

Dawson-Boyd School Board  
Monday, February 10, 2025 Regular Meeting Time - 6:00 p.m.

Upstairs High School Commons Area

Monthly Board Meeting

Google Meet joining info:

Regular February Board Meeting  
Monday, February 10 · 6:00 - 8:00pm  
Time zone: America/Chicago

Google Meet joining info

Video call link: <https://meet.google.com/kgi-pgwb-gyx>  
Or dial: ?(US) +1 662-446-2920? PIN: ?938 365 107?#

## **Meeting Agenda**

1. Call to order - 6:00 p.m.
  - Pledge of Allegiance
2. Adopt/Amend Agenda
3. Public Comments
4. Consent Agenda: THE FOLLOWING ITEMS ARE SUBMITTED FOR CONSENT APPROVAL

- a. Approval of Meeting Minutes

Regular January Board Meeting

- b. Approval of Financial Report and Monthly Claims and Accounts
- c. Approval of Staffing Matters/Personnel

### Hiring

Nick Gruwell - Varsity Softball Coach  
Alisha Schindler - JH Softball Coach  
Danielle Adams - daycare  
Kirsten Bublitz - daycare  
Avery Peterson - daycare  
Caitlyn Baird - daycare  
Eva Trevino - transferring from daycare to Title  
Keith Knutson - Industrial Technology long term sub

### Resignation

Ted Nelson - custodian - 1/31/2025  
Ashley Lewis - paraprofessional - 2/21/2025

### Time Without Pay

Jennifer Mork - March 31, 2025

5. Communications: THE FOLLOWING ITEMS ARE SUBMITTED FOR CONSIDERATION
  - a. Fiscal Year 2024 Audit  
Amy Bjornjeld

6. Information Items:

- a. Board Member Reports
- b. Teacher Reports
- c. Principal Reports

Principal Amy Hiedeman  
Principal/AD Ryan Stotesbery

- d. Superintendent Report
- e. American Indian Parent Advisory Committee (AIPAC) Vote of Concurrence  
Holly Ward

7. Discussion/Approval Items:

8. Action Items:

- a. Resolution-District Donations
- b. Approval of School Fundraisers

2.11.25 - NHS 50/50 Raffle  
2.20.25 - LqP Hope Network 50/50 raffle and half-time shoot-out

c. Policies

522 - Title IX Sex Nondiscrimination Policy, Grievance Procedure and Process  
524.5 - Personal Electronic Communication Devices

1st and only reading:

Due to a supreme court ruling, we need to rescind 2024 version of policy 522 and reinstate the 2020 version of policy 522.

1st reading:

524.5 Personal Electronic Communication Devices

- d. Continuation of School Board Member Employment  
Continuation  
Chris Schacherer - substitute bus driver

- e. Hiring of a School Board Member

Hire

Lynn Marotzke as a substitute nurse and substitute administrative support person.

9. Adjournment

Dawson-Boyd Independent School District No. 378  
**Regular January Board Meeting**  
January 6, 2025

The regular January meeting of the Board of Education was held on January 6, 2025, in the Dawson-Boyd upstairs common area. Members present were Kelly, Schindler, Jurgenson, Marotzke, Schacherer, Bothun, and Lynch as well as student representative Ochsendorf and administrative staff. Chair Kelly called the board meeting to order at 6:02 pm. Lynch, Schacherer, and Bothun were sworn in and recited the Oath of Office. Marotzke nominated Kelly to be chair. Schacherer nominated Marotzke to be chair. Kelly will be the board chair by majority vote. Motion carried. Schindler nominates Marotzke for vice chair. Motion carried. Marotzke nominates Schindler for clerk. Motion carried. Kelly nominates Jurgenson for treasurer. Motion carried. There were no public comments. The agenda was approved (Marotzke/Schindler). The meeting time will be 6:00 pm on the following dates: January 6, 2025; February 10, 2025; March 10, 2025; April 14, 2025; May 12, 2025; June 9, 2025; July 14, 2025; July 16, 2025 (board retreat from 9 am - 4 pm); August 11, 2025; September 8, 2025; October 12, 2025 (Tuesday due to Indigenous Peoples Day); November 10, 2025; December 9, 2025; and January 12, 2026 (Marotzke/Schindler). School board pay was established at \$50 per meeting and officer salaries were set for chair at \$225, clerk at \$275, and treasurer at \$175 (Schacherer/Bothun). The Dawson Sentinel was designated as the official newspaper (Jurgenson/Schindler), Greater Community Credit Union and Minnwest Bank were designated as the official financial institutions (Bothun/Marotzke), and Swenson/Nelson/Stulz and Pemberton Law were designated as the school attorneys (Marotzke/Jurgenson). The board chair, Superintendent Ward, and Finance Director Stratmoen were designated with authority to contact regarding school business (Schindler/Marotzke). Dana F. Cole was designated as the auditor (Jurgenson/Schindler). Signatories are the board chair, board clerk, Ward, and Stratmoen (Marotzke/Bothun). The following committee appointments were made: Policy Committee - Marotzke, Bothun, Schindler; Personnel Committee - Lynch, Marotzke, Jurgenson; Finance and Facilities Committee - Bothun, Schacherer, Jurgenson; Committee to Negotiate with Certified Employees - Marotzke, Kelly, Lynch; Committee for Discussion with Classified Employees - Kelly, Schindler, Marotzke; Staff Development Representative - Bothun; Health and Safety Representative - Schacherer; Cooperative Sponsorship Representatives - Bothun, Jurgenson; Curriculum & Achievement Representative - Kelly; MSHSL Representative - Schindler; Community Education Advisory Representative - Schindler, Meet & Confer - Kelly; MRVED Representative - Bothun; UMRDC Representative - Schacherer (Jurgenson/Marotzke).

The Consent Agenda was approved including regular claims and accounts totaling \$2,010,254.78, \$7,047.18 for student activities, and \$41,764.28 for the building project as presented along with electronic transfers and state tax payments made in December. The minutes of the December 9, 2024, regular meeting and the December 30, 2024, special meeting were approved in the consent agenda. In staffing matters the board approved the hiring of long-term substitute Marcia Lund, time without pay for Leah Prestholdt on February 19, 2025, and Karen Anderson on February 20 and 21, 2025, and the board also approved the resignation of Emily Busch, Title, on January 6, 2025, in the consent agenda (Schindler/Bothun).

