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.

**P. Net Assets**

Net assets represent the difference between assets and liabilities in the government-wide 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 on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

**INDEPENDENT SCHOOL DISTRICT NO. 832**  
**Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2007**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Q. Use of Estimates**

The preparation of financial statement in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenditures/expense during the reporting period. Actual results could differ from those estimates.

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

1. Prior to July 1, the School Superintendent submits to the School Board, a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. The Superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the School Board.
3. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. Formal budgetary integration is not required for Debt Service Funds because effective budgetary control is alternatively achieved through general obligation bond indenture provisions. Budgetary control for Capital Projects Funds is accomplished through the use of project controls.
4. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with U.S. generally accepted accounting principles.
5. Budgets are as originally adopted or as amended by the School Board. Budgeted expenditure appropriations lapse at year-end.

Encumbrances represent outstanding purchase orders and unfulfilled commitments that are issued to outside vendors and budgeted in the current year, but do not include amounts that are set up as liabilities, amounts for services to be performed by District employees and purchase orders applicable to the subsequent year's budget. As of June 30, 2007, no outstanding encumbrances existed.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**B. Excess of Expenditures Over Appropriations**

Expenditures exceeded appropriations in the following Funds for the year ended June 30, 2007.

	<u>Appropriations</u>	<u>Expenditures</u>
Major Fund:		
General	\$ 27,422,114	\$ 27,662,672
Nonmajor Fund:		
Community Service	1,792,372	1,929,445

**NOTE 3 – DEPOSITS AND INVESTMENTS**

**A. Deposits**

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

As of June 30, 2007, the District's bank balance was not exposed to custodial credit risk because it was insured and fully collateralized with securities held by the pledging financial institution's trust department or agent and in the District's name. At year-end, the District carrying amount of deposits was \$ 45,560 and the bank balance was \$ 45,560.

**B. Investments**

Investments at June 30, 2007 were comprised of money markets, commercial paper, government securities and shares in MSDLAF.

<u>Investment</u>	<u>Weighted Average Maturities (Days)</u>	<u>Fair Value</u>
Commercial Paper	102	\$ 4,292,411
Treasury Bill/Notes	324	26,000
MSDLAF	N/A	585,467
PMA - Money Markets	N/A	1,910,476
Total		\$ 6,814,354

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 3 – DEPOSITS AND INVESTMENTS**

**B. Investments (Continued)**

Credit Risk: As of June 30, 2007, the District's investments were rated in the top two rating tiers. Investment in commercial paper was rated A-1+ by Standard & Poor's (S&P) and P-1 by Moody's for General Electric Corp. A-1 by S&P and P-1 by Moody's for Gotham Funding Group, Cobbler Funding, LLC, and Hannover Funding Co., LLC. One investment, Centrestar Capital No. 1, LLC, was rated P-1 by Moody's.

Concentration of Credit Risk: As of June 30, 2007, the District had investments exceeding 5% of the District's total investment portfolio as shown in the table below.

<u>Investment</u>	<u>Fair Value</u>	<u>Type</u>
Cobbler Funding, LLC	\$ 992,868	CP
Centrestar Capital No. 1, LLC	514,365	CP
Gotham Funding Group	600,370	CP
Hannover Funding Co., LLC	1,184,808	CP
General Electric Corp.	1,000,000	CP

Summary of total cash, deposits and investments as of June 30, 2007:

Investments	\$ 6,814,354
Deposits	<u>45,560</u>
<b>Total Deposits and Investments</b>	<b><u><u>\$ 6,859,914</u></u></b>

Deposits and investments are presented in the June 30, 2007, basic financial statements follows:

Statement of Net Assets:	
Cash and Investments	\$ 6,828,630
Statement of Fiduciary Net Assets:	
Cash and Investments	<u>31,284</u>
<b>Total</b>	<b><u><u>\$ 6,859,914</u></u></b>

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2007, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital Assets not being Depreciated:				
Land	\$ 1,571,466	\$ -	\$ -	\$ 1,571,466
Construction in Progress	463,577	658,376	-	1,121,953
Total Capital Assets not being Depreciated	<u>2,035,043</u>	<u>658,376</u>	<u>-</u>	<u>2,693,419</u>
Capital Assets being Depreciated:				
Land Improvements	2,434,173	270,748	-	2,704,921
Buildings	37,191,409	-	-	37,191,409
Machinery and Equipment	1,874,695	55,765	(59,636)	1,870,824
Total Capital Assets being Depreciated	<u>41,500,277</u>	<u>326,513</u>	<u>(59,636)</u>	<u>41,767,154</u>
Less Accumulated Depreciation for:				
Buildings	10,661,633	747,357	-	11,408,990
Improvements Other than Buildings	1,599,648	115,717	-	1,715,365
Machinery and Equipment	1,221,675	152,691	(46,031)	1,328,335
Total Accumulated Depreciation	<u>13,482,956</u>	<u>1,015,765</u>	<u>(46,031)</u>	<u>14,452,690</u>
Total Capital Assets being Depreciated, Net	<u>28,017,321</u>	<u>(689,252)</u>	<u>(13,605)</u>	<u>27,314,464</u>
Governmental Activities Capital Assets, Net	<u>\$ 30,052,364</u>	<u>\$ (30,876)</u>	<u>\$ (13,605)</u>	<u>\$ 30,007,883</u>

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 4 – CAPITAL ASSETS**

Depreciation expense of \$ 1,015,765, for the year ended June 30, 2007, was charged to the following governmental functions:

Elementary and Secondary Regular Instruction	\$ 60,677
Instructional Support Services	39,778
Pupil Support Services	21,860
Sites and Buildings	28,042
Food Service	1,865
Unallocated	<u>863,543</u>
 Total Depreciation Expense	 <u><u>\$ 1,015,765</u></u>

**NOTE 5 – LONG-TERM DEBT**

PRELIMINARY

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

	Issue Date	Interest Rates	Original Issue	Final Maturity	Principal Outstanding	Due Within One Year
Long-Term Liabilities:						
G.O. Bonds, Including						
Refunding Bonds:						
2003B School Building Refunding Bonds	09/18/03	1.8%-4.1%	\$ 3,175,000	02/01/17	\$ 2,765,000	\$ 215,000
1995B School Building Bonds	06/01/95	5.6%-6.0%	5,194,754	02/01/17	10,086,833	-
2002 School Building Bonds	02/01/02	4.0%-5.0%	12,200,000	02/01/18	12,155,000	45,000
2002B Refunding Bonds	12/05/02	3.0%-4.5%	8,280,000	02/01/08	1,860,000	1,860,000
2004A Alternative Facility Bonds	03/10/04	2.5%-4.25%	780,000	02/01/24	690,000	30,000
Plus Unamortized Premium					<u>34,579</u>	<u>34,579</u>
Total G.O. Bonds					<u>27,591,412</u>	<u>2,184,579</u>
Certificate of Participation					1,310,000	135,000
Capital Leases					32,540	30,272
Severance Payable					2,454,422	-
Vacation Payable					<u>95,420</u>	<u>95,420</u>
 Total all Long-Term Liabilities					 <u><u>\$ 31,483,794</u></u>	 <u><u>\$ 2,445,271</u></u>

The long-term bond and loan liabilities listed above were issued to finance acquisition and construction of capital facilities or to refinance (refund) previous bond issues.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 5 – LONG-TERM DEBT**

**B. Minimum Debt Payments for Bonds and Loans**

Minimum annual principal and interest payments required to retire bond and loan liabilities:

Year Ending June 30,	G.O. Bonds		Capital Leases		Certification of Participation	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 2,150,000	\$ 774,978	\$ 30,272	\$ 1,959	\$ 135,000	\$ 69,575
2009	1,627,960	1,530,394	2,268	137	140,000	62,825
2010	1,697,440	1,543,813	-	-	140,000	55,685
2011	1,779,032	1,548,852	-	-	155,000	48,405
2012	1,867,672	1,545,281	-	-	165,000	40,190
2013-2017	9,962,650	7,147,075	-	-	575,000	65,650
2018-2022	3,470,000	214,580	-	-	-	-
2023-2027	110,000	7,013	-	-	-	-
<b>Total</b>	<b>22,664,754</b>	<b>\$ 14,311,986</b>	<b>\$ 32,540</b>	<b>\$ 2,096</b>	<b>\$ 1,310,000</b>	<b>\$ 342,330</b>
Unamortized Premium	34,579					
Accretion on Capital Appreciation Bonds	4,892,079					
<b>Total</b>	<b>\$ 27,591,412</b>					

**C. Changes in Long-Term Liabilities**

	Beginning Balance	Additions	Reductions	Ending Balance
Long-Term Liabilities:				
G.O. Bonds	\$ 29,136,988	\$ 558,703	\$ 2,104,279	\$ 27,591,412
Certificate of Participation	1,435,000	-	125,000	1,310,000
Capital Leases	83,799	-	51,259	32,540
Severance Payable	2,875,762	-	421,340	2,454,422
Vacation Payable	76,209	95,420	76,209	95,420
<b>Total Long-Term Liabilities</b>	<b>\$ 33,607,758</b>	<b>\$ 654,123</b>	<b>\$ 2,778,087</b>	<b>\$ 31,483,794</b>

The General Fund liquidates liabilities related to severance and vacation payable.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 6 – RESERVED FUND BALANCES/NET ASSETS**

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.

**Fund Equity**

Fund equity balances are classified below to reflect the limitations and restrictions of the respective funds.

**A. Reserved Fund Balance**

	General Fund	Debt Service	Capital Projects	Other Nonmajor Funds	Total
Reserved for:					
Severance Pay	\$ 430,914	-	-	-	\$ 430,914
Health and Safety	80,638	-	-	-	80,638
Operating Capital	616,941	-	-	-	616,941
Community Education	-	-	-	213,130	213,130
Early Childhood Family Education	-	-	-	15,978	15,978
School Readiness	-	-	-	2,299	2,299
Capital Projects	-	-	620,891	-	620,891
Debt Service	-	741,678	-	-	741,678
<b>Total Reserved Fund Balance</b>	<b><u>\$ 1,128,493</u></b>	<b><u>\$ 741,678</u></b>	<b><u>\$ 620,891</u></b>	<b><u>\$ 231,407</u></b>	<b><u>\$ 2,722,469</u></b>

**Reserved for Severance Pay** – The balance reserved for severance pay represents the amounts set aside for retiree benefits.

**Reserved for Health and Safety** – This amount represents available resources dedicated exclusively for specific expenditures related to health and safety.

**Reserved for Operating Capital** – The balance reserved for operating capital represents amounts available for facilities and equipment expenditures. Revenues are derived from tax levies and state aid.

**Reserved for Community Education** – This portion of the Community Services Fund balance is reserved for community education expenditures.

**Reserved for Early Childhood Family Education (ECFE)** – The balance reserved for ECFE represents the amount available for early childhood and family education expenditures.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 6 – RESERVED FUND BALANCES/NET ASSETS**

**Fund Equity (Continued)**

**A. Reserved Fund Balance (Continued)**

Reserved for School Readiness – This amount represents available resources to provide for services for school readiness programs.

Reserved for Capital Projects – The balance represents available resources for the renovation of building sites.

Reserved for Debt Service – This balance represents funds reserved for principal and interest payments on long-term debt.

Net assets restricted for other purposes are comprised of the total General Fund and other nonmajor funds' reserved fund balance.

**B. Unreserved Fund Balance**

Unreserved fund balance is comprised of the following components:

	General	Nonmajor	Total
Undesignated	<u>\$ 1,851,329</u>	<u>\$ 211,413</u>	<u>\$ 2,062,742</u>

Unreserved, Undesignated – This amount represents resources available to meet current and future years' expenditures.

**NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE**

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

**Teachers' Retirement Association**

**A. Plan Description**

All teachers employed by the District are covered by defined benefit plans administered by the TRA. TRA members belong to either the Coordinated or Basic Plan. Coordinated Plan members are covered by social security and Basic Plan members are not. All Basic Plan members were first hired prior to July 1, 1989. All new members must participate in the Coordinated Plan. These Plans are established and administered in accordance with *Minnesota Statutes* Chapter 354 and 356.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE**

**Teachers' Retirement Association (Continued)**

**A. Plan Description (Continued)**

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

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

Tier I:	<b>PRELIMINARY</b>	
Tier I	Step Rate Formula	Percentage
Basic	First 10 years if service years are prior to July 1, 2006	2.2% per year
	First 10 years if service years are July 1, 2006 or after	2.7% per year
Coordinated	First 10 years if service years are prior to July 1, 2006	1.2% per year
	First 10 years if service years are July 1, 2006 or after	1.4% per year
	All other years of service if service years are prior to July 1, 2006	1.7% per year
	All other years of service is service years are July 1, 2006 or after	1.9% per year

With these provisions:

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

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007

**NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE**

**Teachers' Retirement Association (Continued)**

**A. Plan Description (Continued)**

**Tier II:**

For years of service prior to July 1, 2006, a level formula of 1.7% per year for Coordinated Plan members and 2.7% per year for Basic Plan members applies. For years of service July 1, 2006 and after, a level formula of 1.9% per year for Coordinated Plan members and 2.7% for Basic Plan members applies. Actuarially equivalent early retirement reduction factors with augmentation are used for early retirement before the normal age of 65. These reduction factors average approximately 4.0% to 5.5% per year.

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

Six different types of annuities are available to members upon retirement. The No Refund Life Plan (A-1) is a lifetime annuity that ceases upon the death of the retiree – no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans which have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is also eligible for a refund of their employee contributions plus interest.

The benefit provisions stated apply to active Plan participants. Vested, terminated employees who are entitled to benefits but not yet receiving them are bound by the provisions in effect at the time they last terminated their public 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. That report may be accessed at the TRA web site [www.tra.state.mn.us](http://www.tra.state.mn.us), by writing TRA at Teachers' Retirement Association, 60 Empire Drive, Suite 400, St. Paul, Minnesota 55103-1855 or by calling (651) 296-6449 or (800) 657-3853.

**B. 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 were 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 were 5.0% for Coordinated Plan members and 9.0% for Basic Plan members. Effective July 1, 2007, the employer contribution rate for Coordinated Plan members will rise to 5.5% and 9.5% for Basic Plan members. Total covered payroll salaries for all TRA members state-wide during fiscal year ended June 30, 2006, was approximately \$ 3.431 billion.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE**

**Teachers' Retirement Association (Continued)**

**B. Funding Policy (Continued)**

The District's contributions for the years ended June 30, 2007, 2006 and 2005 were \$ 644,363, \$ 621,256 and \$ 581,382, respectively, equal to the required contributions for each year as set by state statute.

**Public Employees' Retirement Association**

**A. Plan Description**

All full-time and certain part-time employees (nonteacher) of the District are covered by defined benefit plans administered by 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 or 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.

Two methods are used to compute benefits for PERF's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first 10 years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first 10 years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of the average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. For all members hired prior to July 1, 1989, whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Normal retirement age is 65 for Basic and Coordinated Plan members hired prior to July 1, 1989. Normal retirement age for unreduced social security benefits is capped at 66 for Coordinated Plan members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement.

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007

**NOTE 7 – DEFINED BENEFIT PENSION PLANS – STATE-WIDE**

**Public Employees' Retirement Association (Continued)**

**A. Plan Description (Continued)**

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree – no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the Fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active Plan participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time they last terminated their public 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 Internet at [www.mnpera.org](http://www.mnpera.org), by writing to PERA at 60 Empire Drive, Suite 200, St. Paul, Minnesota 55103-2088 or by calling (651) 296-7460 or (800) 652-9026.

**B. 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 were required to contribute 9.1% and 5.5%, respectively, of their annual covered salary in 2006. Contribution rates in the Coordinated Plan increased in 2007 to 5.75%. The District is 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 6.25% effective January 1, 2007. The District's contributions for the years ended June 30, 2007, 2006 and 2005 were \$ 197,335, \$ 183,023 and \$ 170,874, respectively, equal to the contractually required contributions for each year as set by statute.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2007**

**NOTE 8 – COMMITMENT**

The District had the following construction commitment at June 30, 2007:

<u>Project</u>	<u>Contract Amount</u>	<u>Completed to Date</u>	<u>Amount to Complete</u>
Athletic Fields	\$ 1,202,203	\$ 1,121,953	\$ 80,250

**NOTE 9 – SHORT - TERM DEBT**

The activity related to Aid Anticipation Certificates during the year is as follows:

	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Balance 06/30/06</u>	<u>Retirements</u>	<u>Balance 06/30/07</u>
Series 2005	08/01/05	09/01/06	\$ 2,645,000	\$ (2,645,000)	\$ -

# PRELIMINARY

SUPPLEMENTARY INFORMATION

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**COMBINING BALANCE SHEET -  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2007**

	Special Revenue Funds		Total Nonmajor Funds
	Food Service	Community Service	
<b>ASSETS:</b>			
Cash and Investments (Including Cash Equivalents)	\$ 263,790	\$ 508,830	\$ 772,620
Current Property Taxes Receivable	-	158,845	158,845
Delinquent Property Taxes Receivable	-	4,302	4,302
Accounts Receivable	140	2,502	2,642
Due from Department of Education	-	7,932	7,932
Due from Federal Government through Department of Education	221	-	221
Inventory	13,392	-	13,392
Prepaid Items	2,640	-	2,640
<b>Total Assets</b>	<b>\$ 280,183</b>	<b>\$ 682,411</b>	<b>\$ 962,594</b>
<b>LIABILITIES AND FUND BALANCES:</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 68,638	\$ 38,866	\$ 107,504
Salaries and Benefits Payable	127	64,826	64,953
Deferred Revenue	5	32,703	32,708
Property Taxes Levied for Subsequent Year's Expenditures	-	314,609	314,609
<b>Total Liabilities</b>	<b>68,770</b>	<b>451,004</b>	<b>519,774</b>
<b>Fund Balances:</b>			
<b>Reserved:</b>			
Community Education Programs	-	213,130	213,130
Early Childhood Family Education Programs	-	15,978	15,978
School Readiness	-	2,299	2,299
Unreserved - Undesignated	211,413	-	211,413
<b>Total Fund Balances</b>	<b>211,413</b>	<b>231,407</b>	<b>442,820</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 280,183</b>	<b>\$ 682,411</b>	<b>\$ 962,594</b>

PRELIMINARY

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - NONMAJOR  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2007**