In Communications, student representative Ochsendorf shared about the Blackjack Broadcast project that is happening in the digital media class. Principal Hiedeman congratulated the spelling bee semi-finalists, as well as Nurse Leah for all of her hard work on the tooth sealant program. Hiedeman updated on READ Act implementation thanked the music department for the annual sing-a-long, gave an update on the start of the Math Masters program for the season, thanked Kassi Albertson and Steph Kelly for all their work with ECSE, shared updates on the partnership work being done with Countryside Public Health, and shared that February will be busy with I Love to Read month activities. Principal Stotesbery shared that he is working in collaboration with another district and local healthcare facilities to potentially offer more medical and health classes to students, gave an update on the activities that have ramped up including Knowledge Bowl and Robotics, and congratulated the spelling bee semi-finalists. In athletics, Stotesbery shared he is working on scheduling, thanked Zach Stelter for his hard work on the dance invitational, and noted that the junior high baseball and softball coaching positions are still open. Superintendent Ward presented Chair Kelly with an MSBA Director's Award, gave a shout-out to the elementary staff for the visual evidence of the implementation of the READ Act in their classrooms, updated the board on finances and the financial transition, thanked Stratmoen for all of her hard work. Ward shared an update on the district's S&P rating which was downgraded from an A with a negative outlook to an A- with a stable outlook. Ward thanked the music department for the wonderful concerts this holiday season and the ECSE team for the events they have hosted. Ward is continuing her advanced leadership academy with MASA, is going through the MSBA Phases 1 and 2 with the new board members as well as attending the MSBA Leadership Academy later this month with several board members. Ward has submitted several grants recently, is preparing for a MELT session during an upcoming in-service day, and thanked the Dawson Sentinel and Dave Hickey for supporting the school and continuing to be an integral part of our community.

RESOLUTION #R1-83A NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$100 from Lewis Hull be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the Dawson-Boyd music department in memory of Robert Hull. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lync,h and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83B NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$25 from Jeff and Janet Liebl be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the Dawson-Boyd music department in memory of Ralph Gerbig. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lync,h and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83C NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$10 from Jim Prestholdt be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the Dawson-Boyd music department in memory of Ralph Gerbig. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lync,h and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83D NOW THEREFORE BE IT

RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$188 from Greater Community Credit Union be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the Stevens Elementary Skatertime program. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83E NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$425 from the employees of Johnson Memorial Health Services be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the Dawson-Boyd musical department in memory of Ralph Gerbig. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83F NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$500 from David & Damaris Bergeson be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the Dawson-Boyd musical department. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83G NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$40 from The Hilltop Bar & Grill be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the Dawson-Boyd musical department. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83H NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$850 from the Minneapolis Foundation - Understanding Native Minnesota Fund be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by Loral Webster's English class. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83I NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$100 from Alvin Kvaal be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the girl's golf student activities fund. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83J NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$200 from Dawson Drug - Evert Olesen be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the industrial arts program. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83K NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$1730 from Farmers for Dawson be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by Ashley Schacherer's high school health class. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83L NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of

\$100 from the Dawson-Boyd music department be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used for the Backpacks for Jacks program. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83M NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$800 from the family of Rodney and Susan Anderson be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the boys' basketball program. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83N NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$1,205 from the Susan Gerbig family be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the music department. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83O NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$100 from Charlie and Janice Prestholdt be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used by the music department in memory of Ralph Gerbig. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes. RESOLUTION #R1-83P NOW THEREFORE BE IT RESOLVED BY THE DAWSON-BOYD SCHOOL DISTRICT OF DAWSON, MINNESOTA, that the gift of \$6,954 from the Dawson Fire Department be accepted by the district. BE IT FURTHER RESOLVED, that the gift will be used in the following ways: \$300 to Theresa Vogel and the elementary library, \$300 to Sadie Solem and 11th and 12th grade English, \$500 to Steph Kelly's preschool classroom, \$350 to Ronda Krosch's SPED room, \$250 to Kallie Blascyk's SPED room, \$500 to the Chris Lehne's band program, \$529 to Ashley Schacherer's high school health classes, \$225 to Bethany Wager's 2nd-grade classroom, \$500 to Chelsea Ludvigson's Prairie Winds field trip, \$500 to Karen Anderson's child development class, \$400 to the Challenge Program, \$250 to the Project Respect, \$500 for the mental health event, \$250 for Blackjack Babies, \$250 for Junior Jacks, \$300 to Nichole Andrews' SPED classroom, \$500 to the robotics program, \$500 to Allysa Hurley's orchestra program, and \$500 to Kassi Albertson's preschool classroom. Members voting in favor of the resolution were Marotzke, Schindler, Jurgenson, Kelly, Schacherer, Lynch, and Bothun. There were no dissenting or abstaining votes.

In action items, Board Member Marotzke moved to terminate the employment of an employee subject to the Board's authority identified in the confidential exhibit as Employee A. The employee's employment will end on January 2, 2025. The motion to approve the resolution of termination was seconded by Jurgenson and the motion carried unanimously. The school board approved an FFA chili feed fundraiser scheduled for either February 18 or 20, 2025, and the NHS bracelet fundraiser (Jurgenson/Schacherer). The board approved the second readings of the following policies: 503 - Student Attendance, 606 - Textbook and Instructional Materials, 613 - Graduation Requirements, 614 - School District Testing Plan and Procedure, 615 - Testing Accommodations, Modifications, and Exemptions for IEPs, 504 and LEP Students, 617 - School

District Assurance of Preparatory and High School Standards, and 701 - Establishment and Adoption of School District Budget (Marotzke/Kelly).

With no further business, Chair Kelly adjourned the meeting at 6:53 pm (Schindler/Jurgenson).

JANUARY 2025 TRANSFERS FROM MN TRUST TO GREATER COMMUNITY CO-OP CREDIT UNION

1/15/2025	\$2,000,000.00
1/31/2025	\$ 200,000.00

JANUARY 2025 TRANSFERS FROM INVESTMENTS (CONSTRUCTION) TO GREATER COMM CO-OP CU

1/24/2025	\$ 111,942.13
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JANUARY 2025 MANUAL CHECKS/VOUCHERS/WIRE PAYMENTS

WIRE	1/15/2025	Aviben	\$ 5,757.53
WIRE	1/15/2025	Delta Dental of Minnesota	\$ 1,377.95
WIRE	1/15/2025	TRA	\$ 26,356.19
WIRE	1/15/2025	WEX	\$ 3,117.63
WIRE	1/15/2025	PERA	\$ 10,363.90
WIRE	1/15/2025	BCBS of MN	\$ 77,537.98
WIRE	1/27/2025	MN Dept of Revenue-Qtr 4 sales tax	\$ 615.00
73056	1/13/2025	Adam Foslien	\$ 150.00
73057	1/13/2025	Borch's Sporting Goods Inc.	\$ 100.00
73058	1/13/2025	Clint Schiller	\$ 150.00
73059	1/13/2025	Eric Asche	\$ 150.00
73060	1/13/2025	Michael Rademacher	\$ 300.00
73061	1/13/2025	Ryan Mogard	\$ 150.00
73062	1/13/2025	Tracy Area High School	\$ 100.00
73063	1/13/2025	Vance Gullickson	\$ 150.00
73064	1/13/2025	Yellow Medicine East H.S.	\$ 50.00
73065	1/13/2025	Clint Schiller	\$ 150.00
73066	1/13/2025	Eric Asche	\$ 150.00
73067	1/20/2025	Glenn Dirksen	\$ 150.00
73068	1/20/2025	Greg Martin	\$ 250.00
73069	1/20/2025	Gustafson, Owen	\$ 150.00
73070	1/20/2025	Kanoa Baynard	\$ 150.00
73071	1/20/2025	Matthew Koenen	\$ 150.00
73072	1/20/2025	Matthew Koenen	\$ 150.00
73073	1/20/2025	Matthew Johnson	\$ 150.00
73074	1/20/2025	Michael Stokes	\$ 150.00
73075	1/23/2025	A & B Auto Parts	\$ 149.37
73076	1/23/2025	American Welding & Gas	\$ 206.57
73077	1/23/2025	Aviben	\$ 68.20
73078	1/23/2025	Cambridge-Isanti Schools	\$ 1,842.49
73079	1/23/2025	Carrie Kleven	\$ 705.50
73080	1/23/2025	Chamber of Commerce	\$ 150.00
73081	1/23/2025	Dept. of Labor & Industry	\$ 100.00
73082	1/23/2025	EMC Insurance Company	\$ 10,505.63
73083	1/23/2025	Farmer's Mutual Telephone Company	\$ 416.32
73084	1/23/2025	Farm-rite Equipment of Willmar	\$ 228.65
73085	1/23/2025	Great Plains Natural Gas	\$ 8,781.11
73086	1/23/2025	Gruwell Electric	\$ 617.40
73087	1/23/2025	Harry's Frozen Pizza	\$ 273.00
73088	1/23/2025	Hutt's Texaco	\$ 62.79
73089	1/23/2025	ISD #378-Grandparent Program	\$ 50.00
73090	1/23/2025	ISD #347 Willmar Public School-Knowledge Bowl	\$ 60.00
73091	1/23/2025	Jackson & Associates, LLC	\$ 39,065.40
73092	1/23/2025	Jim's Clothing	\$ 770.00