	Special Revenue Funds		Total
	Food Service	Community Service	Nonmajor Funds
<b>REVENUES:</b>			
Local Property Taxes	\$ -	\$ 278,663	\$ 278,663
Other Local and County Revenues	18,735	1,540,733	1,559,468
Revenue from State Sources	30,778	96,731	127,509
Revenue from Federal Sources	144,697	-	144,697
Sales and Other Conversion of Assets	969,870	-	969,870
Total Revenues	1,164,080	1,916,127	3,080,207
<b>EXPENDITURES:</b>			
Current:			
Food Service	1,114,367	-	1,114,367
Community Education and Services	-	1,929,455	1,929,455
Total Expenditures	1,114,367	1,929,455	3,043,822
Excess of Revenues Over (Under) Expenditures	49,713	(13,328)	36,385
<b>FUND BALANCES:</b>			
Beginning of Year	161,700	244,735	406,435
End of Year	\$ 211,413	\$ 231,407	\$ 442,820

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS  
COMPLIANCE TABLE  
For the Year Ended June 30, 2007**

**01 GENERAL FUND**

Total Revenue	\$ 27,438,000
Total Expenditures	27,662,672
<i>Reserved:</i>	
403 Staff Development	-
406 Health and Safety	80,638
407 Capital Projects Levy	-
408 Cooperative Revenue	-
409 Reserved for Alt. Facilities Program	-
410 Reemployment Insurance	-
411 Severance Pay	430,914
414 Operating Debt	-
416 Levy Reduction	-
419 Encumbrances	-
423 Certain Teacher Programs	-
424 Operating Capital	616,941
426 \$ 25 Taconite	-
427 Disabled Accessibility	-
428 Learning and Development	-
433 Student Transport Safety	-
434 Area Learning Center	-
435 Contracted Alternative Programs	-
436 State Approved Alternative Program	-
438 Gifted and Talented	-
439 Grad Standards	-
441 Basic Skills Programs	-
442 Class Size, All-Day Kindergarten and Special Education	-
443 Telecommunications Access Cost	-
445 Career Technical Programs	-
446 First Grade Preparedness	-
449 Safe School Crime	-
450 Reserve for Transition for Prekindergarten	-
<i>Unreserved:</i>	
418 Severance-Insurance Premium	-
422 Unreserved/Undesignated	1,851,329

**02 FOOD SERVICE FUND**

Total Revenue	\$ 1,164,080
Total Expenditures	1,114,367
<i>Reserved:</i>	
411 Severance Pay	-
419 Encumbrances	-
<i>Unreserved:</i>	
418 Severance-Insurance Premium	-
422 Unreserved/Undesignated	211,413

**04 COMMUNITY SERVICE FUND**

Total Revenue	\$ 1,916,127
Total Expenditures	1,929,455

**04 COMMUNITY SERVICE FUND (CONTINUED)**

<i>Reserved:</i>	
411 Severance Pay	\$ -
419 Encumbrances	-
426 \$ 25 Taconite	-
431 Community Education	213,130
432 ECFE	15,978
444 School Readiness	2,299
447 Adult Basic Education	-
<i>Unreserved:</i>	
418 Severance-Insurance Premium	-
422 Unreserved/Undesignated	-

**06 BUILDING CONSTRUCTION FUND**

Total Revenue	\$ 51,936
Total Expenditures	1,133,171
<i>Reserved:</i>	
407 Capital Projects Levy	-
409 Alternative Facility Program	-
419 Encumbrances	-
<i>Unreserved:</i>	
422 Unreserved/Undesignated	620,891

**07 DEBT SERVICE FUND**

Total Revenue	\$ 2,990,708
Total Expenditures	2,903,543
<i>Reserved:</i>	
425 Bond Refunding	-
<i>Unreserved:</i>	
422 Unreserved/Undesignated	741,678

**08 TRUST FUND**

Total Revenue	\$ 19,000
Total Expenditures	27,341
<i>Reserved:</i>	
419 Encumbrances	-
<i>Unreserved:</i>	
422 Unreserved/Undesignated	31,284

**09 AGENCY FUND**

<i>Unreserved:</i>	
422 Unreserved/Undesignated	\$ -

**20 INTERNAL SERVICE FUND**

Total Revenue	\$ -
Total Expenditures	-
<i>Reserved:</i>	
419 Encumbrances	-
<i>Unreserved:</i>	
422 Unreserved/Undesignated	-

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2007**

<u>Federal Funding Source</u>	<u>Federal CFDA Number</u>	<u>Grant Name</u>	<u>Expenditures</u>
<i>Through Minnesota Department of Education:</i>			
USDOA	10.550	Commodities Programs	\$ 19,330
USDOA	10.555	Type A Lunch (Cluster)	123,931
USDOA	10.556	Special Milk Program	1,436
USDOED	84.010	Title I, Part A	83,485
USDOED	84.027	Special Education	707,106
USDOED	84.173	Special Education - Preschool	18,017
USDOED	84.186	Title IV, Part A - Safe and Drug Free Schools	6,944
USDOED	84.298	Title V, Part A - Innovative Programs	7,787
USDOED	84.367	Title II, Part A - Improving Teacher Quality	63,510
<i>Through Independent School District No. 916:</i>			
USDOED	84.048A	Carl Perkins	<u>5,270</u>
Total Federal Expenditures			<u>\$ 1,036,816</u>

PRELIMINARY

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
June 30, 2007**

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Independent School District No. 832 and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of the financial statements.

**NOTE 2 – INVENTORY**

Inventories of commodities donated by the U.S. Department of Agriculture are recorded at market value in the Food Service Fund as inventory. Revenue and expenditures are recorded when commodities are received.

**PRELIMINARY**



KERN · DEWENTER · VIERE

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

October 25, 2007

To the School Board  
Independent School District No. 832  
Mahtomedi, 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. 832, Mahtomedi, Minnesota, as of and for the year ending June 30, 2007, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 25, 2007. We conducted our audit in accordance with U.S. generally accepted auditing standards 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 as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a deficiency in internal control over financial reporting that we consider to be a significant 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. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control. We consider the deficiency described in the Schedule of Findings and Corrective Action Plans on Legal Compliance and Internal Controls as Audit Finding 02-01 to be a significant deficiency in internal control over financial reporting.



KERN · DEWENTER · VIERE

A material weakness is a significant deficiency, or a 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 District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we do not believe the significant deficiency described on the previous page is a material weakness.

### 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 tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the District in a separate letter dated October 25, 2007.

This report is intended solely for the information and use of the Board of Education, administration, and state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KERN, DEWENTER, VIERE, LTD.  
Minneapolis, Minnesota



KERN · DEWENTER · VIERE

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

October 25, 2007

To the School Board  
Independent School District No. 832  
Mahtomedi, Minnesota

**COMPLIANCE**

We have audited the compliance of Independent School District No. 832, Mahtomedi, Minnesota, 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, 2007. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs in Accordance with *OMB Circular A-133*. 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 Nonprofit 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, Independent School District No. 832, Mahtomedi, Minnesota, 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, 2007.



KERN · DEWENTER · VIERE

## INTERNAL CONTROL OVER COMPLIANCE

The management of Independent School District No. 832, Mahtomedi, Minnesota, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grant agreements 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Education, administration, and state and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KERN, DEWENTER, VIERE, LTD.  
Minneapolis, Minnesota

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
IN ACCORDANCE WITH *OMB CIRCULAR A-133*  
June 30, 2007

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	Yes, Audit Finding 02-1
Noncompliance material to financial statements noted?	No

Federal Awards

Type of auditors' report issued on compliance for major programs:	Unqualified
Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)?	No
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of <i>OMB Circular A-133</i> ?	No

Identification of Major Programs

CFDA No.:	84.027
Name of Federal Program or Cluster:	Special Education
Dollar Threshold used to Distinguish between type A and type B programs:	\$ 300,000
Auditee qualified as low risk auditee?	Yes

INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
IN ACCORDANCE WITH *OMB CIRCULAR A-133*  
June 30, 2007

SECTION II – FINANCIAL STATEMENT FINDINGS

Audit Finding 02-01

*Criteria or Specific Requirement:*

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

*Condition:*

The District does not have adequate segregation of accounting duties.

*Questioned Costs:*

None

*Context:*

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

*Effect:*

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

*Cause:*

There are a limited number of office employees.

*Recommendation:*

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

*Management's Response:*

Management agrees with our recommendation.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no questioned costs.

PRELIMINARY



KERN · DEWENTER · VIERE

REPORT ON LEGAL COMPLIANCE

October 25, 2007

To the School Board  
Independent School District No. 832  
Mahtomedi, Minnesota

We have audited the basic financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Independent School District No. 832, Mahtomedi, Minnesota, as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 25, 2007.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the provisions of the *Minnesota Legal Compliance Audit Guide for Local Government* promulgated by the State Auditor pursuant to *Minnesota Statutes Sec. 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 (UFARS) for school districts. Our study included all of the listed categories.

The results of our tests indicate that for the items tested, the District complied with the material terms and conditions of applicable legal provisions.

This report is intended solely for the information and use of the Board of Education, administration and state and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

KERN, DEWENTER, VIERE, LTD.  
Minneapolis, Minnesota

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**SCHEDULE OF FINDINGS AND CORRECTIVE ACTION PLANS  
ON LEGAL COMPLIANCE AND INTERNAL CONTROLS  
June 30, 2007**

**CURRENT AND PRIOR YEAR INTERNAL CONTROL FINDING:**

**Audit Finding 02-01**

**Lack of Segregation of Accounting Duties**

During our audit, we noted a condition which is considered to be a "significant deficiency" as defined by standards established by the American Institute of Certified Public Accountants. During the year ended June 30, 2007, the District had a lack of segregation of accounting duties due to a limited number of office employees. This lack of segregation of accounting duties can be demonstrated in the following areas, which is not intended to be all inclusive:

- The Payroll Clerk inputs employee hours worked and new pay rates, generates checks and maintains custody of checks until delivered.
- There currently is no cross training in the payroll area.
- One person is responsible for all transactions related to capital asset tracking.

Management is aware of this condition and will take certain steps to compensate for the lack of segregation. However, due to the small accounting staff needed to handle all of the accounting duties, the cost of obtaining desirable segregation of accounting duties can often exceed benefits which could be derived. Because of this, management has determined a complete segregation of accounting duties is impractical to correct.

**CORRECTIVE ACTION PLAN (CAP):**

1. Explanation of Disagreement with Audit Finding  
There is no disagreement with the audit finding.
2. Actions Planned in Response to Finding  
Administration will review current segregation of accounting duties to determine if further segregation is possible.
3. Official Responsible for Ensuring CAP  
Mark Wolak, Superintendent, is the official responsible for ensuring corrective action of the deficiency.
4. Planned Completion Date for CAP  
The planned completion date for the CAP is June 30, 2008.
5. Plan to Monitor Completion of CAP  
The Mahtomedi School Board will be monitoring this CAP.

**INDEPENDENT SCHOOL DISTRICT NO. 832  
Mahtomedi, Minnesota**

**SCHEDULE OF FINDINGS AND CORRECTIVE ACTION PLANS  
ON LEGAL COMPLIANCE AND INTERNAL CONTROLS  
June 30, 2007**

**PRIOR YEAR LEGAL COMPLIANCE FINDING:**

*Minnesota Statutes 471.38* provides that the District enact the following policy controls relating to electronic funds transfers:

1. The School Board shall annually delegate the authority to make electronic fund transfers to a designated Business Administrator.
2. The disbursing bank shall keep on file a certified copy of the delegation of authority.
3. The initiator of the electronic transfer shall be identified.
4. The initiator shall document the request and obtain an approval from the designated Business Administrator before initiating the transfer.
5. A written confirmation of the transaction shall be made no later than one business day after the transaction and shall be used in lieu of a check, order check or warrant required to support the transaction.
6. A list of all transactions made by electronic funds transfer shall be submitted to the School Board at its next regular meeting after the transaction.

It was noted during the fiscal year 2006 audit, the District followed most of these requirements, although the District did not submit a list of electronic fund transfers to the Board during the fiscal year 2006.

**CORRECTIVE ACTION TAKEN:**

The District submitted a list of electronic fund transfers to the Board in fiscal year 2007.



**MAHTOMEDI PUBLIC SCHOOLS**

Individual Attention with a World View

**SCHOOL BOARD MEETING SCHEDULE**  
**2008**

<b>Day</b>	<b>Date</b>	<b>Time</b>	<b>Type</b>	<b>Location</b>
Thursday	January 10	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	January 24	7:00 p.m.	Study Session	DEC - Community Room
Thursday	February 14	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	February 28	5:45-7:00 p.m. 7:00 p.m.	Dinner Session Study Session	DEC - Board Room DEC - Community Room
Thursday	March 13	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	March 27	7:00 p.m.	Study Session	DEC - Community Room
Thursday	April 10	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	April 24	5:45-7:00 p.m. 7:00 p.m.	Dinner Session Study Session	DEC - Board Room DEC - Community Room
Thursday	May 8	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	May 22	7:00 p.m.	Study Session	DEC - Community Room
Thursday	June 12	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	July 10	<b>7:00 a.m.</b>	Regular Meeting	DEC - Community Room
Thursday	August 14	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	August 28	5:45-7:00 p.m. 7:00 p.m.	Dinner Session Study Session	DEC - Board Room DEC - Community Room
Thursday	September 11	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	September 25	7:00 p.m.	Study Session	DEC - Community Room
Thursday	October 9	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	October 23	5:45-7:00 p.m. 7:00 p.m.	Dinner Session Study Session	DEC - Board Room DEC - Community Room
Thursday	November 6	7:00 p.m.	Regular Meeting	DEC - Community Room
Thursday	December 11	7:00 p.m.	Regular Meeting	DEC - Community Room

**Additional special meetings will be scheduled as needed.**

The District Education Center (DEC) is located at  
1520 Mahtomedi Avenue  
Mahtomedi, MN 55115

## CALENDAR OF EVENTS

<b>NOVEMBER</b>		
<b>DATE/TIME</b>	<b>MEETING/EVENT</b>	<b>LOCATION</b>
<b><u>Wednesday, November 7</u></b> 6:00 p.m.	Northeast Metro 916 School Board Meeting	Bellaire School, White Bear Lake
<b><u>Thursday, November 8</u></b> 5:45 p.m. 7:00 p.m.	School Board Dinner Session School Board Meeting	District Education Center - Board Room District Education Center - Community Room
<b><u>Friday, November 9</u></b> 7:30 a.m.	No School - Staff Development City Leaders Meeting	District Education - Board Room
<b><u>Sunday, November 11</u></b> 4:00 p.m.	Wildwood Artist Series - <i>Mahtomedi Music Faculty</i>	Chautauqua Center
<b><u>Monday, November 12</u></b> 7:30 p.m.	MAEF Board of Trustees Meeting	District Education Center - Board Room
<b><u>Tuesday, November 13</u></b> 6:30 p.m.	MathoREADi	Chautauqua Center
<b><u>Wednesday, November 14</u></b> 9:30 a.m.	MMS Parent Association Meeting <i>(John Belisle is scheduled to attend)</i>	MMS - Main Office Conference Room
<b><u>Friday, November 16</u></b> 7:00 a.m.	AMSD Board of Directors Meeting	TIES Building, St. Paul
<b><u>Tuesday, November 20</u></b> 6:30-8:30 p.m.	Community Education Advisory Council Mtg. <i>(Bill Roberts is scheduled to attend)</i>	District Education Center - Board Room
<b><u>Wednesday, November 21</u></b> 6:00 p.m.	No School - Parent Teacher Conferences K-5/ Staff Development 6-12 EMID Joint Powers School Board Meeting	Harambee Elementary School, Maplewood
<b><u>Thursday, November 22</u></b>	No School - Thanksgiving Break	
<b><u>Friday, November 23</u></b>	No School - Thanksgiving Break	
<b><u>Tuesday, November 27</u></b> 8:00-9:30 p.m.	Mahtomedi High School Advisory Council Mtg. <i>(Kevin Donovan is scheduled to attend)</i>	Mahtomedi High School - Staff Lunch Room
<b><u>Wednesday, November 28</u></b> 8:00 a.m.	Wildwood School and O. H. Anderson School Advisory Council Meeting <i>(Cathy Dalton is scheduled to attend)</i>	Wildwood School - Media Center
<b><u>Thursday, November 29</u></b> 7:00 p.m.	Truth-in-Taxation Hearing	District Education Center - Community Room

## DECEMBER

DATE/TIME	MEETING/EVENT	LOCATION
<b><u>Wednesday, December 5</u></b> 6:00 p.m.	Northeast Metro 916 School Board Meeting	Bellaire School, White Bear Lake
<b><u>Monday, December 10</u></b> 7:30 p.m.	MAEF Board of Trustees Meeting	District Education Center - Board Room
<b><u>Wednesday, December 12</u></b> 9:30 a.m.	MMS Parent Association Meeting <i>(John Belisle is scheduled to attend)</i>	MMS - Main Office Conference Room
<b><u>Thursday, December 13</u></b> 5:45 p.m. 6:00 p.m. 7:00 p.m.	School Board Dinner Session Continuation of Truth-in-Taxation Hearing, if necessary School Board Meeting	District Education Center - Board Room District Education Center - Community Room District Education Center - Community Room
<b><u>Friday, December 14</u></b> 7:00 a.m.	AMSD Board of Directors Meeting	TIES Building, St. Paul
<b><u>Wednesday, December 19</u></b> 8:00 a.m.  6:00 p.m.	Wildwood School and O. H. Anderson School Advisory Council Meeting <i>(Kevin Donovan is scheduled to attend)</i> EMID Joint Powers School Board Meeting	O. H. Anderson School - Multipurpose Room  Harambee Elementary School
<b><u>Monday, December 24- Wednesday, January 2</u></b>	No School - Winter Break	

**Mahtomedi Public Schools  
Independent School District #832  
BALANCED SCORECARD 2007  
10-23-07**

**INSIGHT STATEMENTS FOR ARENA A: STUDENT LEARNING**

1. **MCA-II's: Mahtomedi is currently leading or within 1.8% of all like-size school districts in math and within 4.3% in reading proficiency. Mahtomedi leads all neighboring districts in math and with one exception in reading. When a comparison is made between Mahtomedi and larger, high performing districts in the state, Mahtomedi ranks above Mounds View in reading and math proficiency and just below the western suburban districts.**
  