73093	1/23/2025	Joe Riley Construction, Inc.	\$	72,876.73
73094	1/23/2025	Johnson Memorial Health Services	\$	208.00
73095	1/23/2025	KDMA Radio	\$	150.00
73096	1/23/2025	KMGH	\$	100.00
73097	1/23/2025	LQP Co-op Oil	\$	6,657.17
73098	1/23/2025	Lynn Marotzke	\$	238.40
73099	1/23/2025	VOID	\$	0.00
73100	1/23/2025	Megan Lynch	\$	51.30
73101	1/23/2025	Music Street	\$	136.00
73102	1/23/2025	North Central Food Processing Supply	\$	1,126.18
73103	1/23/2025	Northland Bond Services	\$	990.00
73104	1/23/2025	Olson Sanitation LLC	\$	1,180.32
73105	1/23/2025	Pemberton, Sorie, Rufer & Kershner	\$	1,367.50
73106	1/23/2025	Pitney Bowes Global Financial Service	\$	540.12
73107	1/23/2025	Sarlette's Music	\$	250.03
73108	1/23/2025	Seedlings Speech Therapy LLC	\$	6,272.00
73109	1/23/2025	Southwest Glass Center Inc.	\$	150.00
73110	1/23/2025	Southwest MN EMS	\$	40.00
73111	1/23/2025	SW/WC SC	\$	5,940.00
73112	1/23/2025	Vestis	\$	208.33
73113	1/23/2025	Wager Chiropractic PLLC	\$	150.00
73114	1/23/2025	Harry's Frozen Pizza	\$	297.50
73115	1/23/2025	Minneota Public School	\$	100.00
73116	1/24/2025	Parallel Technologies Inc.	\$	770.62
73117	1/24/2025	Russel-Tyler Ruthton H.S.	\$	80.00
73118	1/27/2025	Aaron Brehmer	\$	150.00
73119	1/27/2025	Blair Miller	\$	150.00
73120	1/27/2025	Brian Danks	\$	450.00
73121	1/27/2025	City of Dawson	\$	3,347.69
73122	1/27/2025	Daniel Dolan	\$	150.00
73123	1/27/2025	Greg Martin	\$	450.00
73124	1/27/2025	Kanoa Baynard	\$	150.00
73125	1/27/2025	Kanoa Baynard	\$	150.00
73126	1/27/2025	Kim Wegner	\$	150.00
73127	1/27/2025	Lisa VanVickle	\$	450.00
73128	1/27/2025	Michael Stokes	\$	150.00
73129	1/27/2025	Robert Slaba Jr.	\$	150.00
73130	1/27/2025	Steven Ricard	\$	450.00
73131	1/27/2025	Wayne Hennen	\$	150.00
73132	1/27/2025	Void	\$	0.00
73133	1/31/2025	DBEA	\$	4,135.39
73134	1/31/2025	Everly Life Insurance	\$	99.78
73135	1/31/2025	Madison National Life	\$	858.76
73136	1/31/2025	NCPERS Group Life Ins.	\$	16.00
73137	1/29/2025	Morrie's Auto Wash	\$	160.00
73138	1/30/2025	Adam Foslien	\$	150.00
73139	1/30/2025	Cory Marquart	\$	150.00
73140	1/30/2025	DB-Robotics	\$	600.00
73141	1/30/2025	DB-Student Activities	\$	600.00
73142	1/30/2025	DB Volleyball Booster Club	\$	300.00
73143	1/30/2025	Eric Asche	\$	150.00
73144	1/30/2025	ISD #378-ECFE	\$	600.00
73145	1/30/2025	Jack Attack Booster Club	\$	300.00
73146	1/30/2025	Megan Lynch	\$	192.05
73147	1/30/2025	DB-Student Activities	\$	1,150.00
73148	1/31/2025	Indigo Signs	\$	459.52

73149	1/31/2025	Brent Buszkohl	\$	150.00
73150	1/31/2025	Glencoe-Silver Lake-Knowledge Bowl	\$	60.00
73151	1/31/2025	Matthew P. Johnson	\$	150.00
73152	1/31/2025	Red Rock Central High School	\$	200.00
73153	1/31/2025	Spencer Boesen	\$	150.00
73154	1/31/2025	Steven Ricard	\$	150.00
73155	1/31/2025	Travis Birhenzl	\$	112.00
73156	1/31/2025	Trevon Johnson	\$	56.00
WIRE	1/30/2025	Aviben	\$	5,757.53
WIRE	1/30/2025	TRA	\$	25,181.71
WIRE	1/30/2025	WEX	\$	3,117.63
WIRE	1/30/2025	PERA	\$	11,081.41
WIRE	1/31/2025	US Bank	\$	9,568.73
WIRE	1/31/2025	Ameritas	\$	1,328.52
WIRE	1/31/2025	Greater Community Credit Union	\$	25.00
WIRE	1/31/2025	US Bank	\$	11,427.86
WIRE	1/31/2025	WEX	\$	12,308.52
WIRE	1/31/2025	Colonial	\$	2,798.06
WIRE	1/31/2025	Merchants Bank	\$	82.30
WIRE	1/31/2025	Payline Data LLC	\$	25.00
WIRE	1/31/2025	Healthist You Holdings Co.	\$	1,138.50
WIRE	1/31/2025	Delta Dental of Minnesota	\$	1,302.55
			\$	394,549.32

JANUARY 2025 FEDERAL & STATE TAX PAYMENT

FEDERAL	01/15/25	\$49,076.74	STATE	01/15/25	\$8,256.19
	01/30/25	\$47,960.79		01/30/25	\$7,941.32

# ISD 378 Dawson Boyd Public Schools Reconciliation Worksheet Report

01/31/2025

Audit No	Statement Date	Co	Bank Code	Bank Name/Description
1015	01/31/2025	0378	BNK1	Greater Community Credit Union Finance Checking

Statement Amount 225,382.86

Deposits in Transit 0.00

Outstanding Payments

Checks 40,687.39

Wires 9,568.73

SHR - Payments 0.00

SHR - Third Party 0.00

Cash 0.00

ACH 0.00

Adjustment Amount

Amount Per Bank 175,126.74

GL Account Balance 175,126.74

Co L Fd Org Pro Crs Fin O/S  
0378 B 01 101 000

Ty  
F

Difference 0.00

Adjustments  
00/00/0000

# ISD 378 Dawson Boyd Public Schools Reconciliation Worksheet Report

01/31/2025

Audit No	Statement Date	Co	Bank Code	Bank Name/Description
1014	01/31/2025	0378	PMA	PMA/MNTrust PMA Bank

Statement Amount 1,258,813.42

Deposits in Transit 0.00

Outstanding Payments

Checks 0.00

Wires 0.00

SHR - Payments 0.00

SHR - Third Party 0.00

Cash 0.00

ACH 0.00

Adjustment Amount

Amount Per Bank 1,258,813.42

GL Account Balance 1,258,813.42

Difference 0.00

Co L Fd Org Pro Crs Fin O/S  
0378 B 01 104 000

Ty  
F

Adjustments  
00/00/0000

Pre Payment Report

Bank Code: BNK1 Voucher Number: 0-999999999 Due Date: 2/9/2024-2/8/2025 Disc Date: 2/9/2024-2/8/2025

Grp Code	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	1019	N	A & B AUTO PARTS	020825	2619	350767	28.19	0.00	28.19	02/08/2025	02/08/2025	02/08/2025
1	1019	N	A & B AUTO PARTS	020825	2620	350868	6.29	0.00	6.29	02/08/2025	02/08/2025	02/08/2025
1	1019	N	A & B AUTO PARTS	020825	2618	350765	9.27	0.00	9.27	02/08/2025	02/08/2025	02/08/2025
1	1019	N	A & B AUTO PARTS	020825	2617	350624	27.14	0.00	27.14	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$70.89			
1	1982	N	ADAM FOSLIEN	020825	2634	2/11/25 BBB VS LQPV	150.00	0.00	150.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$150.00			
1	1135	N	AMERICAN WELDING & GAS INC	020825	2621	0010638471	172.38	0.00	172.38	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$172.38			
1	2266	N	AMY LYNN HIEDEMAN	020825	2638	EXP REPORT	197.57	0.00	197.57	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$197.57			
1	1217	N	AVIBEN	020825	2622	36029	68.20	0.00	68.20	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$68.20			
1	1688	N	BRIAN DANKS	020825	2629	2/22/2025 SECTION WF	509.56	0.00	509.56	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$509.56			
1	2845	N	CORY MARQUART	020825	2671	2/11/2025 BBB VS LQP	150.00	0.00	150.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$150.00			
1	1654	N	CULLIGAN WATER CONDITIONING	020825	2627	87237	130.25	0.00	130.25	02/08/2025	02/08/2025	02/08/2025
1	1654	N	CULLIGAN WATER CONDITIONING	020825	2625	87060	130.25	0.00	130.25	02/08/2025	02/08/2025	02/08/2025
1	1654	N	CULLIGAN WATER CONDITIONING	020825	2624	86772	158.75	0.00	158.75	02/08/2025	02/08/2025	02/08/2025
1	1654	N	CULLIGAN WATER CONDITIONING	020825	2626	87236	130.25	0.00	130.25	02/08/2025	02/08/2025	02/08/2025
1	1654	N	CULLIGAN WATER CONDITIONING	020825	2628	87603	158.75	0.00	158.75	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$708.25			
1	1769	N	DANIEL DOLAN	020825	2631	2/17/25 BBB VS PIPES	150.00	0.00	150.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$150.00			
1	1718	N	DAWSON SENTINEL	020825	2630	DAWBOY	308.00	0.00	308.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$308.00			
1	5077	N	FALLS PLUMBING AND HEATING, LI	020825	2632	1032	500.00	0.00	500.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$500.00			
1	5078	N	GARY HEYDT	020825	2639	2/22/25 SECTION WR	689.03	0.00	689.03	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$689.03			

Grp Code	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	2076	N	GRAINGER	020825	2635	9375944411	577.70	0.00	577.70	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$577.70			
1	4319	N	GREG SNOW	020825	2705	2/20/25 BBB VS MONTE	150.00	0.00	150.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$150.00			
1	2852	N	GREGORY L. MARTIN	020825	2670	2/22/25 SECTION WIRE	522.66	0.00	522.66	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$522.66			
1	2122	N	GRUWELL ELECTRIC	020825	2633	0125044	470.40	0.00	470.40	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$470.40			
1	2202	N	HARRY'S FROZEN FOOD	020825	2637	76780	287.00	0.00	287.00	02/08/2025	02/08/2025	02/08/2025
1	2202	N	HARRY'S FROZEN FOOD	020825	2636	76854	798.75	0.00	798.75	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$1,085.75			
1	2278	N	HILLYARD/HUTCHINSON	020825	2643	605724085	1,248.37	0.00	1,248.37	02/08/2025	02/08/2025	02/08/2025
1	2278	N	HILLYARD/HUTCHINSON	020825	2642	605717383	63.34	0.00	63.34	02/08/2025	02/08/2025	02/08/2025
1	2278	N	HILLYARD/HUTCHINSON	020825	2640	605710570	2,095.38	0.00	2,095.38	02/08/2025	02/08/2025	02/08/2025
1	2278	N	HILLYARD/HUTCHINSON	020825	2641	605717382	541.92	0.00	541.92	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$3,949.01			
1	4787	N	HOLLY L WARD	020825	2718	EXP REPORT	486.95	0.00	486.95	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$486.95			
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2647	INV-562607	340.20	0.00	340.20	02/08/2025	02/08/2025	02/08/2025
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2646	INV-553453	417.55	0.00	417.55	02/08/2025	02/08/2025	02/08/2025
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2645	INV-566992	95.25	0.00	95.25	02/08/2025	02/08/2025	02/08/2025
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2644	INV-562613	31.75	0.00	31.75	02/08/2025	02/08/2025	02/08/2025
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2653	INV-569264	3,145.63	0.00	3,145.63	02/08/2025	02/08/2025	02/08/2025
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2652	INV-567002	124.64	0.00	124.64	02/08/2025	02/08/2025	02/08/2025
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2651	INV-564940	6,025.66	0.00	6,025.66	02/08/2025	02/08/2025	02/08/2025
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2650	INV-562627	6,764.95	0.00	6,764.95	02/08/2025	02/08/2025	02/08/2025
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2649	INV-562615	229.16	0.00	229.16	02/08/2025	02/08/2025	02/08/2025
1	2348	N	IFD FOODSERVICE DISTRIBUTOR	020825	2648	INV-562614	967.45	0.00	967.45	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$18,142.24			
1	2416	N	J. MOEN ENTERPRISES, LLC	020825	2654	379	3,825.00	0.00	3,825.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$3,825.00			