2. **We now have a research link between our formative assessments and the summative MCA-II test results. We believe that MCA-II scores, although at vision, will improve when:**
  - a. **Testing is taken seriously by students (this begins in 2008 with the MCA/GRAD test in reading for 10<sup>th</sup> grade)**
  - b. **MAP scores are used to align instruction with outcomes (Beginning in fall 2007)**
  - c. **MDE test improvements (as the alignment of the standards are made with the test items)**
  
3. **The technology and tools to use live data is less than four years old. We now have the necessary knowledge to integrate test results effectively into our practices.**
  
4. **The communication challenge for our district is to educate our staff and families about the use of data to inform instruction.**
  
5. **The implementation of the K-12 Spanish program has had unanticipated outcomes. At the secondary level, most students are eager for more challenging Spanish courses than are currently offered. As a result, the Spanish department in their curriculum review process is now preparing to move high school Spanish I and II to the middle school level in 2008-2009. At the high school level College in the Schools is being added in 2009. At the elementary level, we provide all students Spanish twice a week regardless of their proficiency in reading and math. In the middle school, Spanish is not an option for students in the lowest quartile (NWEA/MCA-II) when grouped and provided remediation in reading. These students have an option again to begin a world language in eighth or ninth grade.  
This issue has emerged from the three years of NWEA testing. The district strategic response is to implement RTI/PBIS and literacy/math blocks in K-5 in order to focus the instructional day on these core subject areas using the ongoing robust test data to place students in instructional groups. All students will continue to receive Spanish instruction for the next year. We will then have two years of data from K-2 to determine if additional changes are needed at K-5 level.**

**ARENA A: STUDENT LEARNING**

<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
Increase student achievement	MAP Scores - Student growth will be measured by fall-to-fall RIT scores	20	Less than 60% of students make expected growth in RIT targets. <b>(Lang. 58.2%)</b>	60-65% of students meet/exceed expected growth in RIT targets <b>(Reading 62.3%)</b>	Greater than 65% of students meet/exceed expected growth in RIT targets <b>(Math 65.1%)</b>	2.2
	MAP Scores – Proficiency will be measured by fall-to-fall RIT scores	10	Less than 65% of students are projected to be proficient on the MCA-II's	65-80% of students are projected to be proficient on the MCA-II's <b>(Math 78.3%)</b>	Greater than 80% of students are projected to be proficient on the MCA-II's <b>(Reading 83.3%)</b>	2.9
	CBM (Curriculum Based Measures) K-5 <i>This data source will be available in 2007 only.</i>	0	Less than 70% of students reach growth targets	70% - 80% of students reach growth targets	More than 80% of students reach growth targets	0
	MCA II Math Scores	10	Less than 70% of students meet/exceed proficiency level	70-79% of students meet/exceed proficiency level <b>(Math 74%)</b>	80% or more of students meet/exceed proficiency level	2.5
	MCA-II Reading Scores	10	Less than 80% of students meet/exceed proficiency level <b>(Reading 79.38%)</b>	80-84% of students meet/exceed proficiency level	85% or more of students meet/exceed proficiency level	1.9
	MCA-II Writing Scores	10	Less than 80% of students meet/exceed proficiency level	80-89% of students meet/exceed proficiency level	<b>90% or more of students meet/exceed proficiency level (Writing 99%)</b>	3.0
	ACT - Score average % taking test	20	The average school composite score is 19-21	The average school composite score is 22-23	<b>The average school composite score of 24-25</b>	3.0

104

**ARENA A: STUDENT LEARNING**

<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
Increase student achievement continued	Advanced Placement Tests	15	Less than 70% of those students completing course, take the test	<b>70-89% of those students completing course, take the test (72%)</b>	90% of those students completing course, take the test	2.0
		5	Less than 40% in the 3-5 range	<b>40-59% in the 3-5 range</b>	<b>60% or more in the 3-5 range (72%)</b>	3.0
					<b>06-07 weighted score</b>	<b>2.5</b>

**Mahtomedi Public Schools  
Independent School District #832  
BALANCED SCORECARD 2007  
10-23-07**

**INSIGHT STATEMENTS FOR ARENA B: PROFESSIONAL PRACTICES**

- 1. The District made a commitment to continuous improvement and data driven decision making to increase student learning.**
- 2. District commitment to staff development is substantial and successful and has raised staff development from a level of concern to a level of performance that meets vision.**
- 3. Mahtomedi is emerging from two years of technology training implementation. The result of this work is highly integrated into teaching practices. This represents the first major instructional shift of this magnitude in the past six years.**
- 4. While strategies in Professional Practices are currently in the acceptable range, this is our lowest scoring arena. To reach our current vision, as a district we must continue to support professional development initiatives to bring about substantive change in teacher practice.**
- 5. There is alignment for the first time between district and building goals and professional development. The next area of alignment will focus on professional development and teacher practice.**
- 6. Professional practice and staff development activities vary by site depending on school and district goals. Time and resources are needed to address the professional growth needed at each school.**

**ARENA B: PROFESSIONAL PRACTICES**

<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
Staff development is essential to adult learning and enhanced student learning	Professional development opportunities are directly aligned with building/district goals	20	Professional Training: i.e. Differentiation, SMART boards, RTI, PBIS training not available	Professional Training: i.e. Differentiation, SMART boards, RTI, PBIS training provided to classroom teachers only	Professional Training: i.e. <b>Differentiation, SMART boards, RTI, PBIS training and support given to all staff at each building</b>	3.0
	Staff evaluations of professional learning dates/times affirm value and usefulness to teacher	10	Less than 50% of staff evaluations affirm the value and usefulness of training to teaching staff	More than 50% of staff evaluations affirm the value and usefulness of training to teaching staff	<b>More than 75% of staff evaluations affirm the value and usefulness of training to teaching staff</b>	3.0
	Professional learning at site level is observed in teacher practice	30	Less than 50% of teachers putting professional learning into practice	<b>50-70% of teachers putting professional learning into practice</b>	More than 70% of teachers putting professional learning into practice	2.0
	Use of PLC's to increase student achievement	20	Used as a department meeting	<b>Common assessment and discussion on teaching methods</b>	Common goals assessments, outcomes, rubrics Discussions on teaching methods Research on best practices Data driven decisions	2.0
	Course/grade level student survey results reported to individual teacher. Source: Administrative Report	20	10% of teachers offer student surveys on course/grade	<b>50% of teachers offer student surveys on course/grade</b>	100% of teachers offer student surveys on course/grade	2.0

107

**ARENA B: PROFESSIONAL PRACTICES**

<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
						<b>06-07 weighted score 2.3</b>

**Mahtomedi Public Schools  
Independent School District #832  
BALANCED SCORECARD 2007  
10-23-07**

**INSIGHT STATEMENTS FOR ARENA C: SYSTEM PERFORMANCE**

1. **The management of resources in Mahtomedi is a key asset and strength of this district.**
2. **Reporting progress to our community, not just results, will increase commitment to future district financial needs.**
3. **Strength in human resources policies and protocols, combined with professional development, is a key to defining success in the future. We will continue to employ and retain only the most qualified staff in Mahtomedi.**
- 4 **The review of the teacher evaluation process has resulted in higher standards for teacher practice.**
4. **The Program Review process has impacted every school, every teacher and every classroom. This process has been one of the strongest system improvement processes the district has undertaken. The process has created alignment E-12 of district goal setting.**

109

<b>ARENA C: SYSTEM PERFORMANCE</b>						
<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
Financial stability is critical to success of our school district	Financial/ Management and Budget Planning	15	Fund balance is within 15% of projection.	Fund balance is within 10% of projection.	<b>Fund balance is within 5% of projection.</b>	3.0
		10	75% funding for board/district goals	More than 75% funding available for board/district goals	<b>95% funding for board/district goals</b>	3.0

**ARENA C: SYSTEM PERFORMANCE**

<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
District goal setting is completed, achieved and reported to public annually	District Goals Outcome/Results	25	60% of goals/outcomes met annually	More than 60% of goals/outcomes met annually	<b>80% of goals/outcomes met annually</b>	3.0
High standards are set for all Mahtomedi staff	All Staff receive annual review	25	All certified staff evaluated every 3 years  Administrators are not evaluated by Superintendent	95% of the staff will have an intensive evaluation every 3 years and will rate "proficient" or above  All administrators' performance reviewed annually by superintendent	<b>More than 95% of the staff will have an intensive evaluation every 3 years and will rate "proficient" or above</b>  <b>All administrators' performance reviewed annually by superintendent</b>	3.0
E-12 Program Reviews with Balanced Scorecards will strengthen district	Program Review	25	No defined balanced scorecard for program	Balanced scorecard used to assess all E-12 bldg/programs	<b>Results of balanced scorecard used to assess all E-12 bldg/programs and set future direction</b>	3.0
					<b>06-07 weighted score</b>	<b>3.0</b>

**Mahtomedi Public Schools  
Independent School District #832  
BALANCED SCORECARD 2007  
10-23-07**

**INSIGHT STATEMENTS FOR ARENA D: SATISFACTION/PUBLIC IMAGE/IDENTITY OF DISTRICT**

1. Leadership at each school is a dominant influence on student perception of their school.
2. While parent support of our schools is strong, the participation rate on surveys is a concern. In 2008, the methodology of survey participation will change, to increase parent connection.
3. The Mahtomedi community grades the school district higher today than in 2005. In 2005, 45% of the respondents gave the school district a grade of “A”. In 2007, 57% gave the school district a grade of “A”.

<b>ARENA D: SATISFACTION/PUBLIC IMAGE/IDENTITY OF DISTRICT</b>						
<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
Parent Satisfaction with Mahtomedi Public Schools	NSSE Survey	20	10% Participation <b>Parent Participation 8.6%</b>	More than 10% Participation	<b>40% Participation</b>  <b>Staff &amp; Student Participation 90% + at all grade levels</b>	3.0
Note: NSSE Survey Results reflect a 5-point scale:  1 – Strongly Disagree 2 – Disagree 3 – Neutral 4 – Agree 5 – Strongly Agree	Parents (3% indicated they were parents of male students, 14% parents of female students)	5	Rating 2.9 (1-5 scale)	<b>Rating 3</b> (1-5 scale)  <b>Parent Composite Rating:</b> <b>OHA 3.85</b> <b>MMS 3.97</b> <b>MHS 3.90</b>	<b>Rating 4</b>  <b>Parent Composite Rating:</b> <b>WW 4.21</b>  <b>Composite 3.9</b>	3.0

**ARENA D: SATISFACTION/PUBLIC IMAGE/IDENTITY OF DISTRICT**

<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
Parent Satisfaction with Mahtomedi Public Schools continued  Note: NSSE Survey Results reflect a 5-point scale:  1 – Strongly Disagree 2 – Disagree 3 – Neutral 4 – Agree 5 – Strongly Agree	Teaching Staff	5	Rating 2.9 (1-5 scale)	<b>Rating 3</b> (1-5 scale)  <b>Staff Composite Rating:</b> OHA 3.92 MHS 3.81	<b>Rating 4</b>  <b>Staff Composite Rating:</b> WW 4.14 MMS 4.21 Composite 4.02  <b>Participation:</b> WW = 73% OHA = 73% MMS = 43% MHS = 87%	3.0
	Students	5	Rating 2.9 (1-5 scale)	<b>Rating 3</b> (1-5 scale)  <b>Student Composite Rating:</b> MMS 3.83 MHS 3.86	<b>Rating 4</b>  <b>Participation:</b> OHA = 92% MMS = 95% MHS = 93%	3.0
	916 Region Data (PDK)	25	60% rate A or B	80% rate A or B	<b>More than 80% rate A or B</b> 90.8% in 2007	3.0
Parent Satisfaction with Communication Strategies	Effectiveness of the communication strategies	20	Parents rate effectiveness of communication at 2.5 or below	Parents rate effectiveness of communication at 2.5 or above (1-5 scale)  <b>Parent Composite rating:</b> OHA 3.85 MMS 3.97 MHS 3.90 (1-5 scale)	Parents rate effectiveness of communication at 3.0 in 08-09  <b>Parent Composite rating:</b> WW 4.21 (1-5 scale)	3.0

**ARENA D: SATISFACTION/PUBLIC IMAGE/IDENTITY OF DISTRICT**

<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
Student Satisfaction with Mahtomedi Public Schools	Survey Graduates (1 year): Begin in 2008	0	70% participation	More than 70% participation	90% participation Sept. 08, using NE Metro 916	
	Survey Graduates (1 year): Begin in 2008	0	Less than 50% rate good to excellent	More than 50% rate good to excellent	75% rate school good to excellent in Sept. 08	
	% of students living in our district attending 832	5	75% attend our schools	More than 75% attend our schools <b>(82% of students live and attend Mahtomedi Schools in 2007)</b>	90% attend our schools	2.5
	NSSE Student Results (Note: Wildwood Students not included in survey.)	15	Scores at "2" or in all areas  <b>Student Composite: OHA 2.62</b>	Scores at "3" or above in all areas  <b>Student Composite: MMS 3.83 MHS 3.86 Average All Schools: 3.42</b>	Scores at "4" or above in all areas	2.5
					<b>06-07 weighted score</b>	<b>2.9</b>

113

**Mahtomedi Public Schools  
Independent School District #832  
BALANCED SCORECARD 2007  
10-23-07**

**INSIGHT STATEMENTS FOR ARENA E: COMMUNITY ENGAGEMENT**

1. **Mahtomedi schools have traditionally enjoyed a positive image and connection with the community. This can no longer be taken for granted. The district needs to improve its sophistication, systems and structures for community engagement.**
2. **Public engagement measures in the future will need to include more data regarding the level of satisfaction beyond participation in a referendum or bond election.**

114

<b>ARENA E: COMMUNITY ENGAGEMENT</b>						
<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
Community Satisfaction is important to success of Mahtomedi Schools	Positive Election Participation	15	40% eligible voters participate in elections	<b>More than 40% eligible voters participate in elections</b>	75% eligible voters participate in elections 65% for district questions, when needed	2.5
	Public Satisfaction with Board engagement	10	The bond and referendum election does not pass	<b>The bond and referendum election passes</b>	The bond and referendum election passes with more than 60% positive vote	2.5
Parent/Participant satisfaction is important to success of Mahtomedi schools	School View Participation	20	42% participation at secondary	More than 50% at secondary	<b>75% at secondary</b>	3.0
	NSSE Results Parent	15	Average rating Less	Average rating of	Average rating of 4.0 or better	2.5

**ARENA E: COMMUNITY ENGAGEMENT**

<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>SCORE</b>
Parent/Participant satisfaction is important to success of Mahtomedi schools continued	Q40		than 3.0	3.0 or better <b>Average Rating 3.6</b>		
	Community Education targeted participant surveys	10	Less than 30% survey involvement/ completion	<b>More than 30% survey involvement/ completion</b>	More than 50% survey involvement/completion	2.5
		10	Less than 70% of participants report expectations of experience were met	<b>More than 70% of participants report expectations of experience were met</b>	More than 80% of participants report expectations of experience were met	2.5
	Parent Satisfaction with the district process of decision making	20	Satisfaction rating is lower than 3.0 on NSSE	<b>Satisfaction rating is 3.0 or better on NSSE</b>	Satisfaction rating is 4.0 on NSSE	2.0
					<b>06-07 weighted score</b>	<b>2.5</b>

115

**Mahtomedi Public Schools  
Independent School District #832  
BALANCED SCORECARD 2007  
10-23-07**

**INSIGHT STATEMENTS FOR ARENA F: STUDENT DEVELOPMENT**

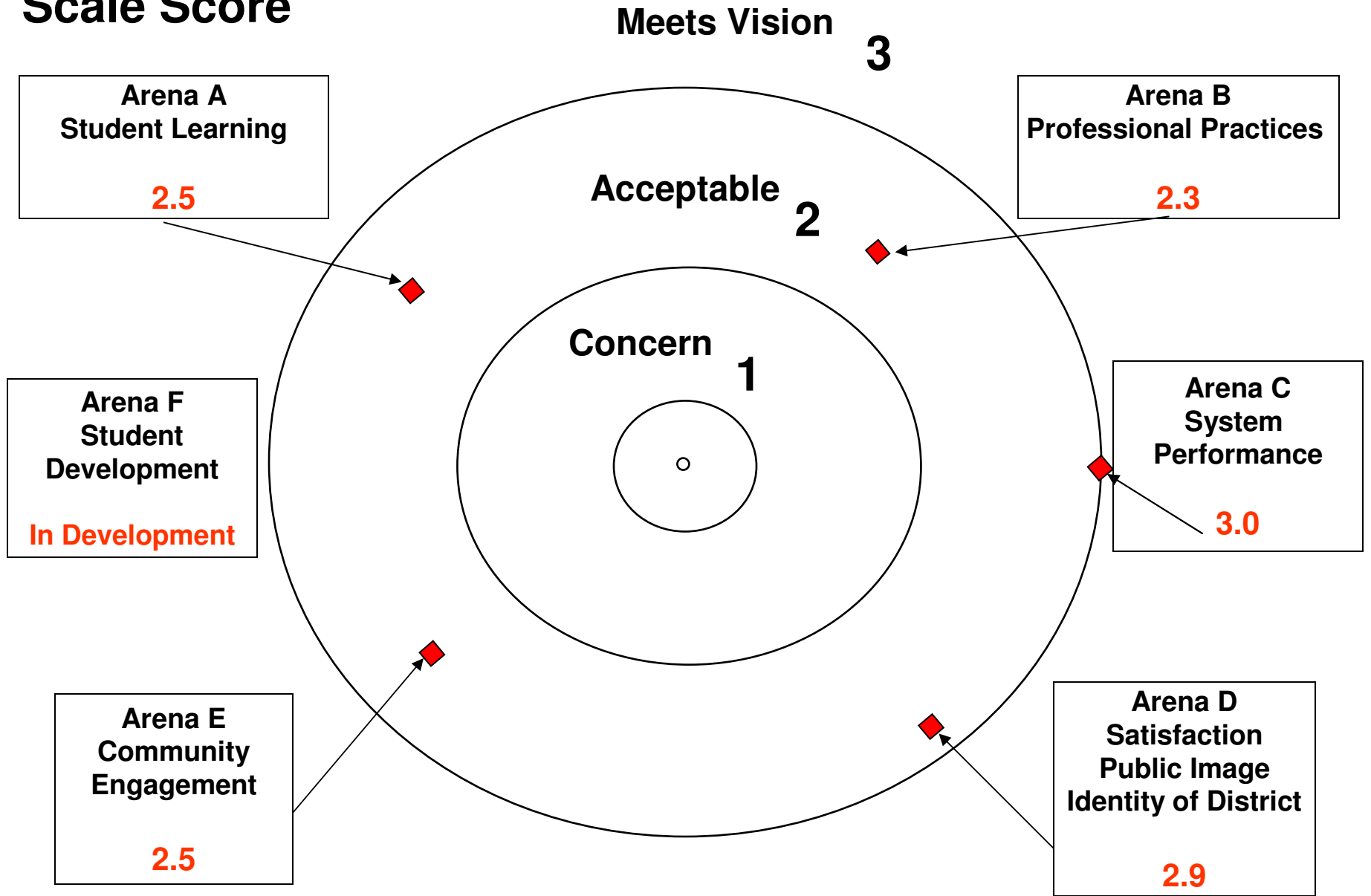
This arena will be developed in 2007 with implementation in January, 2008. Insight statements will be developed for the Data Retreat in the fall of 2008.

<b>ARENA F: STUDENT DEVELOPMENT (Implementation will begin in fall of 2007)</b>						
<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b>IN DEVELOPMENT</b>
<b>The health and well-being of our students is an important factor in their education</b>	<b>Responsive Classroom Anti-Bullying Initiative Chemical Health Adult Advocates ZAP Discipline Plans Attendance: % all students/all day % of students in co-curriculars</b>					
		<div style="border: 1px solid black; padding: 5px;">                     This arena will be developed in 2007 with full implementation beginning in fall, 2008. Assessment of this arena will be available at the 2008 Data Retreat.                 </div>				
<b>Student Safety</b>	<b>Involvement in Co-curricular activities Leadership/Character Building Safe Buildings:</b>					

**ARENA F: STUDENT DEVELOPMENT (Implementation will begin in fall of 2007)**

<b>PERFORMANCE INDICATORS</b>	<b>DATA SOURCE</b>	<b>WEIGHT (100%)</b>	<b>CONCERN (1.0)</b>	<b>ACCEPTABLE (2.0-2.9)</b>	<b>MEETS CURRENT VISION (3.0)</b>	<b><i>IN DEVELOPMENT</i></b>
	<b>Locked doors/nametags</b>					

# Scale Score



118

MAHTOMEDI ISD #832  
BALANCED SCORECARD  
SCALE SCORE  
2007

Arena A - Student Learning

**2.5**

Arena B - Professional Practices

**2.3**

Arena C - System Performance

**3.0**

Arena D - Satisfaction  
Public Image  
Identity of District

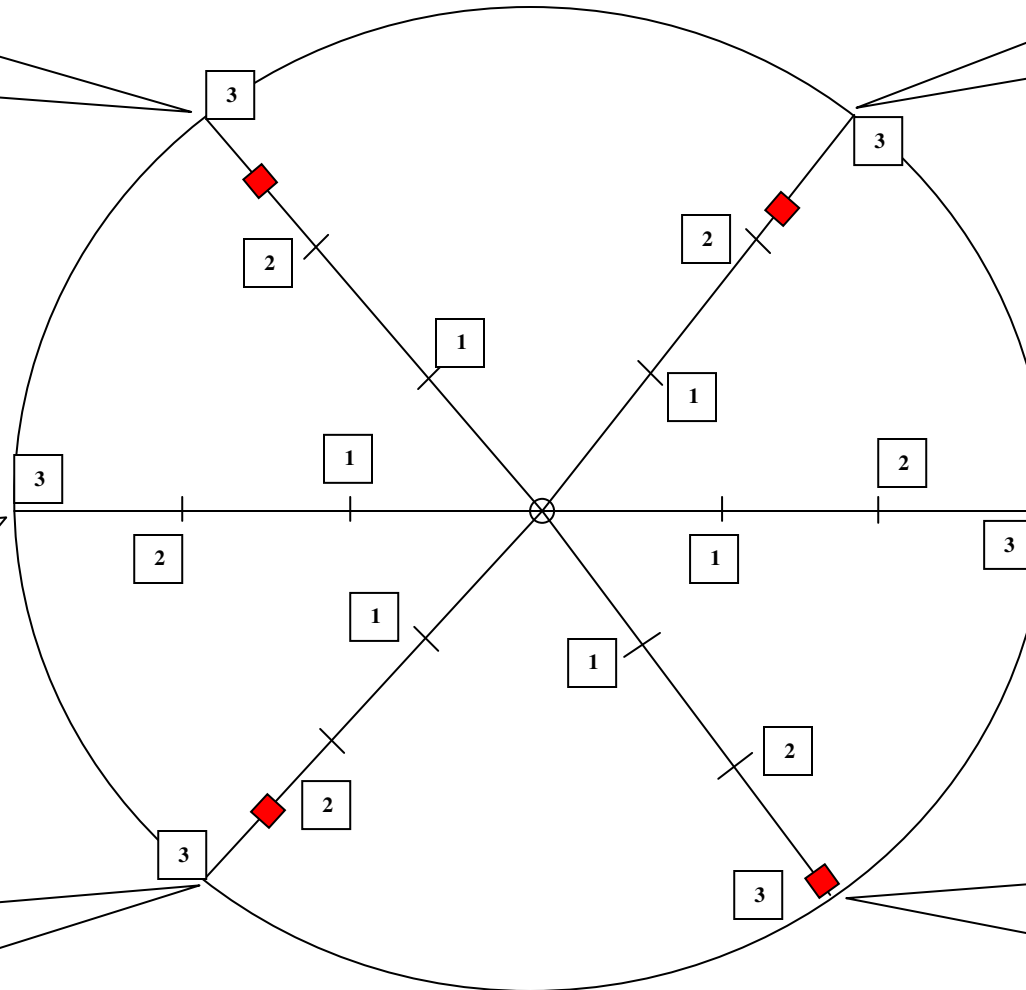
**2.9**

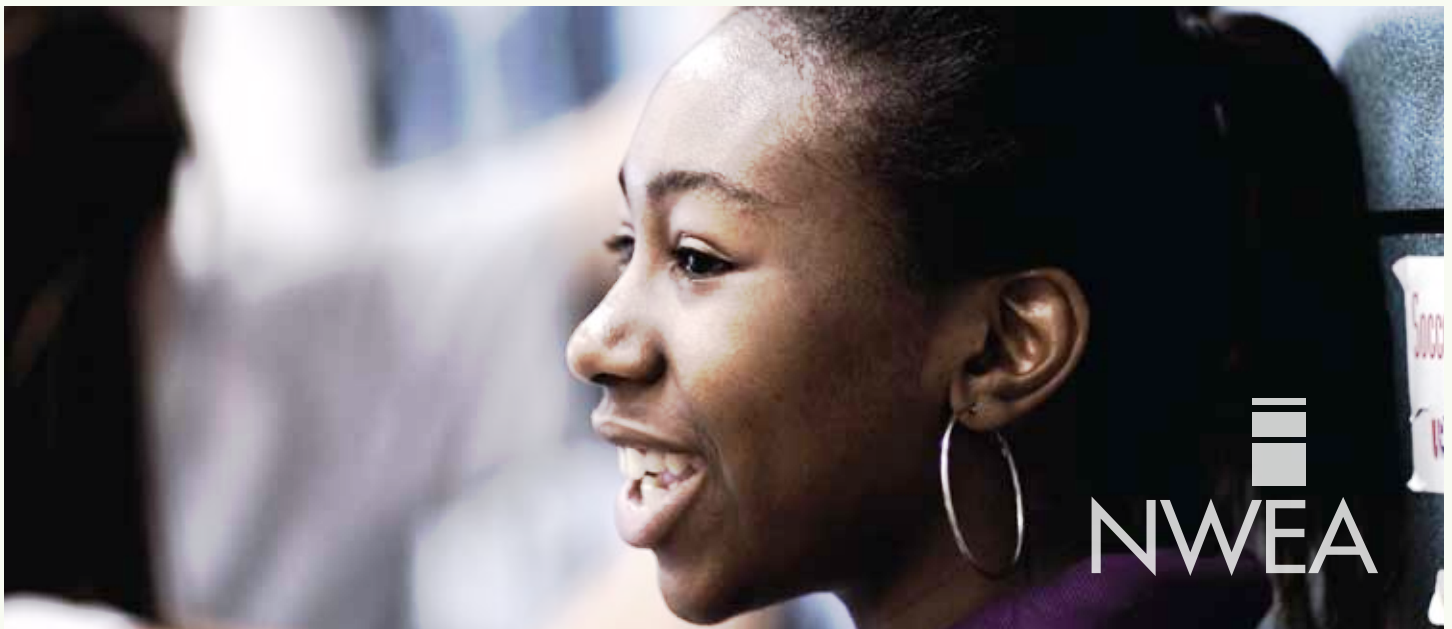
Arena E - Community Engagement

**2.5**

Arena F - Student Development

**In Development**





## NWEA Virtual Comparison Group Reports

---

**V**irtual Comparison Group reports, or VCG reports, are a series of five reports that examine student academic growth (based on the difference between two MAP™ scores) and compare that growth to students who perform similarly and share similar demographic characteristics. Unlike comparisons using norms, VCG reports provide apples-to-apples comparisons. For classrooms, schools, or districts that are not characteristic of typical schools, the results provide a meaningful comparison.

### What is a Virtual Comparison Group?

A virtual comparison group is a group of students that matches key characteristics of the group of students being compared. Researchers refer to it as a matched group quasi-experimental design. The comparison group is “virtual” because it is comprised of data from NWEA’s longitudinal student achievement database that includes growth data from millions of students. In addition to student growth data, the database holds relevant district, school, and student characteristics, such as socio-economic status (SES) data, urban/rural designations, grade level, and beginning performance level.

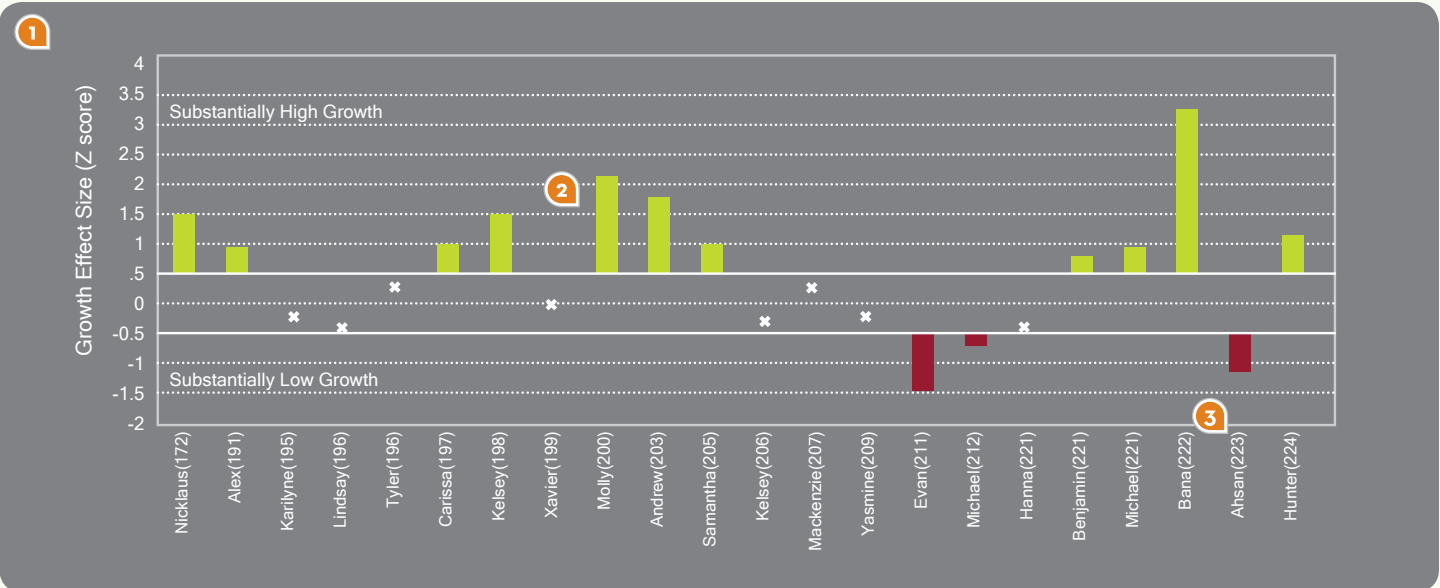
To construct a VCG, NWEA identifies the key characteristics of each student in the study group. The study group may be a class, school, or other logical organization of students. Next, for each student, NWEA filters the database to find students who perform similarly and share these key characteristics. A random

sample of 51 comparison students is selected from that result and these become the Virtual Comparison Groups for each student in the initial study group.

VCG reports provide valuable information for making program decisions. For example, one class in your school recently piloted a new mathematics program and you are considering investing in it for the other classes in that grade level. How effective was the program? Did it stimulate exceptional growth in students? Or did the students begin the year at a higher level than others? A VCG report will show each student’s growth relative to similar students. These results control for variables that may otherwise mask the impact of the intervention. Thus if the report shows that most students made greater gains than their VCG, you can be more confident that your program contributed to this success.

In addition to using VCG reports for program evaluation, educators have used the reports to provide insight into instructional evaluation. The class-level reports help identify teachers who create exceptional growth in students.

TO LEARN MORE ABOUT ORDERING OR INTERPRETING VCG REPORTS, PLEASE CONTACT THE NWEA RESEARCH TEAM AT 503-624-1951 OR EMAIL REBECCA MOORE AT [REBECCA.MOORE@NWEA.ORG](mailto:REBECCA.MOORE@NWEA.ORG)



## THE HYBRID SUCCESS MODEL

VCG Reports include a second metric to help guide student growth, the Hybrid Success Model (HSM) index. The HSM is a growth model that measures a student's annual growth relative to the growth needed to reach their state's proficiency standard. The HSM is a particularly important indicator for students who begin the instructional year below average.

Unlike traditional value-added models, the HSM provides realistic and attainable targets for growth while assuring progress is made toward the proficiency requirements of tenth grade (or the highest level available). The HSM target combines typical growth for similar students with required growth to reach proficiency, establishing a reasonable growth target.

For example, if a student began second grade working at a level consistent with tasks assigned in kindergarten, setting a goal for the student to end the year working at a third grade level would be unrealistic. However, it would be reasonable to ask this student to achieve a level of growth that would assure the proficiency standard is reached by the end of elementary schooling. Likewise, for students who perform above the state proficiency standards, HSM targets ensure they are challenged as well. By establishing a growth target equivalent to the average growth achieved by students in the same grade who started with the same scale score, the HSM suggests targets that are realistically rigorous. The HSM targets allow schools with lower performing students to demonstrate success by growth towards standards. At the same time, schools with higher performing students must demonstrate continued growth in order to be considered successful.

## HOW ARE VCGs CREATED?

NWEA uses three types of filters to create a VCG for each student being studied.

- General Assessment Filters** – Only students with valid test scores for the same year and subject area are considered.
- School Filters** – The percentage of students qualified for free and reduced lunch is within 5 percentage points of the school being studied and schools have the same urban/rural classification (based on the National Center for Educational Statistics Common Core of Data Survey).
- Student Filters** – Students are in the same grade level, within 1 RIT point of the beginning score, and the beginning and ending tests were taken within 7 days of the student's test date. This assures that the student and members of the VCG group had about the same amount of instructional time.

After applying these three types of filters, a group of 51 students is randomly selected from the database. The median score of this group is the metric that is used to compare to the study group student score.

## DEFINING HSM TARGETS

HSM targets are created in the following process:

- For each student, two growth target scores are identified, a RIT score based on what growth is needed to meet proficiency requirements by high school and the RIT score based on the growth norms of what is typical for students at the grade and achievement level.
- The HSM target is set to the higher of the two growth target scores, with a maximum of the 90<sup>th</sup> percentile of growth.
- HSM indexes appear on the VCG Class Detail Report.

## VCG Class Growth Report

Using this report, teachers and principals can see how students in a class grew relative to a comparison group of similar students.

- 1 This report shows the Growth Effect Size. The growth effect size is a number, known as the z score, that shows the number of standard deviations a student grew above or below their comparison group. The z score typically ranges from +3 to -3, a range that describes 99% of a given population for a given characteristic.
- 2 Scores of +0.5 z or greater indicate students achieved greater growth than their comparison group, while scores of -0.5 z or less indicate students did not grow as much as these peers. Growth scores between these two boundaries are considered average and did not differ meaningfully from the comparison group. Scores beyond the boundary lines are statistically relevant differences from what was typical.
- 3 Students in the class are sorted by their beginning RIT scores from low to high.

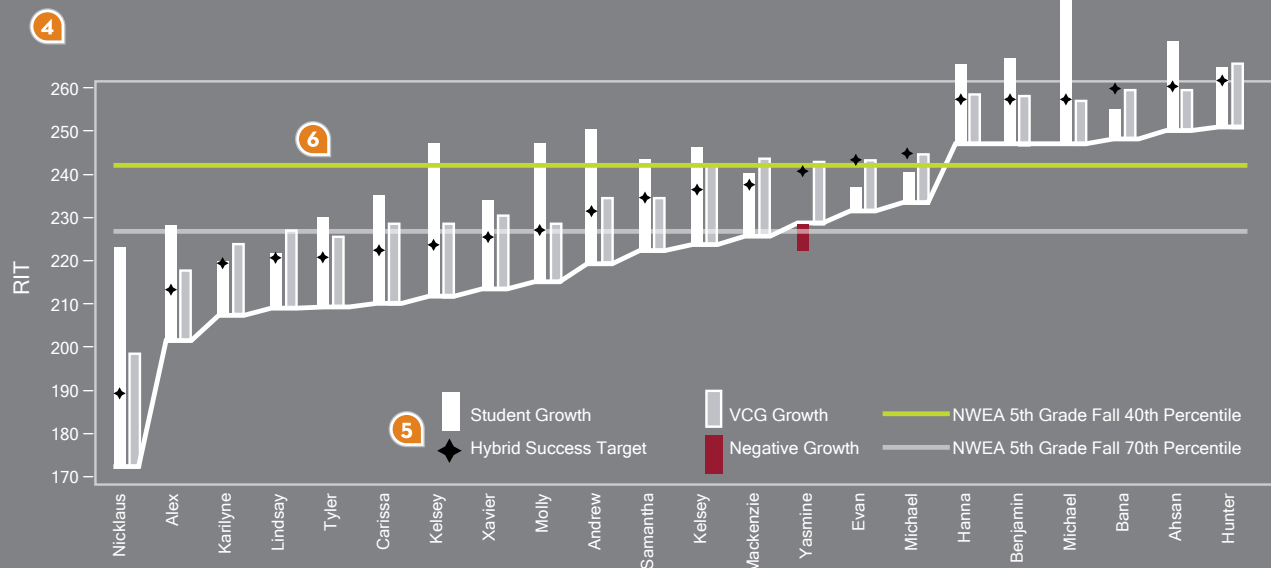
The VCG Reporting Package also includes the VCG School Detail Report and the VCG Overall Detail Report, which display similar information by grade level within a school or throughout the district. Similar to the VCG Class Detail Report, the State Standards Status is also indicated on these reports.