Grp Code	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	3440	N	J.W. PEPPER & SON, INC.	020825	2694	367143310	130.00	0.00	130.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$130.00			
1	1616	N	JAMES CORTEZ	020825	2623	2/17/2025 BBB	150.00	0.00	150.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$150.00			
1	2540	N	KEMPS LLC (DBA CASS-CLAY CRE)	020825	2662	5599073	561.50	0.00	561.50	02/08/2025	02/08/2025	02/08/2025
1	2540	N	KEMPS LLC (DBA CASS-CLAY CRE)	020825	2661	5588021	655.00	0.00	655.00	02/08/2025	02/08/2025	02/08/2025
1	2540	N	KEMPS LLC (DBA CASS-CLAY CRE)	020825	2660	5582597	392.60	0.00	392.60	02/08/2025	02/08/2025	02/08/2025
1	2540	N	KEMPS LLC (DBA CASS-CLAY CRE)	020825	2659	5569938	505.06	0.00	505.06	02/08/2025	02/08/2025	02/08/2025
1	2540	N	KEMPS LLC (DBA CASS-CLAY CRE)	020825	2658	5564305	562.20	0.00	562.20	02/08/2025	02/08/2025	02/08/2025
1	2540	N	KEMPS LLC (DBA CASS-CLAY CRE)	020825	2657	5561509	748.00	0.00	748.00	02/08/2025	02/08/2025	02/08/2025
1	2540	N	KEMPS LLC (DBA CASS-CLAY CRE)	020825	2656	5553441	541.23	0.00	541.23	02/08/2025	02/08/2025	02/08/2025
1	2540	N	KEMPS LLC (DBA CASS-CLAY CRE)	020825	2655	5529872	1,164.71	0.00	1,164.71	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$5,130.30			
1	2619	N	LAC QUI PARLE COOP OIL	020825	2663	200619	10,005.59	0.00	10,005.59	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$10,005.59			
1	5080	N	LEONARD WOELFEL	020825	2719	2/22/25 SECTION WRE	585.54	0.00	585.54	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$585.54			
1	4730	N	LISA VANVICKLE	020825	2716	2/22/25 SECTION WRE	352.00	0.00	352.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$352.00			
1	2800	N	MADISON BOTTLING CO.	020825	2668	400047	644.00	0.00	644.00	02/08/2025	02/08/2025	02/08/2025
1	2800	N	MADISON BOTTLING CO.	020825	2667	400066	120.00	0.00	120.00	02/08/2025	02/08/2025	02/08/2025
1	2800	N	MADISON BOTTLING CO.	020825	2666	399779	208.00	0.00	208.00	02/08/2025	02/08/2025	02/08/2025
1	2800	N	MADISON BOTTLING CO.	020825	2665	399371	330.00	0.00	330.00	02/08/2025	02/08/2025	02/08/2025
1	2800	N	MADISON BOTTLING CO.	020825	2664	399334	560.00	0.00	560.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$1,862.00			
1	2858	N	MASA/MASE	020825	2672	21-67387	339.00	0.00	339.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$339.00			
1	3142	N	MSBA/MASA POLICY SERVICE	020825	2674	INV-11863-M9C6V5	1,855.00	0.00	1,855.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$1,855.00			
1	3163	N	MUSIC STREET	020825	2679	190770867	52.00	0.00	52.00	02/08/2025	02/08/2025	02/08/2025
1	3163	N	MUSIC STREET	020825	2678	190588239	18.00	0.00	18.00	02/08/2025	02/08/2025	02/08/2025
1	3163	N	MUSIC STREET	020825	2677	190556152	25.00	0.00	25.00	02/08/2025	02/08/2025	02/08/2025
1	3163	N	MUSIC STREET	020825	2676	190364793	391.00	0.00	391.00	02/08/2025	02/08/2025	02/08/2025

Grp Code	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	3163	N	MUSIC STREET	020825	2681	191081659	30.00	0.00	30.00	02/08/2025	02/08/2025	02/08/2025
1	3163	N	MUSIC STREET	020825	2680	190887307	70.00	0.00	70.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$586.00			
1	3331	N	OLSON SANITATION LLC	020825	2683	169 1/31/2025	33.79	0.00	33.79	02/08/2025	02/08/2025	02/08/2025
1	3331	N	OLSON SANITATION LLC	020825	2682	591 1/31/2025	1,112.74	0.00	1,112.74	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$1,146.53			
1	3371	N	OTTER TAIL POWER	020825	2689	4047205 1/22/2025	6,170.36	0.00	6,170.36	02/08/2025	02/08/2025	02/08/2025
1	3371	N	OTTER TAIL POWER	020825	2688	4044935 1/22/2025	27.90	0.00	27.90	02/08/2025	02/08/2025	02/08/2025
1	3371	N	OTTER TAIL POWER	020825	2687	4041095 1/22/2025	235.83	0.00	235.83	02/08/2025	02/08/2025	02/08/2025
1	3371	N	OTTER TAIL POWER	020825	2685	4041093 1/22/2025	2,522.09	0.00	2,522.09	02/08/2025	02/08/2025	02/08/2025
1	3371	N	OTTER TAIL POWER	020825	2684	20036383	38.26	0.00	38.26	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$8,994.44			
1	3390	N	PAN-O-GOLD BAKING COMPANY	020825	2693	10001425028004	148.50	0.00	148.50	02/08/2025	02/08/2025	02/08/2025
1	3390	N	PAN-O-GOLD BAKING COMPANY	020825	2692	10001425021004	208.30	0.00	208.30	02/08/2025	02/08/2025	02/08/2025
1	3390	N	PAN-O-GOLD BAKING COMPANY	020825	2691	10001425014004	148.50	0.00	148.50	02/08/2025	02/08/2025	02/08/2025
1	3390	N	PAN-O-GOLD BAKING COMPANY	020825	2690	10001425007014	193.80	0.00	193.80	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$699.10			
1	3579	N	QUILL CORPORATION	020825	2696	42532385	27.19	0.00	27.19	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$27.19			
1	2893	N	RICHARD D MCLAIN	020825	2673	2/17/25 BBB VS PIPES	150.00	0.00	150.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$150.00			
1	2843	N	RICK R MARKS	020825	2669	2/20/25 BBB VS MONTE	150.00	0.00	150.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$150.00			
1	3092	N	RYAN MOGARD	020825	2675	2/11/2025 BBB VS LQP	150.00	0.00	150.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$150.00			
1	4141	N	SAFETY KLEEN SYSTEMS INC	020825	2701	96296005	317.87	0.00	317.87	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$317.87			
1	4156	N	SARLETTES MUSIC	020825	2699	203328	53.95	0.00	53.95	02/08/2025	02/08/2025	02/08/2025
1	4156	N	SARLETTES MUSIC	020825	2698	203325	80.20	0.00	80.20	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$134.15			
1	4273	N	SFM	020825	2700	3515302	3,329.00	0.00	3,329.00	02/08/2025	02/08/2025	02/08/2025
							Check Amount:		\$3,329.00			