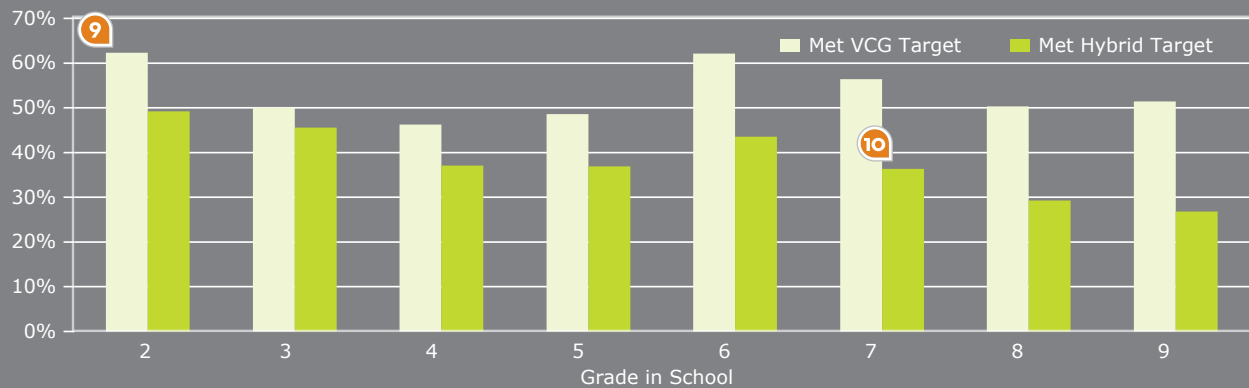
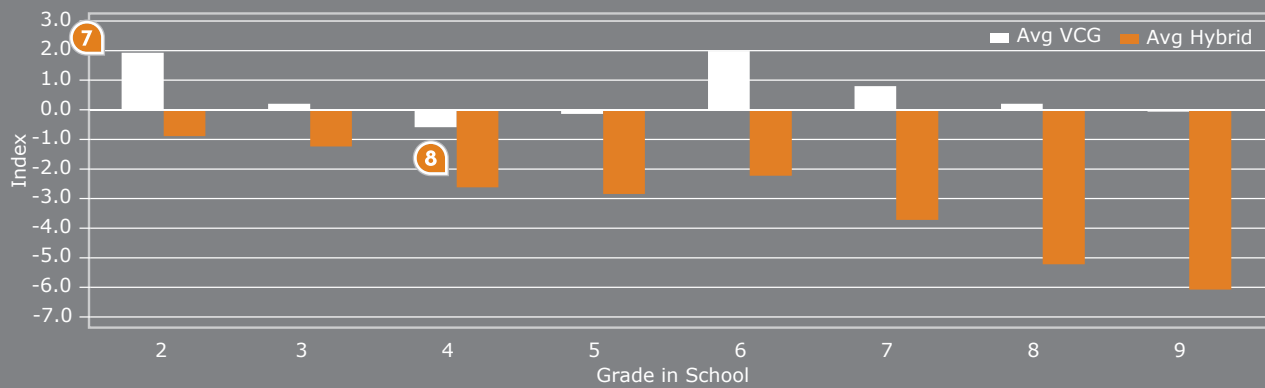
## VCG Class Detail Report

The VCG Class Detail report shows student growth compared to the academic growth of similar students. In addition, the target score for each student to be on track to meet state performance standards by the tenth grade (or highest grade available) is indicated.

- 4 On this report, student growth is shown as a change in RIT scores. Likewise, the VCG growth, or expected growth, is displayed as a change in RIT scores next to the student growth indication bar.
- 5 The diamond shows the HSM target, or the RIT score goal for each student based on his or her beginning achievement level. This indicates the score needed in order to be on track to meet the state performance standard by the tenth grade (or highest grade available).
- 6 In addition to comparing student growth, this report shows the State Standards Status. Students scoring above the line are projected to be proficient relative to their state's standards, while those above the green line would project to perform at an advanced level. If a scale alignment study does not exist for the state, the lines indicate the 40<sup>th</sup> and 70<sup>th</sup> percentile from NWEA norms. At a quick glance, one can see how many students in the class are likely to be proficient on the state test.

VCG Class Detail Report





*Performance By School Reports*

## VCG Pivot Table Reports

The five files included as part of the VCG Pivot Table Reports are Excel worksheets that display aggregated results of student growth compared to both VCG growth and HSM targets.

### VCG & Hybrid Growth

- 7** The Avg VCG Index is the average difference between the growth of students in this grade level and school with the growth of their VCG counterparts. Positive numbers indicate that students in the school grew more than the VCG students. Negative numbers indicate that students in the school grew less than this group of peers.
- 8** The Avg Hybrid Index is the average difference between the growth of students in this grade level and school and the target growth as defined by the Hybrid Success Model (HSM). Positive numbers indicate that students in the school grew as much or more than their HSM targets. Negative numbers indicate that average student growth was insufficient to meet the targets. Because students in lower grades have more years to make up the needed growth than students in

higher grades, hybrid success targets are more challenging for older students to meet than for younger children.

- 9** Met VCG Target is the percentage of students in the school who grew as much as or more than students in their VCG. In this example, the school is producing better than average growth.
- 10** Met Hybrid Target is the percentage of students in the school who met or exceeded their HSM target. Because of the ambitious targets of students performing below grade level, it is not unusual for fewer than 50% of the students to meet their HSM target, as indicated here.

Also included with the Pivot Table Reports are worksheets that show the same comparisons of student growth to VCG growth and HSM targets organized by RIT score and ethnicity. A fourth report includes bar graph representation of similar data. A raw data file, which can be imported into other applications, is included to populate these reports.



**Estimate**  
**November 1, 2007**  
**Mahtomedi Public Schools**

Virtual Comparison Group (VCG) Data Table & Reports	\$1350
<ul style="list-style-type: none"> <li>• 2007-08 Data &amp; Reports - \$.75/student for 1800 students</li> </ul>	
<b>TOTAL</b>	<b>\$1350</b>

To order reports, please fax this estimate and a purchase order to:

Finance

Fax #: 503-639-7873

Prices effective through December 31, 2007



To: EMID Board, EMID Superintendents

From: Carl I. Wahlstrom, Superintendent

Date: November 1, 2007

Re: Proposal for Revised EMID Revenue Structure

In recent months, EMID leadership has responded to member district requests to examine the financial resources provided to the collaborative for magnet school and integration program operation. The revenue categories affected by this review are student tuition for students attending Harambee and Crosswinds schools and State integration revenue provided in statute. This examination has involved the collection, preparation, analysis and discussion of enrollment and financial information with the existing advisory and governance groups, including the Steering Committee, EMID Superintendents, and EMID Board. These discussions culminated in the development of several alternatives to the present revenue structure in an effort to thoroughly portray options and their fiscal impact on EMID and the member districts.

Several criteria were generated to assist the governance groups in narrowing the number of options for consideration. There was agreement that the recommended proposal for changing the revenue arrangement would incorporate the following elements:

- Relief to member district operating budgets should be provided by removing excess levy referendum revenue from the student tuition formula
- The decrease in student tuition from the loss of referendum revenue should be replaced by an increased contribution of integration revenue to EMID from the member districts
- The amount of St. Paul's financial contribution to EMID should not change

- EMID should continue to operate Harambee and Crosswinds magnet schools
- The revised revenue structure should remain in place for a minimum of two fiscal years beginning with FY'09

The timeline established for consideration of this matter calls for the EMID Board to consider changing the distribution of integration revenue in preparing next year's budget at its meeting of November 28, 2007. The first \$92 per pupil of this revenue is presently split evenly, with \$46 remaining in the member districts and \$46 sent to EMID for use in operating the schools and providing integration programs. St. Paul Schools sends \$445 in integration revenue to EMID for each student from that District attending the two magnet schools, but does not forward additional integration revenue to the collaborative.

Attachment A (Integration Revenue Forecast) illustrates the funding sources and revised distribution of integration revenue for the suburban districts. All nine receive \$92 per pupil unit, seventy percent of which is generated in the form of state aid and the remaining thirty percent comes from local levy dollars. In addition, five of our suburban districts qualify for an additional \$37 per pupil because their boundaries are contiguous with St. Paul and the district's enrollment of protected students exceeds 15 percent. Districts qualifying for the additional funding receive it in the form of local levy.

The proposed change in the distribution of integration revenue calls for \$52 of the first \$92 per pupil unit to be forwarded by all suburban districts to EMID and \$40 per pupil retained by the member districts. This change would generate an estimated \$3,947,636 in integration revenue to be forwarded to EMID, which is also the revised integration amount listed in Attachment D. Action by the EMID Board will be requested on November 28 to approve this change. A suggested motion to that affect can be found as Attachment B. Approval would require a majority vote of the EMID Board. If approved, this change would be in effect for the 2008-09 fiscal year and would be contingent on a related action affecting the Joint Powers Agreement. It is recommended that the new distribution remain in place for a minimum of two years.

An amendment to the EMID Joint Powers Agreement is also required to implement this change in financial arrangements between the member district and the collaborative. This amendment would eliminate excess levy referendum dollars from the tuition amount that is sent to EMID for each student attending the two schools. This amounts to an estimated \$846,874 for 2006-07. Each of the member district school boards have to approve this amendment as required in the JPA. A resolution

calling for this action is enclosed as Attachment C. It is recommended that the members take action on this amendment during December, 2007, to allow sufficient time for budget planning for the coming year. If this amendment is not unanimously approved, the current Joint Powers Agreement would remain in place and the present financial arrangement would continue.

Attachment D portrays the projected financial impact on EMID and the member districts if the above-described actions are implemented. Please note the adjustment in the amount of integration revenue that would be forwarded to EMID to partially offset the loss of levy referendum dollars. Please also note that St. Paul would take over funding of the MRC at Arlington High School and the classroom partnership office from EMID's budget with the \$322,000 estimated adjustment in levy referendum funds under this proposal. EMID's budget for 2008-09 would require an approximately \$70,000 adjustment to achieve a balanced position for that year.

A hard copy of these materials will be sent under separate cover. Please contact our office should you have questions about this information. EMID appreciates your timely attention to this important matter.

A handwritten signature in black ink, appearing to be 'CJW', is located on the left side of the page.

**Attachment A**  
**Proposed Revision to Distribution of Integration Revenue**  
**Suburban Districts Send**  
**\$52 Per Resident Pupil Unit to EMID (An Increase of \$6 Per Pupil Unit)**



**East Metro Integration District - 6067**  
**Integration Revenue Forecast**  
 FY07 (July 1,2006- June 30, 2007) - District Impact

128

DISTRICT	ADJ. PU's	%	Revenue Source			Revenue Distribution			
			STATE \$ @70%	+ LOCAL \$ @30%	= DESEG. \$	TO EMID	DISTRICT	ALT. ED. \$	= TOTAL \$
St. Paul	46,252		0	0	0			0	0
<b>Urban Subtotal</b>	<b>46,252</b>	0.38	0	0	0			0	0
Roseville	7,353	0.06	473,533	202,943	676,476	382,356	294,120	32,504	708,980
Roseville \$37	7,353			272,061	272,061	0	272,061		272,061
N St Paul	12,479	0.10	803,648	344,420	1,148,068	648,908	499,160	43,495	1,191,563
N St Paul \$37	12,479			461,723	461,723	0	461,723		461,723
So Wash Co	18,991	0.16	1,223,020	524,152	1,747,172	987,532	759,640	4,584	1,751,756
So Wash Co \$37	18,991			702,667	702,667	0	702,667		702,667
S St Paul	3,505	0.03	225,722	96,738	322,460	182,260	140,200	17,491	339,951
S St Paul \$37	3,505			129,685	129,685		129,685		129,685
W St Paul	5,577	0.05	359,134	153,914	513,048	289,984	223,064	40,532	553,580
W St Paul \$37	5,577			206,335	206,335	0	206,335		206,335
Mahtomedi	3,509	0.03	225,991	96,853	322,844	182,477	140,367	1,578	324,422
W B L	9,868	0.08	635,511	272,362	907,873	513,146	394,728	11,051	918,924
Stillwater	10,528	0.09	677,987	290,566	968,553	547,443	421,110	1,394	969,947
I G H	4,106	0.03	264,449	113,335	377,784	213,530	164,254	5,702	383,486
<b>Suburban Subtotal</b>	<b>75,916</b>								
	<b>122,168</b>		<b>4,888,995</b>	<b>3,867,754</b>	<b>8,756,749</b>	<b>3,947,636</b>	<b>4,809,113</b>	<b>158,331</b>	<b>8,915,080</b>

**Funding Summary -**

Local:	3,867,754
State:	4,888,995
<b>Total Deseg.Funding</b>	<b>8,756,749</b>
Total Deseg. Alt. Ed.	158,331
<b>Total Desegregation Reso</b>	<b>8,915,080</b>



**MOTION FOR EMID BOARD  
FOR CHANGE IN INTEGRATION REVENUE DISTRIBUTION  
FOR 2008-09**

Motion by \_\_\_\_\_, seconded by \_\_\_\_\_ to establish the distribution of the first \$92 per pupil of integration revenue provided to member districts by statute as \$52 per pupil to be forwarded to EMID and \$40 per pupil to be retained in the member district (except St. Paul) effective with the 2009 fiscal year and subject to member district approval of an amendment to the EMID Joint Powers Agreement eliminating excess levy referendum revenues from the funds forwarded to EMID for each resident pupil attending Harambee and Crosswinds schools.

Upon call for the questions, the following vote was recorded:

\_\_\_\_\_ in favor, and  
\_\_\_\_\_ opposed, whereupon the motion was  
declared to have passed or failed.



**RESOLUTION FOR AMENDMENT TO THE EMID 6067  
JOINT POWERS AGREEMENT**

WHEREAS EMID was asked to examine alternatives to the present revenue structure; and

WHEREAS member districts desire to retain excess levy referendum revenue for each resident pupil attending EMID schools; and

WHEREAS member districts desire to change the distribution of integration revenue between EMID and its members to account for the change in excess levy referendum revenue; and

WHEREAS the EMID Board has approved the change in distribution of integration revenue as requested;

NOW, THEREFORE BE IT RESOLVED that the Fourth EMID Joint Powers Agreement be amended to remove the phrase “and excess levy referendum revenues” in Article Thirteen: Receipts/State Aid, Section C.

Upon vote being taken on the Resolution, the following vote was recorded:  
\_\_\_\_\_ in favor, and  
\_\_\_\_\_ opposed. Said  
Resolution was declared to have passed/failed.



### SUMMARY OF CHANGES IN REVENUE RESTRUCTURING

Operating referendum dollars were waived in tuition calculation. Integration revenue calculation reflects revised contribution of \$52 per pupil unit of the first \$92 for all districts except St. Paul. St. Paul will assume \$322,000 in operational costs

**FY07 Financial Contributions to EMID**

	EMID School Enrollment as % of Total Collaborative Enrollment	Tuition Revenue	Adjustment to Tuition Amount (Unapprop.)	Revised Tuition Amount	Integration Revenue	Adjustment to Integration Revenue (Approp.)	Revised Integration Revenue	Total Revenue	% of Revenue	Impact on EMID
South St. Paul	2.87%	\$55,815	\$ (8,304)	\$47,511	\$161,230	\$21,030	\$182,260	\$229,771	2.48%	\$ 12,726
West St. Paul	4.57%	\$104,628	\$ (16,827)	\$87,801	\$256,524	\$33,460	\$289,984	\$377,785	4.07%	\$ 16,633
Inver Grove Heights	3.36%	\$115,055	\$ (16,683)	\$98,372	\$188,892	\$24,638	\$213,530	\$311,902	3.36%	\$ 7,955
North St. Paul	10.21%	\$1,233,674	\$ (177,230)	\$1,056,444	\$574,034	\$74,874	\$648,908	\$1,705,352	18.37%	\$ (102,356)
Roseville	6.02%	\$571,032	\$ (148,636)	\$422,396	\$338,238	\$44,118	\$382,356	\$804,752	8.67%	\$ (104,518)
White Bear Lake	8.08%	\$241,660	\$ (35,349)	\$206,311	\$453,937	\$59,209	\$513,146	\$719,457	7.75%	\$ 23,860
St. Paul	37.86%	\$3,092,021	\$ (322,170)	\$2,769,850	\$0	\$0	\$0	\$2,769,850	29.84%	\$ (322,170)
Mahtomedi	2.87%	\$110,436	\$ (20,160)	\$90,276	\$161,422	\$21,055	\$182,477	\$272,753	2.94%	\$ 895
South Washington County	15.54%	\$551,408	\$ (86,645)	\$464,763	\$873,586	\$113,946	\$987,532	\$1,452,295	15.65%	\$ 27,301
Stillwater	8.62%	\$105,412	\$ (14,869)	\$90,543	\$484,277	\$63,166	\$547,443	\$637,986	6.87%	\$ 48,297
<b>TOTALS</b>	<b>100.00%</b>	<b>\$6,181,142</b>	<b>\$ (846,874)</b>	<b>\$5,334,268</b>	<b>\$3,492,140</b>	<b>\$455,496</b>	<b>\$3,947,636</b>	<b>\$9,281,904</b>	<b>100.00%</b>	<b>\$ (391,378)</b>

131

**FUND SUMMARY**  
**FOR BANK 02 - ACCOUNTS PAYABLE CHECKS**  
**DATE RANGE: 10/01/2007 -10/30/2007**

<u>FUND</u>	<u>FUND NAME</u>	<u>ISSUED TOTAL</u>	<u>VOIDED TOTAL</u>
001	GENERAL FUND	878,916.91	
002	FUND SERVICE	71,640.27	
003	TRANSPORTATION	100,030.16	
004	COMMUNITY SERVICE	54,573.07	
005	CAPITAL OUTLAY	168,929.71	
007	DEBT REDEMPTION		
025	DONATIONS / ACTIVITIES	35,392.69	
050	HS STUDENT ACTIVITIES	25,530.06	
	<b>TOTALS</b>	<u><b>1,335,012.87</b></u>	<u><b>-</b></u>

## Check Register Report

SEPT 2007

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317607	C	\$307.64	9/4/07	00094	AMERICAN FAMILY ASSURANCE
2	317608	C	\$10.95	9/4/07	01556	MAHTOMEDI AREA EDUC.FOUNDATION
2	317609	C	\$224.00	9/4/07	01740	MINN NCPERS GROUP LIFE INS
2	317610	C	\$64,168.28	9/4/07	01807	MN TEACHERS RETIREMENT ASSN
2	317611	C	\$14.90	9/4/07	01888	NATIONAL INSURANCE SERVICES
2	317612	C	\$495.00	9/4/07	02017	OFFICE & PROFESSIONAL
2	317613	C	\$733.24	9/4/07	02048	OPERATING ENGINEERS LOCAL #70
2	317614	C	\$2,473.04	9/6/07	00016	ABBOTT PAINT & CARPET CO
2	317615	C	\$58.00	9/6/07	04879	AHMED CHARAI
2	317616	C	\$20.00	9/6/07	00084	AMAZON ENVIRONMENTAL INC
2	317617	C	\$35.00	9/6/07	05952	ANDY & KRIS MEYER CHRISTENSEN
2	317618	C	\$25.00	9/6/07	05972	ANDY HARDGROVE
2	317619	C	\$2,079.78	9/6/07	00162	ARMCOM DISTRIBUTING COMPANY
2	317620	C	\$272.00	9/6/07	00168	ART'S EXPERT APPLIANCE INC
2	317621		\$85.00	9/6/07	03290	BETH HOMMES
2	317622	C	\$108.84	9/6/07	02530	BETHANY SNEDEN
2	317623	C	\$3,300.00	9/6/07	05816	BETMAR LANGUAGES
2	317624	C	\$5,973.00	9/6/07	03196	BF LAUZON ENTERPRISES INC
2	317625	C	\$292.63	9/6/07	00281	BIO CORPORATION
2	317626		\$114.00	9/6/07	05981	BLINDSGALORE
2	317627	C	\$100.00	9/6/07	00384	C F I SYSTEMS
2	317628	C	\$5,552.98	9/6/07	00437	CDW GOVERNMENT INC
2	317629	C	\$2,398.50	9/6/07	03599	CHILDREN'S THEATRE COMPANY
2	317630		\$25.00	9/6/07	05973	CHRIS RICK
2	317631	C	\$150.00	9/6/07	00127	CHRISTY ANDERSON
2	317632	C	\$2,493.70	9/6/07	00487	CLASSROOM DIRECT COM
2	317633	C	\$135.60	9/6/07	00307	CMERDC
2	317634	C	\$12,123.58	9/6/07	00527	COMSTOCK & SONS INC
2	317635	C	\$3,372.09	9/6/07	00553	CORPORATE EXPRESS
2	317636	I	\$0.00	9/6/07	00553	CORPORATE EXPRESS

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317637	C	\$397.83	9/6/07	00599	DALCO
2	317638	C	\$25.00	9/6/07	05974	DAN RICK
2	317639	C	\$36.25	9/6/07	04003	DAVE HULTGREN
2	317640	C	\$58.00	9/6/07	04810	DAVID BROWN
2	317641		\$100.30	9/6/07	05422	DAVID MUETZEL
2	317642	C	\$25.00	9/6/07	05975	DEAN DEHLING
2	317643	C	\$8,968.16	9/6/07	03433	DELL COMPUTER CORP.
2	317644	C	\$58.00	9/6/07	05969	DICK CHENERY
2	317645		\$35.00	9/6/07	05955	DOUG & SONY EBBOTT
2	317646	C	\$1,025.00	9/6/07	03241	ELECTRONIC DESIGN CO
2	317647	C	\$857.50	9/6/07	03969	ENERGYWISE CONSULTING,LLC
2	317648	C	\$2,665.26	9/6/07	00803	EXPRESS PERSONNEL SERVICES INC
2	317649	C	\$279.00	9/6/07	05954	FRANK & LYNN ROBINSON
2	317650	C	\$220.17	9/6/07	00888	FREY SCIENTIFIC COMPANY
2	317651	C	\$25.00	9/6/07	05978	GENE MERRIAM
2	317652	C	\$116.00	9/6/07	04873	GENE WARNER
2	317653	C	\$257.60	9/6/07	00937	GENERAL INDUSTRIAL SUPPLY CO
2	317654		\$58.00	9/6/07	05967	GREGG ADLER
2	317655		\$1,041.67	9/6/07	01038	HAAS MUSICAL INSTRUMENT REPAIR
2	317656	C	\$143.19	9/6/07	05980	HAMPTON INN -ROCHESTER MN
2	317657	C	\$4,967.50	9/6/07	03248	I.S.D # 834 STILLWATER
2	317658	C	\$20.00	9/6/07	05964	JACOB ROBERTS
2	317659	C	\$4,720.00	9/6/07	05922	JEFF MUETZEL
2	317660		\$61.19	9/6/07	02894	JENNIFER WARD
2	317661	C	\$205.00	9/6/07	05959	JENNY MEYER
2	317662	C	\$108.46	9/6/07	05935	JIST/EMC PUBLISHING
2	317663	C	\$279.00	9/6/07	05953	JOHN & HARREITTE IRVINE
2	317664	C	\$350.00	9/6/07	05960	JOHN BLACKSHEAR
2	317665	C	\$56.00	9/6/07	04876	JOHN JUNDT
2	317666	C	\$78.89	9/6/07	02132	JOHN PETRONEK
2	317667	C	\$155.00	9/6/07	05962	KAREN BROWN
2	317668	C	\$122.30	9/6/07	01950	KATHE NICKLEBY
2	317669	C	\$77.40	9/6/07	01351	KATHI KIRCHOFF
2	317670	C	\$155.00	9/6/07	05963	KATHY CHRISTENSEN
2	317671	C	\$58.00	9/6/07	05971	KEVIN HORST

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317672	C	\$25.00	9/6/07	05977	KEVIN WHALEN
2	317673	C	\$155.28	9/6/07	04205	KRISTIN HEAGLE
2	317674	C	\$670.88	9/6/07	01419	LAKESHORE LEARNING MATERIALS
2	317675	C	\$204.75	9/6/07	03195	LASERPLUS, LLC
2	317676	C	\$873.00	9/6/07	01484	LIGHTING PLASTICS OF MN INC
2	317677	C	\$113.80	9/6/07	01495	LINGUISYSTEMS INC
2	317678		\$127.75	9/6/07	01624	LISA MATHIES
2	317679	C	\$184.29	9/6/07	00202	LORI J BAKER
2	317680	C	\$430.28	9/6/07	01557	MAHTOMEDI AUTOMOTIVE SERVICE
2	317681	C	\$365.68	9/6/07	04063	MCGRAW HILL COMPANIES
2	317682	C	\$26.91	9/6/07	05961	MELISSA WYGANT
2	317683	C	\$13.85	9/6/07	01684	MENARDS OAKDALE CASHWAY LUMBER
2	317684		\$60.00	9/6/07	05691	MICHAEL GREENE
2	317685	C	\$58.00	9/6/07	05970	MIKE LITTLER
2	317686	C	\$44.00	9/6/07	02324	NAN ROHDE
2	317687		\$60.36	9/6/07	05488	NANETTE CHOW
2	317688	C	\$112.44	9/6/07	05833	NATIONAL INSTRUMENTS
2	317689	C	\$219.00	9/6/07	01890	NATIONAL MIDDLE SCHOOL ASSOC
2	317690	C	\$25.00	9/6/07	04814	NICK DETTINGER
2	317691	C	\$2,054.40	9/6/07	01971	NORTHEAST METRO 916
2	317692	C	\$21,450.00	9/6/07	01974	NORTHERN ELECTRICAL CONTRACTORS,INC
2	317693	C	\$161.24	9/6/07	02022	O'LEARY AUTO BODY
2	317694	C	\$868.64	9/6/07	02043	ON SITE SANITATION INC
2	317695	C	\$107.04	9/6/07	01066	PAM HAREIN
2	317696	C	\$25.00	9/6/07	05976	PAT WHALEN
2	317697	C	\$56.00	9/6/07	04875	PAUL WILLIAMS
2	317698	C	\$254.99	9/6/07	02096	PEARSON EDUCATION
2	317699	C	\$527.00	9/6/07	02119	PESI HEALTHCARE
2	317700	C	\$58.00	9/6/07	04872	PETE MUTSCHLER
2	317701	C	\$3,558.98	9/6/07	02145	PITNEY BOWES / PURCHASE POWER
2	317702	C	\$57.06	9/6/07	02161	POPP TELECOM
2	317703	C	\$410.00	9/6/07	02165	POSTMASTER-U.S POST OFFICE

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317704	C	\$720.77	9/6/07	02301	RIVERSIDE PUBLISHING CO THE/HOUGHTON MIFFLIN
2	317705	C	\$25.00	9/6/07	04815	ROB LINDER
2	317706	C	\$742.75	9/6/07	02160	ROBERT PONTIOUS
2	317707	C	\$35.00	9/6/07	00875	RUSSELL FRAENKEL
2	317708	C	\$2,203.50	9/6/07	02420	SCHOOL SPECIALTY INC
2	317709	C	\$289.26	9/6/07	02441	SCIENCE KIT INC
2	317710	C	\$324.00	9/6/07	02494	SIMPLEXGRINNELL LP
2	317711	C	\$10.00	9/6/07	05956	SIMPLICITY PATTERN CO.INC
2	317712	C	\$81.52	9/6/07	02564	SPEEDWAY SUPERAMERICA LLC
2	317713	C	\$65.03	9/6/07	02610	STATE SUPPLY CO INC
2	317714	C	\$77.00	9/6/07	05965	STEVE PEARSON
2	317715	C	\$56.00	9/6/07	04865	STEVE SCHMAHL
2	317716	C	\$19,900.00	9/6/07	05982	STRATASYS
2	317717	C	\$112.39	9/6/07	04000	SUSAN KUCHAR
2	317718	C	\$37.25	9/6/07	04198	TAMS-WITMARK MUSIC LIBRARY INC
2	317719	C	\$9,417.60	9/6/07	02697	TCI-TEACHER'S CURRICULUM INSTITUTE
2	317720		\$250.00	9/6/07	02128	TERESA PETERSON
2	317721	C	\$255.00	9/6/07	03296	THE ALLIANCE FOR STUDENT ACHIEVEMENT
2	317722	C	\$6,289.61	9/6/07	02747	TIERNEY BROTHERS INC
2	317723	C	\$7,697.49	9/6/07	02748	TIES
2	317724	C	\$25.00	9/6/07	05979	TIM FRIESE
2	317725	C	\$2,180.00	9/6/07	03284	TOM-WEYER-FOR-HIRE
2	317726	C	\$77.00	9/6/07	05966	TONY PEREZ
2	317727	C	\$533.26	9/6/07	02811	UHL COMPANY INCORPORATED
2	317728	C	\$45.04	9/6/07	01703	USA MOBILITY
2	317729	C	\$30.06	9/6/07	02858	VERIZON WIRELESS
2	317730	C	\$7,199.50	9/6/07	02859	VERNIER SOFTWARE & TECHNOLOGY
2	317731	C	\$24.36	9/6/07	02873	VOSS LIGHTING
2	317732	C	\$1,928.86	9/6/07	02896	WARD'S NATURAL SCIENCE ESTABLI
2	317733	C	\$39.94	9/6/07	02895	WARDS BIOLOGY & CHEMISTRY
2	317734	C	\$2,799.81	9/6/07	02903	WASTE MANAGEMENT-BLAINE MN
2	317735	C	\$58.45	9/6/07	04788	WATER CARE

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317736	C	\$39.00	9/6/07	02946	WHITE BEAR LOCKSMITH
2	317737	C	\$16,328.70	9/6/07	00723	XCEL ENERGY
2	317738	C	\$149.00	9/6/07	03017	XEROX CORPORATION
2	317741	C	\$17.95	9/13/07	00009	AAA AWARDS
2	317742	C	\$51.55	9/13/07	05958	ACP DIRECT
2	317743	C	\$46,255.34	9/13/07	03959	ADVANCED ROOFING SOLUTIONS,LLC
2	317744	C	\$581.55	9/13/07	00080	ALPHA GRAPHICS
2	317745	C	\$374.93	9/13/07	00085	AMAZON.COM
2	317746	C	\$69.95	9/13/07	00095	AMERICAN FLAGPOLE & FLAG CO
2	317747	C	\$8.52	9/13/07	00909	ANN GALE
2	317748	C	\$95.00	9/13/07	00168	ART'S EXPERT APPLIANCE INC
2	317749	C	\$89.00	9/13/07	00172	ASCD
2	317750	C	\$45.00	9/13/07	05951	BAKER'S PLAYS
2	317751	C	\$1,424.04	9/13/07	03639	BEACON ATHLETICS
2	317752	C	\$1,711.00	9/13/07	00229	BEARCOM WIRELESS WORLDWIDE
2	317753	C	\$45.36	9/13/07	05839	BENCHMARK EDUCATION
2	317754	C	\$39.99	9/13/07	03290	BETH HOMMES
2	317755	C	\$125.00	9/13/07	05945	BILL EISENMANN
2	317756	C	\$120.00	9/13/07	00286	BJORKLUND COMPENSATION CONSULT
2	317757	C	\$78.52	9/13/07	00353	BROWN'S ICE CREAM
2	317758	C	\$558.04	9/13/07	00437	CDW GOVERNMENT INC
2	317759	C	\$56.00	9/13/07	06002	CHAD SMOLEY
2	317760	C	\$4,361.28	9/13/07	00406	CHASE CARD SERVICE/BANK ONE
2	317761	C	\$2,538.27	9/13/07	00462	CHEMSEARCH
2	317762	C	\$1,334.00	9/13/07	06008	CITY OF BLOOMINGTON
2	317763	C	\$1,720.00	9/13/07	01572	CITY OF MAHTOMEDI
2	317764	C	\$184.60	9/13/07	00487	CLASSROOM DIRECT COM
2	317765	C	\$100.00	9/13/07	06006	CONNOR BOLDUC
2	317766	C	\$1,140.26	9/13/07	00553	CORPORATE EXPRESS
2	317767	C	\$2,232.37	9/13/07	00599	DALCO
2	317768	C	\$50.00	9/13/07	06007	DAN DESTACHE
2	317769	C	\$140.00	9/13/07	04792	DAN HARJES
2	317770	C	\$56.00	9/13/07	05338	DAN PELLETIER
2	317771	C	\$39.97	9/13/07	00412	DEB CARLSON

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317772	C	\$146.23	9/13/07	00634	DEMCO
2	317773	C	\$58.00	9/13/07	05969	DICK CHENERY
2	317774	C	\$450.14	9/13/07	03934	DIRECT SAFETY
2	317775	C	\$113.85	9/13/07	03582	DISCOVERY CHANNEL
2	317776	C	\$3,390.50	9/13/07	03328	DIVERSIFIED SNACK DIVISION
2	317777	C	\$480.50	9/13/07	00678	DOMINO'S PIZZA
2	317778	C	\$3,883.00	9/13/07	05920	DON JOHNSTON
2	317779	C	\$56.00	9/13/07	05994	DON PELLETIER
2	317780	C	\$56.00	9/13/07	06004	DOUGLAS LEE
2	317781	C	\$157.75	9/13/07	00725	ECKROTH MUSIC COMPANY
2	317782	C	\$2,988.00	9/13/07	05986	EDUCATORS BENEFITS CONSULTANTS,LLC
2	317783	C	\$39.00	9/13/07	00783	EPA AUDIO VISUAL
2	317784	C	\$250.00	9/13/07	04887	ERICA RYAN
2	317785	C	\$494.56	9/13/07	00787	ERICKSON OIL PRODUCTS INC
2	317786	C	\$598.80	9/13/07	00803	EXPRESS PERSONNEL SERVICES INC
2	317787	C	\$1,342.08	9/13/07	00856	FOLLETT EDUCATIONAL SERVICES
2	317788	C	\$208.50	9/13/07	00936	GBC-GENERAL BINDING CORPORATION
2	317789	C	\$116.00	9/13/07	04873	GENE WARNER
2	317790	C	\$57.98	9/13/07	00938	GENERAL PARTS LLC
2	317791	C	\$86.85	9/13/07	00980	GOPHER /PLAY WITH A PURPOSE
2	317792		\$56.00	9/13/07	06003	GORDY MROZ
2	317793	C	\$179.20	9/13/07	01001	GREAT LAKES SPORTS
2	317794	C	\$2,320.00	9/13/07	04138	HEWLETT PACKARD
2	317795	C	\$58.00	9/13/07	01201	IAAP
2	317796	C	\$26.08	9/13/07	01480	JEFF LIEN
2	317797	C	\$76.15	9/13/07	02931	JEFF WHISLER
2	317798	C	\$4.86	9/13/07	01987	JOE NOWAN
2	317799	C	\$20.00	9/13/07	05995	JOHN MEYER
2	317800	C	\$58.00	9/13/07	04813	JOHN PAISLEY
2	317801	C	\$14.68	9/13/07	02132	JOHN PETRONEK
2	317802	C	\$2,992.50	9/13/07	05863	JOHNSON & CONDON P.A.
2	317803	C	\$97.00	9/13/07	02314	JOYCE RODDY
2	317804	C	\$155.00	9/13/07	03663	JULIE DONOVAN