Pre Payment Report

Bank Code: BNK1 Voucher Number: 0-999999999 Due Date: 2/9/2024-2/8/2025 Disc Date: 2/9/2024-2/8/2025

Grp Code	Rcd	W9	Vendor	Batch	Voucher	Inv No	Gross Amount	Disc Amt	Net Payment	Inv Date	Due Date	Disc Date
1	4291	N	SIoux FALLS SCHOOL DISTRICT	020825	2704	25-1044	410.30	0.00	410.30	02/08/2025	02/08/2025	02/08/2025
1	4291	N	SIoux FALLS SCHOOL DISTRICT	020825	2703	25-1068	410.30	0.00	410.30	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$820.60					
1	3660	N	STEVEN RICARD	020825	2697	2/22/25 SECTION WRE	459.78	0.00	459.78	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$459.78					
1	4433	N	STRATMOEN, STACY	020825	2720	SMART TRAINING	341.00	0.00	341.00	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$341.00					
1	4479	N	SW/W/C SERVICE COOP	020825	2706	78045	75.00	0.00	75.00	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$75.00					
1	4559	N	THE MCDOWELL AGENCY INC	020825	2707	159660	45.10	0.00	45.10	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$45.10					
1	4605	N	TIM'S FOOD PRIDE	020825	2708	2955 JANUARY 2025	164.73	0.00	164.73	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$164.73					
1	4607	N	TITAN MACHINERY	020825	2713	PS0610478-1	380.75	0.00	380.75	02/08/2025	02/08/2025	02/08/2025
1	4607	N	TITAN MACHINERY	020825	2712	PS0606779-1	10.42	0.00	10.42	02/08/2025	02/08/2025	02/08/2025
1	4607	N	TITAN MACHINERY	020825	2711	PS0606772-1	36.82	0.00	36.82	02/08/2025	02/08/2025	02/08/2025
1	4607	N	TITAN MACHINERY	020825	2710	SO0164620-1	121.26	0.00	121.26	02/08/2025	02/08/2025	02/08/2025
1	4607	N	TITAN MACHINERY	020825	2709	PS0588694-1	7.00	0.00	7.00	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$556.25					
1	4638	N	TRANE U.S. INC	020825	2714	18406994	926.84	0.00	926.84	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$926.84					
1	5079	N	UP NORTH CONSULTING	020825	2715	1	308.00	0.00	308.00	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$308.00					
1	4737	N	VESTIS	020825	2717	2560347042	208.33	0.00	208.33	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$208.33					
1	5051	N	WADE POWERS	020825	2695	2/20/25 BBB VS MONTE	150.00	0.00	150.00	02/08/2025	02/08/2025	02/08/2025
			Check Amount:				\$150.00					
			Report Total:				\$73,032.93					

\*Does not meet minimum amount  
\*\*Exceeds maximum amount

INDEPENDENT SCHOOL DISTRICT NO. 378

DAWSON, MINNESOTA

FINANCIAL STATEMENTS

JUNE 30, 2024



**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT SCHOOL DISTRICT NO. 378**

**DAWSON, MINNESOTA**

**FINANCIAL STATEMENTS**

**JUNE 30, 2024**

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INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
ORGANIZATION  
YEAR ENDED JUNE 30, 2024

<u>SCHOOL BOARD</u>	<u>Terms Expire On December 31.</u>
Tonya Kelly, Chairperson	2026
Bruce Lund, Vice Chairperson	2024
Brett Buer, Treasurer	2024
Lynn Marotzke, Clerk	2026
Clint Schindler, Director	2026
Karla Perkins, Director	2024
Cameron Jurgenson, Director	2026
 <u>SUPERINTENDENT</u>	
Holly Ward	Appointed



**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Independent School District No. 378

### Report on the Audit of Financial Statements

#### *Opinions*

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. 378, Dawson, Minnesota, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Independent School District No. 378's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 378, as of June 30, 2024, and the respective changes in financial position and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Independent School District No. 378 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Independent School District No. 378's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intention omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Independent School District No. 378's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Independent School District No. 378's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 to 12 and the required supplementary information (RSI), as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate

operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Independent School District No. 378's basic financial statements. The individual major fund financial statements, schedules, and statistical tables on pages 76 to 94 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual major fund financial statements, schedules, and statistical tables fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, Independent School District No. 378's basic financial statements for the year ended June 30, 2023, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Independent School District No. 378's basic financial statements as a whole. The supplementary information on pages 76 to 94 related to the 2023 financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 supplementary information is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

***Other Information***

Management is responsible for the other information included in the audited report. The other information comprises the introductory section but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2024, on our consideration of Independent School District No. 378's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Independent School District No. 378's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Independent School District No. 378's internal control over financial reporting and compliance.

Montevideo, Minnesota  
December 19, 2024

A handwritten signature in black ink that reads "Darr F. Cole + Company, LLP". The signature is written in a cursive style and is positioned above a horizontal line.

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of Independent School District No. 378 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2024. Please read it in conjunction with the District's financial statements, which immediately follow this section.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2024 are as follows:

- In total, net position increased \$393,422 from fiscal year 2023.
- General revenues accounted for \$8,030,230 in revenue or 65% of all revenues. Program specific revenues in the forms of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$4,196,405 or 35% of total revenues of \$12,226,635.
- Total assets increased \$4,960,274, as net capital assets increased by \$410,822, current assets increased by \$216,818 and restricted assets increased by \$4,332,634.
- The School District had \$11,833,213 in expenses. Of these expenses \$4,196,405 were offset by program specific charges for services, grants or contributions.
- Among major funds, the General Fund had \$8,765,176 in revenues and \$8,890,559 in expenditures. The General Fund's unassigned fund balance increased \$18,966 from fiscal year 2023.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Statements of Net Position and the Statement of Activities (on pages 13 - 16) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements start on page 17. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the district-wide statements by providing information about the District's most financially significant funds.

**Statements of Net Position and the Statement of Activities**

While this document contains all the funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all the financial statements and attempts to convey to the public how the district fared financially during the fiscal year ended June 30, 2024. The Statements of Net Position and the Statement of Activities will show this.

These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when the cash is actually received or paid.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Statements of Net Position and the Statement of Activities (Continued)

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the public that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's enrollment, property tax base, legislative funding and mandates, facility and technology needs, and other factors.

In the Statements of Net Position and the Statement of Activities, the School District reports governmental activities. Governmental activities are the activities where most of a school district's programs and services are reported including, but not limited to, instruction, support services, food services, operation and maintenance of facilities, pupil transportation, and extracurricular activities. The School District does not have any business-like activities.

Fund Financial Statements

The analysis of the School District's major funds will follow this report. Fund financial reports provide detailed information about the School District's major funds. The School District's major governmental funds are as follows:

General Fund	Food Service Fund	Community Education
Building Construction Fund	Debt Service	

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps us determine whether there are more or fewer financial resources that can be spent in the near future to finance our educational programs. The relationship (or differences) between governmental activities (reported in the Statements of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Fiduciary Fund

The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that only those to whom the assets belong use the assets reported in these funds and use for the intended purpose. The District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position

Recall that the Statements of Net Position provide the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for FY 2024 compared to FY 2023. Explanations for significant changes are noted after Table 2.

Table 1  
Net Position

	06/30/2024	06/30/2023
<b>Assets</b>		
Current and other assets	9,054,629	4,505,177
Capital assets	42,871,429	41,256,163
Accumulated depreciation	(13,005,562)	(11,801,118)
<b>Total Assets</b>	<b>38,920,496</b>	<b>33,960,222</b>
Deferred outflows of resources	3,326,380	4,539,328
<b>Liabilities</b>		
Current liabilities	2,686,851	1,792,479
Long-term liabilities	31,192,015	28,264,724
<b>Total Liabilities</b>	<b>33,878,866</b>	<b>30,057,203</b>
Deferred inflows of resources	5,615,599	6,083,358
<b>Net Position</b>		
Net investment in capital assets	8,344,476	7,992,150
Restricted	4,864,019	1,103,024
Unrestricted	(10,456,084)	(6,736,185)
<b>Total Net Position</b>	<b>2,752,411</b>	<b>2,358,989</b>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

Table 2  
Changes in Net Position

	<u>06/30/2024</u>	<u>06/30/2023</u>
<b>Revenues</b>		
<b>Program revenues</b>		
Charges for services	924,617	930,180
Operating grants and contributions	3,009,290	3,141,748
Capital grants and contributions	262,498	229,307
<b>General revenues</b>		
Property tax levies	1,683,024	1,684,363
Unrestricted federal and state aid	6,048,757	5,724,825
Investment earnings	232,592	88,899
Other	65,857	95,688
Gain on sale of assets		752
<b>Total revenues</b>	<u>12,226,635</u>	<u>11,895,762</u>
<b>Program expenses</b>		
Administration	506,124	446,492
District support services	370,492	375,160
Regular instruction	3,788,391	2,943,428
Vocational instruction	215,879	221,899
Special education instruction	1,419,977	1,362,025
Instructional support services	173,931	257,926
Pupil support services	921,821	1,245,277
Site, buildings and equipment	1,999,707	1,576,284
Fiscal and other fixed-cost programs	72,914	59,835
Food service	606,112	471,635
Community service	892,612	736,175
Loss on sale of assets	24,545	
Interest and fiscal charges on long-term debt	840,708	744,937
<b>Total expenses</b>	<u>11,833,213</u>	<u>10,441,073</u>
<b>Change in net position</b>	393,422	1,454,689
<b>Net position, beginning</b>	<u>2,358,989</u>	<u>904,300</u>
<b>Net position, ending</b>	<u><u>2,752,411</u></u>	<u><u>2,358,989</u></u>

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)**

Revenues increased \$330,873, the majority of which is due to additional federal and state aid, and investment earnings. Expenses increased \$1,392,140, due to increase in instruction and building costs.

Due to significant changes in actuarial assumptions, the calculated amounts for the District's TRA and PERA pension reporting caused significant changes to the Statement of Net Position, as well as the Statement of Changes in Net Position, when compared to the June 30, 2024, as follows:

	TRA	PERA	Total
Deferred outflows increased from FY23	(758,088)	(436,787)	(1,194,875)
Deferred inflows increased (decreased) from FY23	1,188,211	(232,664)	955,547
Net pension liability increased (decreased) from FY23	42,466	(590,457)	(547,991)
Pension expenses/state aid - GASB 68	(661,305)	(78,920)	(740,225)

GASBS 68 requires the District to recognize assigned portions of the unfunded pension liabilities of TRA and PERA, even though they are separate legal entities from the District. The combined liability that the District must record for those entities is \$5,845,708 as of June 30, 2024. Inclusion of the TRA and PERA net pension liability and related accounts contributes to the District's net position of \$2,752,411 at June 30, 2024. Factoring in the related deferred inflows and outflows, under pre-GASBS 68 accounting rules, the district would have a positive net position of approximately \$7.8M.

Administration expenses include the activities of the Board of Education, Office of the Superintendent and school administration.

District support services include the expenses related to the administrative and financial activities of the school district.

Community Education and Services are those activities involving enrichment activities for district residents that are not part of the regular K-12 education program. This includes Early Childhood Family Education, School Readiness, Adult Basic Education, and other adult and youth recreation and enrichment programs.

Regular, Vocational and Special Education Instruction relate to the activities directly dealing with the teaching of students and the interaction between instructional staff and pupils.

Instructional Support Service are those services which provide for curriculum development, educational media and technology activities, staff development, and cooperative programs with other school districts through the Minnesota River Valley Education Districts.

Pupil Support Services are primarily the activities of School Food Service and Pupil Transportation. Also included here are student health and counseling services.

Site, Buildings and Maintenance involve keeping the school grounds, buildings and equipment in effective working condition.

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)**

Fiscal and Other Fixed Cost Programs include payment for both current and long-term debt principal and interest payments. Cost of district property and liability insurance is included in this area also.

Sixty-five percent (65%) of the district's total expenses are funded by unrestricted state aids and levies, making the school district's financial decisions subject to the economic and legislative conditions of the State of Minnesota.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (FUND FINANCIAL STATEMENTS)**

The financial performance of the District as a whole is reflected in its governmental funds as well. As the district completed the year, its governmental funds reported a combined fund balance of \$5,094,744. This was up from \$1,497,317 at the end of the prior year, an increase of \$3,597,427. This increase was mainly due to the \$1.6M in capital outlay for the building construction and \$4.3M in bond proceeds for building construction. Revenues and other financing sources of the District's governmental funds totaled \$17,082,650 while total expenditures and other financing uses were \$13,485,223. The decrease in expenditures in FY2024, is mainly due to the building construction costs, along with other capital additions. A summary of the revenues and expenditures reported on the governmental fund financial statements is as follows:

**Revenues and Expenditures - Governmental Funds - 2024**

	Revenues	Expenditures	Other Financing Sources (Uses)	Increase/ (Decrease)	Fund Balance 6/30/24
General	8,765,176	8,890,559	144,349	18,966	1,049,513
Food service	576,725	580,550		(3,825)	146,044
Community service	880,835	886,241	48,343	42,937	(8,562)
Building Construction	170,250	1,460,030	4,733,057	3,443,277	3,606,512
Debt service	1,763,915	1,667,843		96,072	301,237
<b>Totals</b>	<b>12,156,901</b>	<b>13,485,223</b>	<b>4,925,749</b>	<b>3,597,427</b>	<b>5,094,744</b>

**Revenues and Expenditures - Governmental Funds - 2023**

	Revenues	Expenditures	Other Financing Sources	Increase/ (Decrease)	Fund Balance 6/30/23
General	8,649,630	9,425,983	271,486	(504,867)	1,030,547
Food service	490,702	430,475		60,227	149,869
Community service	805,650	750,677	36,286	91,259	(51,499)
Building Construction	26,922	2,269,010		(2,242,088)	163,235
Debt service	1,859,124	1,776,978		82,146	205,165
<b>Totals</b>	<b>11,832,028</b>	<b>14,653,123</b>	<b>307,772</b>	<b>(2,513,323)</b>	<b>1,497,317</b>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**GENERAL FUND BUDGETARY HIGHLIGHTS**

During the year ended June 30, 2024 the District did not revise its operating budget. The District's final general fund budget anticipated that expenditures would exceed revenues and other financing uses by \$112,416. The actual results for the year showed revenues exceed expenditure and other financial uses by \$18,966.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets

At the end of the 2023-2024 school year, the District had \$29,865,867, net of depreciation, invested in a broad range of capital assets, including equipment, buildings, land, land improvements, and construction in progress (See Note 5). During the current year, \$1,665,189 was added to capital assets.