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317805	C	\$35.95	9/13/07	05984	KATHRYN ELVESTROM
2	317806	C	\$140.00	9/13/07	05993	KIRBY LIVINGSTON
2	317807	C	\$614.02	9/13/07	03571	L & N HARDWARE HANK
2	317808	C	\$7,443.81	9/13/07	01414	LIDLAW TRANSIT-EDUCATION SERVICES
2	317809		\$35.00	9/13/07	01414	LIDLAW TRANSIT-EDUCATION SERVICES
2	317810	C	\$722.60	9/13/07	03259	LAKE ELMO INN
2	317811	C	\$903.90	9/13/07	03195	LASERPLUS, LLC
2	317812	C	\$525.04	9/13/07	01464	LEEF SERVICES
2	317813	C	\$77.00	9/13/07	04123	LIZ OLSON
2	317814	C	\$99.29	9/13/07	00202	LORI J BAKER
2	317815	C	\$56.00	9/13/07	06005	LOUIS FILIP
2	317816	C	\$58.00	9/13/07	05990	LUKE FOX
2	317817	C	\$993.00	9/13/07	01618	MASSP
2	317818	C	\$4,254.68	9/13/07	05037	MASTERGRAPHICS
2	317819	C	\$77.00	9/13/07	06000	MATT KUKAR
2	317820	C	\$116.19	9/13/07	01684	MENARDS OAKDALE CASHWAY LUMBER
2	317821	C	\$4,877.35	9/13/07	01696	METRO ATHLETIC SUPPLY
2	317822	C	\$1,800.00	9/13/07	01699	METRO ECSU
2	317823		\$140.00	9/13/07	05991	MICHAEL BONN
2	317824		\$77.00	9/13/07	06001	MICHAEL CLARY
2	317825	C	\$56.00	9/13/07	05996	MICHAEL COOPER
2	317826	C	\$250.00	9/13/07	04889	MICHAEL FORBESS
2	317827	C	\$107.62	9/13/07	03384	MID CITY LAUNDRY
2	317828	C	\$77.00	9/13/07	05999	MIKE BRONSON
2	317829	C	\$140.00	9/13/07	05992	MIKE PETREY
2	317830	C	\$8,455.96	9/13/07	01744	MINNESOTA CONWAY
2	317831	C	\$60.00	9/13/07	01779	MN DEPT OF EDUCATION
2	317832	C	\$35.00	9/13/07	01780	MN DEPT OF HEALTH
2	317833	C	\$503.00	9/13/07	01862	MUSIC CONNECTION INC
2	317834	C	\$45.20	9/13/07	01681	NANCY MELQUIST
2	317835	C	\$77.00	9/13/07	04806	NANCY STEFFEN
2	317836	C	\$60.00	9/13/07	01882	NATIONAL GEOGRAPHIC BEE

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317837	C	\$1,097.28	9/13/07	04462	NATIONAL GEOGRAPHIC SCHOOL PUBLISHING
2	317838	C	\$8,180.00	9/13/07	01971	NORTHEAST METRO 916
2	317839	C	\$5,410.00	9/13/07	01974	NORTHERN ELECTRICAL CONTRACTORS,INC
2	317840	C	\$458.00	9/13/07	04488	ORANGE TREE EMPLOYMENT SCREENING
2	317841	C	\$565.17	9/13/07	05985	PAMS LUNCHROOM LLC
2	317842	C	\$155.00	9/13/07	05989	PAUL BURGIO
2	317843	C	\$437.67	9/13/07	02096	PEARSON EDUCATION
2	317844	C	\$1,106.71	9/13/07	04204	PEARSON EDUCATION
2	317845	C	\$326.70	9/13/07	02106	PENWORTHY/MEDIA SOURCE
2	317846	C	\$340.50	9/13/07	02151	PLUNKETTS INC
2	317847	C	\$923.41	9/13/07	02175	PRENTICE HALL SC DIV/PEARSON ED.
2	317848	C	\$1,178.39	9/13/07	05983	PUGLEASA CO INC
2	317849	C	\$3,135.40	9/13/07	02227	QWEST
2	317850	C	\$39.80	9/13/07	02242	REALLY GOOD STUFF INC
2	317851	C	\$678.00	9/13/07	04899	RELIABLE MEDICAL SUPPLY, INC
2	317852	C	\$56.00	9/13/07	04838	ROGER LASHOMB
2	317853	C	\$1,360.00	9/13/07	01518	ROLAND LOZIER
2	317854	C	\$5,454.01	9/13/07	04718	ROYAL MECHANICAL INC
2	317855	C	\$1,596.68	9/13/07	02363	SAM'S CLUB DISCOVER
2	317856	C	\$83.56	9/13/07	02367	SAM'S CLUB/GECF
2	317857	C	\$80.65	9/13/07	02413	SCHOLASTIC BOOKS
2	317858	C	\$973.62	9/13/07	02420	SCHOOL SPECIALTY INC
2	317859	C	\$96.85	9/13/07	02421	SCHOOL SPIRIT
2	317860	C	\$1,015.10	9/13/07	05988	SCHROEDER CO INC
2	317861	C	\$77.00	9/13/07	05997	SCOTT HILL
2	317862		\$77.00	9/13/07	05998	SCOTT LANDY
2	317863	C	\$300.00	9/13/07	03123	SHEILA MERZER M A
2	317864	C	\$119.32	9/13/07	03990	SIMONDELIVERS, INC
2	317865	C	\$6,302.98	9/13/07	04734	ST CROIX ARCHITECTURAL SALES LLC
2	317866	C	\$290.00	9/13/07	02583	ST CROIX TREE SERVICE INC
2	317867	C	\$640.80	9/13/07	02603	STAR TRIBUNE
2	317868	C	\$41.08	9/13/07	02610	STATE SUPPLY CO INC

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317869	C	\$92.48	9/13/07	01023	SUE ANN GRUVER
2	317870	C	\$47.83	9/13/07	03297	SUE ROBINSON
2	317871	C	\$164.09	9/13/07	02669	SUPREME SCHOOL SUPPLY CO
2	317872	C	\$495.00	9/13/07	05638	TEACHINGBOOKS.NET
2	317873	C	\$3,084.00	9/13/07	04551	THE GOODPRINTER
2	317874	C	\$1,120.00	9/13/07	04870	THEATREWORKS/USA BOX OFFICE
2	317875	C	\$3,367.99	9/13/07	02747	TIERNEY BROTHERS INC
2	317876	C	\$159.00	9/13/07	02750	TIME FOR KIDS
2	317877	C	\$58.00	9/13/07	04809	TOM SHARE
2	317878	C	\$50.00	9/13/07	02859	VERNIER SOFTWARE & TECHNOLOGY
2	317879	C	\$15.80	9/13/07	02873	VOSS LIGHTING
2	317880	C	\$784.85	9/13/07	03017	XEROX CORPORATION
2	317881	C	\$8,813.90	9/13/07	03017	XEROX CORPORATION
2	317882	C	\$187.71	9/13/07	03026	YOUNGS
2	317883	C	\$1,038.00	9/13/07	00714	EAGLE SCREEN PRINTING
2	317884	C	\$507.85	9/13/07	01116	HERITAGE PRINTING
2	317885	C	\$427.07	9/13/07	03105	STEVE KIMBALL
2	317886	C	\$10.00	9/17/07	01214	ING
2	317887	C	\$1,144.26	9/17/07	06011	MINNESOTA LIFE INS.CO
2	317888	C	\$64,674.42	9/17/07	01807	MN TEACHERS RETIREMENT ASSN
2	317889	C	\$300.00	9/17/07	04342	WISCONSIN SCTF
2	317890	C	\$127.65	9/20/07	00009	AAA AWARDS
2	317891	C	\$80.00	9/20/07	03455	AARP
2	317892	C	\$910.00	9/20/07	00039	ACT
2	317893	C	\$331.23	9/20/07	00047	ADT SECURITY SYSTEMS
2	317894	C	\$18,055.83	9/20/07	03959	ADVANCED ROOFING SOLUTIONS,LLC
2	317895	C	\$58.00	9/20/07	01278	ALEX JOHNSON
2	317896	C	\$300.00	9/20/07	04692	ALLINA HOSPITALS & CLINICS
2	317897	C	\$20.00	9/20/07	00084	AMAZON ENVIRONMENTAL INC
2	317898	C	\$76.70	9/20/07	06010	ANN GALBUS
2	317899	C	\$176.75	9/20/07	01118	BARBARA HERTEL
2	317900	C	\$155.00	9/20/07	06026	BARBARA TAKO
2	317901	C	\$47.85	9/20/07	00220	BATTERIES PLUS
2	317902	C	\$408.00	9/20/07	04574	BILL WEIGEL SIGNS
2	317903	C	\$1,757.43	9/20/07	03340	BIX PRODUCE CO

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317904	C	\$8,711.00	9/20/07	04691	BLOOMINGTON COMPENSATION INS CO
2	317905	C	\$1,178.00	9/20/07	03057	BRAD BERGIE
2	317906	C	\$10.00	9/20/07	06024	BRYAN THELL
2	317907	C	\$169.81	9/20/07	06014	CAROLYN JAMES
2	317908	C	\$377.75	9/20/07	03115	CHARLES LINDERKAMP
2	317909	C	\$197.20	9/20/07	00466	CHILDCRAFT EDUCATION CORP
2	317910	C	\$77.00	9/20/07	05313	CHRISTINA FIEBICH
2	317911	C	\$639.84	9/20/07	00494	CMERDC
2	317912	C	\$110.00	9/20/07	06006	CONNOR BOLDUC
2	317913	C	\$964.85	9/20/07	00541	CONTINENTAL CLAY COMPANY
2	317914	C	\$43,047.00	9/20/07	05893	CONTINENTAL WESTERN INSURANCE CO
2	317915	C	\$11,127.33	9/20/07	00553	CORPORATE EXPRESS
2	317916		\$42.58	9/20/07	05601	CRAIG MICKELSON
2	317917	C	\$108.56	9/20/07	00599	DALCO
2	317918	C	\$150.00	9/20/07	05073	DAVE HULIT
2	317919	C	\$172.86	9/20/07	03433	DELL COMPUTER CORP.
2	317920	C	\$206.08	9/20/07	00667	DISCOUNT SCHOOL SUPPLY
2	317921	C	\$2,388.00	9/20/07	00678	DOMINO'S PIZZA
2	317922	C	\$195.00	9/20/07	04120	DURO-LAST ROOFING,INC
2	317923	C	\$18.51	9/20/07	03256	ED MORREIM
2	317924	C	\$77.00	9/20/07	06025	ED RICHARDSON
2	317925		\$571.93	9/20/07	02404	EDIE SCHMIDT
2	317926	C	\$200.00	9/20/07	03624	EDUCATIONAL SERVICES
2	317927	C	\$72.85	9/20/07	00746	EDUCATORS OUTLET INC
2	317928	C	\$498.95	9/20/07	05950	ELDRIDGE PLAYS AND MUSICALS
2	317929	C	\$1,574.24	9/20/07	03241	ELECTRONIC DESIGN CO
2	317930	C	\$6.40	9/20/07	00760	ELITE SPORTSWEAR L P
2	317931	C	\$449.40	9/20/07	00764	ELSMORE AQUATICS
2	317932	C	\$95.82	9/20/07	04142	ERIN ALBRECHT
2	317933	C	\$116.42	9/20/07	00937	GENERAL INDUSTRIAL SUPPLY CO
2	317934	C	\$299.65	9/20/07	00938	GENERAL PARTS LLC
2	317935	C	\$40.81	9/20/07	06015	GLEN PRODUCTS INC
2	317936	C	\$391.37	9/20/07	01010	GLSPORTS

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317937	C	\$146.24	9/20/07	00980	GOPHER /PLAY WITH A PURPOSE
2	317938	C	\$64.00	9/20/07	00981	GOPHER STAGE LIGHTING
2	317939	C	\$935.14	9/20/07	00987	GRAINGER
2	317940	C	\$120.00	9/20/07	03081	GRAY SEEVER
2	317941	C	\$4,394.00	9/20/07	04950	GUNDERSON CONSTRUCTION, INC
2	317942	C	\$58.00	9/20/07	04801	HAMID MARDI
2	317943	C	\$272,961.40	9/20/07	01096	HEALTHPARTNERS
2	317944	C	\$279.00	9/20/07	00872	HEATHER FOX
2	317945	C	\$11,494.44	9/20/07	01116	HERITAGE PRINTING
2	317946	C	\$851.00	9/20/07	01173	HUMAN SERVICES INC
2	317947	C	\$116.00	9/20/07	04807	J C BERGSTROM
2	317948	C	\$77.00	9/20/07	05565	JASON NICKLEBY
2	317949	C	\$182.44	9/20/07	04068	JOHN DEIR
2	317950	C	\$56.00	9/20/07	04876	JOHN JUNDT
2	317951	C	\$56.00	9/20/07	06019	JOHN T.JUNDL
2	317952	C	\$26.95	9/20/07	02314	JOYCE RODDY
2	317953	C	\$50.00	9/20/07	06022	KAREN KARLSON
2	317954	C	\$10.16	9/20/07	02463	KELLY SHAFER
2	317955	C	\$58.00	9/20/07	05971	KEVIN HORST
2	317956	C	\$205.05	9/20/07	01372	KNOWLAN'S SUPER MARKETS
2	317957	C	\$89.03	9/20/07	05948	LEAH WYNVEEN
2	317958	C	\$77.00	9/20/07	04123	LIZ OLSON
2	317959	C	\$189.00	9/20/07	00202	LORI J BAKER
2	317960	C	\$56.00	9/20/07	06005	LOUIS FILIP
2	317961	C	\$92.00	9/20/07	01557	MAHTOMEDI AUTOMOTIVE SERVICE
2	317962	C	\$56.00	9/20/07	06018	MARK ZELENCK
2	317963	C	\$50.00	9/20/07	06020	MARY S WIGSTROM
2	317964	C	\$56.00	9/20/07	05358	MATTHEW BROWN
2	317965	C	\$7.94	9/20/07	01684	MENARDS OAKDALE CASHWAY LUMBER
2	317966	C	\$261.75	9/20/07	01696	METRO ATHLETIC SUPPLY
2	317967	C	\$50.00	9/20/07	03614	MN/ CEC-DEC
2	317968	C	\$20.00	9/20/07	01865	MUSIC THEATRE INTERNATIONAL
2	317969	C	\$93.28	9/20/07	05488	NANETTE CHOW
2	317970	C	\$77.00	9/20/07	06021	NANG STEFFEN

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	317971	C	\$250.00	9/20/07	04962	NEPAL HOWLADER
2	317972	C	\$202.42	9/20/07	01929	NETSUPPORT INC
2	317973	C	\$20.00	9/20/07	06017	NICK BARNES
2	317974	C	\$3,235.23	9/20/07	01971	NORTHEAST METRO 916
2	317975	C	\$6,050.00	9/20/07	01974	NORTHERN ELECTRICAL CONTRACTORS,INC
2	317976	C	\$35.70	9/20/07	02051	ORIENTAL TRADING CO,INC
2	317977	C	\$666.35	9/20/07	02078	PARK BUS CO / COLUMBIA TRANSIT
2	317978		\$105.00	9/20/07	02079	PARK HIGH SCHOOL
2	317979	C	\$190.16	9/20/07	03590	PATRICIA HAUGH
2	317980	C	\$34.95	9/20/07	05675	PCI EDUCATIONAL PUBLISHING
2	317981		\$56.00	9/20/07	04945	PERRY COONCE
2	317982	C	\$692.79	9/20/07	02145	PITNEY BOWES
2	317983	C	\$410.00	9/20/07	02165	POSTMASTER
2	317984	C	\$38.04	9/20/07	06012	PREMIUM WATERS INC
2	317985	C	\$639.57	9/20/07	02175	PRENTICE HALL SC DIV/PEARSON ED.
2	317986	C	\$469.00	9/20/07	06031	PRO SOUND AND LIGHT
2	317987	C	\$58.00	9/20/07	04937	RADOVANE MELLOUKY
2	317988	C	\$196.52	9/20/07	05626	RANDOM HOUSE INC
2	317989		\$77.00	9/20/07	04940	RANDY MOTT
2	317990		\$352.00	9/20/07	03301	REBECCA WILSON ABBOTT
2	317991	C	\$801.00	9/20/07	02271	RESPONSE FIRE PROTECTION CO I
2	317992	C	\$56.00	9/20/07	06023	RICHARD ANDESON
2	317993		\$20.00	9/20/07	06028	ROETTGER WELDING INC
2	317994	C	\$35.00	9/20/07	00875	RUSSELL FRAENKEL
2	317995	C	\$430.32	9/20/07	02367	SAM'S CLUB/GECF
2	317996	C	\$68.00	9/20/07	05075	SAMUEL FRENCH INC
2	317997	C	\$137.89	9/20/07	03991	SARA DUSEK
2	317998	C	\$202.10	9/20/07	02384	SAX ARTS & CRAFTS
2	317999	C	\$1,492.58	9/20/07	02417	SCHOOL HEALTH CORPORATION
2	318000	C	\$160.83	9/20/07	02255	SCOTT REGNIER
2	318001	C	\$46.15	9/20/07	02568	SPORTDECALS INC
2	318002	C	\$100.00	9/20/07	02581	ST CROIX BOAT & PACKET CO
2	318003	C	\$158.35	9/20/07	02610	STATE SUPPLY CO INC
2	318004	C	\$1,374.71	9/20/07	03088	STEVE HAMMERSCHMIDT

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	318005	C	\$153.47	9/20/07	03105	STEVE KIMBALL
2	318006	C	\$58.00	9/20/07	04890	STEVE MUSCANTO
2	318007	C	\$563.57	9/20/07	04176	SUNBURST CHEMICALS, INC.
2	318008	C	\$138.44	9/20/07	01327	SUSAN KATZKE
2	318009	C	\$35.00	9/20/07	02754	T-MOBILE
2	318010	C	\$41.30	9/20/07	06027	TEXON II
2	318011	C	\$470.00	9/20/07	02796	THAD TUMBLESON
2	318012	C	\$470.92	9/20/07	06030	THE EARTHGRAINS CO
2	318013	C	\$2,865.00	9/20/07	04551	THE GOODPRINTER
2	318014	C	\$115.00	9/20/07	02135	THE PIANO WORKS
2	318015	C	\$876.73	9/20/07	02748	TIES
2	318016		\$588.00	9/20/07	03284	TOM-WEYER-FOR-HIRE
2	318017	C	\$1,080.70	9/20/07	03345	TRIO SUPPLY CO
2	318018	C	\$85.00	9/20/07	04027	ULTIMATE DRAIN SERVICES, INC
2	318019	C	\$11,393.68	9/20/07	03341	UPPER LAKES FOODS, INC
2	318020	C	\$133.20	9/20/07	02873	VOSS LIGHTING
2	318021	C	\$1,377.55	9/20/07	00723	XCEL ENERGY
2	318022	C	\$100.00	9/25/07	00427	CASH
2	318023	V	\$31.34	9/27/07	02743	3 SEASONS RESTAURANT
2	318024	C	\$100.00	9/27/07	03615	AAFCS
2	318025		\$58.00	9/27/07	06046	AARON SEEFELD
2	318026	C	\$1,488.90	9/27/07	00016	ABBOTT PAINT & CARPET CO
2	318027		\$56.00	9/27/07	06043	ADAM BERG
2	318028	C	\$79.67	9/27/07	06049	ALEC NICHOLSON
2	318029		\$196.41	9/27/07	05373	ALFRED PEREZ
2	318030	C	\$607.00	9/27/07	05946	ALL , INC
2	318031		\$15.47	9/27/07	00085	AMAZON.COM
2	318032		\$15.00	9/27/07	04665	AMY LOOMIS
2	318033	C	\$24.43	9/27/07	02881	AMY WALCH
2	318034		\$150.00	9/27/07	06050	ANDREW STEWARD
2	318035	C	\$77.31	9/27/07	00343	ANN BROOKE
2	318036		\$35.00	9/27/07	06040	ANN MARIE GIEFER
2	318037	C	\$77.00	9/27/07	06042	ANNETTE STARR
2	318038	C	\$29.95	9/27/07	03636	APPLE COMPUTER
2	318039	C	\$1,263.68	9/27/07	00154	APPLIED PRACTICE LTD

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	318040	C	\$159.74	9/27/07	01118	BARBARA HERTEL
2	318041	C	\$790.80	9/27/07	00208	BARNES & NOBLE
2	318042	C	\$17.03	9/27/07	00220	BATTERIES PLUS
2	318043		\$425.00	9/27/07	06052	BEN SOBIESKI
2	318044		\$184.00	9/27/07	04460	BILL HAMPEL
2	318045		\$440.00	9/27/07	03083	BRENDA GRUNDEEN STREHLOW
2	318046	C	\$600.00	9/27/07	00384	C F I SYSTEMS
2	318047		\$30.00	9/27/07	06037	CATHI KRUEGER
2	318048	C	\$2,132.78	9/27/07	00437	CDW GOVERNMENT INC
2	318049	C	\$414.00	9/27/07	03599	CHILDREN'S THEATRE COMPANY
2	318050		\$90.00	9/27/07	05852	CHRISTOPHER FASOLI
2	318051	C	\$61.00	9/27/07	06047	CHUCK QUISTAD
2	318052	C	\$73.32	9/27/07	04378	CINDY MARTINSON
2	318053	C	\$2,105.90	9/27/07	00478	CITIBUSINESS CARD
2	318054		\$60.26	9/27/07	00487	CLASSROOM DIRECT COM
2	318055	C	\$554.21	9/27/07	00494	CMERDC
2	318056	C	\$539.87	9/27/07	00553	CORPORATE EXPRESS
2	318057	C	\$466.50	9/27/07	06016	CORPORATE MECHANICAL
2	318058	C	\$264.00	9/27/07	00565	CRAGUN'S CONFERENCE & GOLF RES
2	318059		\$175.00	9/27/07	04679	CRISTINA NARVAEZ
2	318060	C	\$433.68	9/27/07	00599	DALCO
2	318061		\$223.00	9/27/07	01427	DALE LANGNESS
2	318062		\$165.80	9/27/07	03418	DAMEWARE DEVELOPMENT LLC
2	318063	C	\$140.00	9/27/07	04792	DAN HARJES
2	318064		\$90.00	9/27/07	06057	DAN WARDEN
2	318065	C	\$159.93	9/27/07	00072	DANIEL ALBRECHT
2	318066	C	\$143.95	9/27/07	01244	DAVID JACKSON
2	318067	C	\$77.00	9/27/07	04883	DEB WEINREIS
2	318068	C	\$1,276.72	9/27/07	03433	DELL COMPUTER CORP.
2	318069	C	\$45.00	9/27/07	00678	DOMINO'S PIZZA
2	318070	C	\$47.83	9/27/07	00679	DONATELLI'S
2	318071	C	\$2,422.00	9/27/07	04719	DOOR SERVICE CO OF THE TWIN CITIES INC
2	318072	C	\$56.00	9/27/07	06004	DOUGLAS LEE
2	318073	C	\$4,438.50	9/27/07	00714	EAGLE SCREEN PRINTING

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	318074	C	\$452.50	9/27/07	03241	ELECTRONIC DESIGN CO
2	318075	C	\$1,077.84	9/27/07	00803	EXPRESS PERSONNEL SERVICES INC
2	318076	C	\$6,979.35	9/27/07	00856	FOLLETT EDUCATIONAL SERVICES
2	318077	C	\$752.10	9/27/07	00888	FREY SCIENTIFIC COMPANY
2	318078		\$61.00	9/27/07	05063	GARY ALBRECHT
2	318079	C	\$58.00	9/27/07	04873	GENE WARNER
2	318080	C	\$148.87	9/27/07	01010	GL SPORTS INC
2	318081	C	\$77.00	9/27/07	04930	GORDY HANSON
2	318082		\$25.00	9/27/07	06003	GORDY MROZ
2	318083	C	\$444.05	9/27/07	03355	GREEN LIGHTS RECYCLING, INC
2	318084		\$58.00	9/27/07	05967	GREGG ADLER
2	318085	C	\$132.15	9/27/07	04015	HAAN CRAFTS
2	318086	C	\$3,518.00	9/27/07	03485	HALLBERG ENGINEERING
2	318087	C	\$528.00	9/27/07	01088	HAWTHORNE EDUCATIONAL SERVICES
2	318088	C	\$238.24	9/27/07	01097	HEALY AWARDS INC
2	318089	C	\$280.00	9/27/07	01133	HOBART SERVICES
2	318090	C	\$505.77	9/27/07	01164	HOUGHTON MIFFLIN CO
2	318091	C	\$947.70	9/27/07	03305	I.S.D # 012 CENTENNIAL SCHOOLS
2	318092	C	\$7,334.82	9/27/07	04070	I.S.D # 200 -HASTINGS SCHOOLS
2	318093		\$530.40	9/27/07	03248	I.S.D # 834 STILLWATER
2	318094	C	\$900.00	9/27/07	04153	INSTITUTE FOR MULTI-SENSORY EDUCATION
2	318095		\$50.00	9/27/07	01225	INTERMEDIATE DISTRICT 287
2	318096		\$10.24	9/27/07	01240	J W PEPPER OF MINNEAPOLIS
2	318097		\$219.50	9/27/07	06035	JAN ELLEN FOWLER
2	318098		\$467.50	9/27/07	04894	JAN SAMES
2	318099	C	\$140.00	9/27/07	04793	JEFF LARSON
2	318100	C	\$20.45	9/27/07	01480	JEFF LIEN
2	318101	C	\$103.00	9/27/07	01263	JIM JENSEN
2	318102	C	\$58.00	9/27/07	06044	JIVKO SABEV
2	318103		\$77.00	9/27/07	04933	JOE MOORE
2	318104	C	\$266.72	9/27/07	01987	JOE NOWAN
2	318105	C	\$213.00	9/27/07	03988	JOHN H.HANKEN
2	318106	C	\$58.00	9/27/07	04813	JOHN PAISLEY

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	318107	C	\$53.24	9/27/07	02132	JOHN PETRONEK
2	318108	C	\$105.00	9/27/07	06055	JORDAN HESSER
2	318109		\$90.00	9/27/07	06051	JOSH PLOOSTER
2	318110	C	\$467.50	9/27/07	04895	JULIE BUTTERMORE
2	318111	C	\$382.31	9/27/07	00544	JULIE CONZEMIUS
2	318112	C	\$378.30	9/27/07	02057	JULIE OSTERBAUER
2	318113	C	\$881.00	9/27/07	01307	JUNIOR LIBRARY GUILD
2	318114		\$31.57	9/27/07	06022	KAREN KARLSON
2	318115	C	\$759.07	9/27/07	03378	KELLY SERVICES, INC
2	318116	C	\$60.00	9/27/07	06056	KELSEY ENGBRECHT
2	318117		\$140.00	9/27/07	05993	KIRBY LIVINGSTON
2	318118		\$20.00	9/27/07	06058	KRIS OGREN
2	318119	C	\$885.00	9/27/07	01397	KUBITZ EDUCATIONAL SERVICES
2	318120	C	\$150.00	9/27/07	01410	LADEN'S BUSINESS MACHINES INC
2	318121	C	\$5,424.22	9/27/07	01411	LAFAYETTE LIFE INSURANCE CO
2	318122	C	\$97,042.23	9/27/07	01414	LIDLAW TRANSIT-EDUCATION SERVICES
2	318123	C	\$2,870.70	9/27/07	03195	LASERPLUS, LLC
2	318124		\$177.48	9/27/07	06038	LAUREEN SHYPUSTI
2	318125	C	\$191.70	9/27/07	00949	LAURIE GERVER
2	318126		\$198.14	9/27/07	01705	LEROY R METZ JR
2	318127	C	\$19.50	9/27/07	05495	LIFELINE AMPLIFICATION SYSTEMS
2	318128	C	\$77.00	9/27/07	06041	LOUISE BEAMAN
2	318129		\$48.00	9/27/07	06059	LOWERY SMITH II
2	318130	C	\$116.00	9/27/07	05990	LUKE FOX
2	318131	C	\$35.00	9/27/07	02862	LYNNE VIKER
2	318132	C	\$3,871.75	9/27/07	03182	MADISON NATIONAL LIFE
2	318133	C	\$74.00	9/27/07	01557	MAHTOMEDI AUTOMOTIVE SERVICE
2	318134	C	\$438.57	9/27/07	02281	MARIANNE RICE
2	318135		\$77.00	9/27/07	04932	MARK BENSHOOF
2	318136		\$199.00	9/27/07	01612	MASE
2	318137	C	\$685.00	9/27/07	01618	MASSP
2	318138		\$24.00	9/27/07	03604	MATHSTORIES
2	318139	C	\$74.00	9/27/07	06034	MATTHEW YOUNG
2	318140	C	\$75.00	9/27/07	06032	MELANIE BRUYERS

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	318141	C	\$23.94	9/27/07	01683	MENARDS
2	318142	C	\$1,647.20	9/27/07	01696	METRO ATHLETIC SUPPLY
2	318143	C	\$140.00	9/27/07	05992	MIKE PETREY
2	318144		\$126.57	9/27/07	05028	NICK FALDE
2	318145		\$45.00	9/27/07	01972	NORTHEAST SERVICE COOP
2	318146	C	\$169.00	9/27/07	04488	ORANGE TREE EMPLOYMENT SCREENING
2	318147		\$1,450.28	9/27/07	02052	ORIGINS
2	318148	C	\$63.05	9/27/07	01363	PAM KLINKHAMMER
2	318149		\$49.99	9/27/07	03472	PAT BIGALK
2	318150		\$58.00	9/27/07	06045	PAUL PAURUS
2	318151		\$77.00	9/27/07	05131	PAUL SIKORA
2	318152	C	\$2,900.00	9/27/07	02108	PEOPLES ELECTRICAL CONTRACTORS
2	318153		\$600.00	9/27/07	06033	PERKINGS MEDIA GROUP
2	318154		\$1,000.00	9/27/07	03531	PROFESSIONAL TRAVEL
2	318155	C	\$15,830.00	9/27/07	02229	R M DREYLING CONSTRUCTION CO
2	318156	C	\$966.95	9/27/07	03136	RATWIK ROSZAK & MALONEY P A
2	318157	C	\$45.80	9/27/07	02242	REALLY GOOD STUFF INC
2	318158	C	\$2,770.46	9/27/07	02257	REHBEIN TRANSIT INC
2	318159	C	\$25.00	9/27/07	04815	ROB LINDER
2	318160	C	\$48.00	9/27/07	06060	ROBERT W.MOCCIA JR
2	318161	C	\$135.96	9/27/07	01039	ROGER HAGEN
2	318162	C	\$167.94	9/27/07	05057	ROY ANDERSON
2	318163		\$132.76	9/27/07	05474	RTI SOLUTIONS,INC
2	318164	C	\$81.00	9/27/07	01028	RYAN GUNDERSON
2	318165	C	\$562.50	9/27/07	04970	SANDY CEDERGREN
2	318166	C	\$78.08	9/27/07	01127	SARAH HILL
2	318167	C	\$993.65	9/27/07	02384	SAX ARTS & CRAFTS
2	318168	C	\$269.78	9/27/07	02413	SCHOLASTIC MAGAZINES
2	318169	C	\$199.15	9/27/07	02421	SCHOOL SPIRIT
2	318170	C	\$251.80	9/27/07	03337	SCHUMACHER WHOLESALE MEATS, INC
2	318171	C	\$50.34	9/27/07	02441	SCIENCE KIT INC
2	318172	C	\$34.76	9/27/07	02474	SHIFFLER EQUIPMENT SALES INC

Bank Number	Check Number	Check Status	Check Amount	Check Date	Vendor Number	Vendor Name
2	318173		\$290.80	9/27/07	03417	SIGNALS
2	318174	C	\$765.53	9/27/07	03088	STEVE HAMMERSCHMIDT
2	318175	C	\$406.60	9/27/07	03105	STEVE KIMBALL
2	318176		\$77.00	9/27/07	04929	STEVE WOLVIN
2	318177	C	\$45.00	9/27/07	02657	SUBWAY SANDWICHES
2	318178		\$1,011.00	9/27/07	04234	SUPPORT SOURCE
2	318179		\$75.00	9/27/07	06054	TAYLOR LOWELL
2	318180	C	\$3,767.18	9/27/07	06048	TAYLOR PUBLISHING CO
2	318181		\$508.30	9/27/07	02747	TIERNEY BROTHERS INC
2	318182		\$77.00	9/27/07	04931	TOM WOLLAN
2	318183	C	\$683.70	9/27/07	03345	TRIO SUPPLY CO
2	318184	C	\$4,405.00	9/27/07	02819	UNIQUE SOFTWARE CORPORATION
2	318185	C	\$106.70	9/27/07	02858	VERIZON WIRELESS
2	318186	C	\$27.00	9/27/07	03407	VICKIE BONSE
2	318187		\$428.70	9/27/07	02889	WALMART COMMUNITY
2	318188	C	\$2,650.49	9/27/07	02902	WASHINGTON COUNTY
2	318189	C	\$1,552.54	9/27/07	02908	WEEKLY READER CORPORATION
2	318190	C	\$6,758.63	9/27/07	02916	WELSH COMPANIES LLC
2	318191	C	\$697.92	9/27/07	02941	WHITE BEAR GLASS INC
2	318192	C	\$162.60	9/27/07	02946	WHITE BEAR LOCKSMITH
2	318193		\$500.00	9/27/07	02964	WILD MOUNTAIN
2	318194		\$26.55	9/27/07	02968	WILDWOOD BOWL/ PIZZA
2	318195		\$12.28	9/27/07	00723	XCEL ENERGY
2	318196	C	\$118.00	9/27/07	03017	XEROX CORPORATION
<b>CK #</b>	<b>588</b>	<b>CK AMT</b>	<b>\$1,149,202.06</b>			

MAHTOMEDI CONSTRUCTION PAYMENTS - OCTOBER 31, 2007 TO NOVEMBER 30, 2007

<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
11/1/07	Professional Turf & Renovation	Invoice #087918 Fertilization to New Fields	\$700.00
<b>TOTAL</b>			<b>\$700.00</b>

**INDEPENDENT SCHOOL DISTRICT #832  
WIRE TRANSFER TRANSACTIONS  
MONTH OF OCTOBER 2007**

<u>DATE</u>	<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>	<u>PURPOSE</u>
10/4/07	MN Trust	MSDLAF	\$300,000.00	cover checks
10/5/07	MN Trust	MSDLAF	\$350,000.00	cover checks
10/12/07	US Bank	First Niagara Bank	\$48,098.78	OMNI tsa's
10/12/07	US Bank	Wells Fargo-EBC Flex	\$8,106.24	flex benefits
10/12/07	US Bank	Central Bank	\$862.41	para union dues
10/12/07	MN Trust	MSDLAF	\$1,000,000.00	cover checks
10/15/07	US Bank	IRS	\$171,905.89	federal & fica taxes
10/15/07	US Bank	MN Dept of Revenue	\$26,062.51	state payroll taxes
10/15/07	US Bank	Wis. Dept. of Revenue	\$2,167.12	state payroll taxes
10/15/07	US Bank	Public Emp. Retirement Assoc.	\$17,712.83	pera retirement
10/15/07	MSDLAF	US Bank	\$456,246.37	cover checks
10/15/07	State of Minnesota	MN Trust	\$583,381.90	direct state payment
10/15/07	State of Minnesota	MN Trust	\$20,397.39	direct state payment
10/24/07	Washington County	Smith Barney	\$1,957,626.00	direct county payment
10/29/07	MN Trust	MSDLAF	\$1,400,000.00	cover checks
10/30/07	US Bank	First Niagara Bank	\$50,123.68	OMNI tsa's
10/30/07	US Bank	Wells Fargo-EBC Flex	\$8,106.24	flex benefits
10/30/07	US Bank	Mid State Corp Federal C.U.	\$9,311.69	MEA teacher union dues
10/30/07	US Bank	Central Bank	\$833.26	para union dues
10/30/07	MN Trust	Smith Barney	\$999,848.60	investment
10/30/07	State of Minnesota	MN Trust	\$580,632.07	direct state payment
10/30/07	State of Minnesota	MN Trust	\$16,610.57	direct state payment
10/31/07	US Bank	IRS	\$179,458.78	federal & fica taxes
10/31/07	US Bank	MN Dept of Revenue	\$27,408.19	state payroll taxes
10/31/07	US Bank	Wis. Dept. of Revenue	\$2,303.20	state payroll taxes
10/31/07	US Bank	Public Emp. Retirement Assoc.	\$18,004.49	pera retirement
10/31/07	MSDLAF	US Bank	\$459,601.10	cover checks