Depreciation and amortization expense for the year was \$1,229,822 for governmental activities.

Long-Term Debt

The district has seven debt service issues outstanding at June 30, 2024.

During the 2018-19 school year, the District issued \$21,675,000 General Obligation School Building Bonds, that will be used for an extensive building project.

During the 2014-15 school year, the District issued \$1,160,000 General Obligation Crossover Refunding Bonds, that were used to pay the 2009 School Building Bonds in February 2019.

During the 2019-20 school year, the District acquired a 2021 school bus, through the use of a Financed Purchase Arrangement. The initial lease cost was \$86,437.

During the 2023-24 school year, the District issued \$4,685,000 General Obligation Facilities Maintenance Bonds, that will be used to fund several building and grounds projects.

During the 2021-22 school year, the District acquired a Capital Equipment Note payable to fund the \$70,040 down payment on a scoreboard.

During the 2022-23 school year, the District acquired a Capital Equipment Note payable to fund the remaining balance for the purchase of scoreboards, which was \$70,040.

During the 2022-23 school year, the District finished paying the remaining balance on the scoreboards, through the use of a financed purchase arrangement. The initial lease cost was \$82,590.

During the 2022-23 school year, the District acquired two 2020 school buses through the use of a Financed Purchase Arrangement. The initial lease cost was \$146,255.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
MANAGEMENT'S DISCUSSION AND ANALYSIS

CURRENT FINANCIAL ISSUES AND CONCERNS

- District revenue collected from 2021 voter-approved operating levies provides critical support for general education operations.
- The ACA (Affordable Care Act) continues to challenge the District as it offers affordable health insurance to employees. The District contribution increased significantly through negotiations and due to a large increase in the number of insurance premiums in FY 2024.
- In adoption of the 2021-26 Strategic Plan, teacher/staff attainment, training, and retention was identified. These costs will continue to increase.
- TRA/PERA estimates will continue to impact the financial picture of the District.
- Update of curriculums and training for fidelity of implementation are needed.
- Lac qui Parle County reassess properties. Ranges of increase in assessments range 5-35%.
- A growing need for affordable child care and child care space.
- 2023 and 2025 legislative changes include mandates demands for funding which outpace the increase in funding. Some of the largest changes from these legislative sessions include free meals for all students, unemployment for hourly employees, the READ Act mandates, earned safe and sick times (ESST) and paid family medical leave (FMLA).
- The fall 2023 issuance of bonds to upgrade our parking and bus drop off/pick up.
- Roofing projects, indoor air projects, and parking lot expansion projects began in FY24 and carrying over into FY25. Remaining indoor air projects and exterior wall repair need to be addressed with a combination of Long Term Facilities Maintenance (LTFM) funding and Indoor Air Quality (IAQ) funding, concerning roofing and indoor air quality.
- Negotiations for the 23-24 and 24-25 master agreement were completed with a modest total package of 6.13%, which slightly outpaces the assumed 3% annual budget increase.
- To balance the FY 25 budget, the district made \$367,700 in budget reductions.
- Negotiations for fiscal years 26-27 should begin during FY 25. Balancing the ability to hire and maintain quality staff with the realities of budgetary shortfalls could present concerns.
- The District has an operating referendum question on the November 2024 ballot asking to revoke the existing \$460/per pupil referendum and replace it with a \$1500/per pupil referendum to include an inflationary factor. If this referendum does not pass, the District will need to cut \$1.2 million over the next three years.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide the District's citizens, taxpayers, customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or would like additional information, contact Holly Ward, Superintendent of Schools, 848 Chestnut Street, Dawson, Minnesota 56232.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 STATEMENTS OF NET POSITION  
 JUNE 30, 2024 AND 2023

	Governmental Activities	
	2024	2023
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and temporary investments	302,992	737,331
Receivables		
Current taxes	2,158,266	1,764,265
Delinquent taxes	6,797	12,032
Accounts and interest receivable	48,135	48,717
Due from other governmental units	1,247,642	912,870
Prepays	80,436	152,315
Inventory	18,864	18,784
Total current assets	3,863,132	3,646,314
<b>RESTRICTED ASSETS</b>		
Cash and investments for debt service and building construction	5,191,497	858,863
Total restricted assets	5,191,497	858,863
<b>CAPITAL ASSETS</b>		
Nondepreciable	1,802,852	403,472
Depreciable	41,068,577	40,852,691
Less: accumulated depreciation/amortization	(13,005,562)	(11,801,118)
Total capital assets, net of depreciation/amortization	29,865,867	29,455,045
<b>TOTAL ASSETS</b>	38,920,496	33,960,222
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows related to OPEB	85,208	103,281
Deferred outflows related to PERA/TRA	3,241,172	4,436,047
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	3,326,380	4,539,328
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Salaries and benefits payable	76,871	106,012
Accounts and contracts payable	809,384	292,454
Accrued interest payable	461,542	323,191
Due to other governmental units	65,209	58,026
Unearned revenue	9,845	11,120
Current portion of long-term liabilities	1,264,000	1,001,676
Total current liabilities	2,686,851	1,792,479

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
STATEMENTS OF NET POSITION  
JUNE 30, 2024 AND 2023

	Governmental Activities	
	2024	2023
LIABILITIES (Continued)		
LONG TERM LIABILITIES		
Bonds payable	25,646,283	21,697,145
Equipment notes payable	83,063	114,190
Capital leases/financed purchases payable	255,909	342,521
OPEB payable	625,052	671,482
Net pension liability - TRA/PERA	5,845,708	6,393,699
Compensated absences payable		47,363
Less: current portion	(1,264,000)	(1,001,676)
Total long-term liabilities	31,192,015	28,264,724
TOTAL LIABILITIES	33,878,866	30,057,203
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to OPEB	191,666	167,441
Deferred inflows related to PERA/TRA	2,432,154	3,387,701
Property taxes levied for subsequent year's expenditures	2,991,779	2,528,216
TOTAL DEFERRED INFLOWS OF RESOURCES	5,615,599	6,083,358
NET POSITION		
Net investment in capital assets	8,344,476	7,992,150
Restricted for:		
Operating capital	159,328	246,506
Building project	3,606,512	
Long-term facilities maintenance	58,067	112,878
Food service	123,240	149,869
Safe schools	1,964	4,875
Scholarships	4,343	4,343
Student activities	68,090	67,866
Basic skills	12,127	
School library aid	9,699	
Student support personnel	25,526	
ECFE	112,352	105,432
Community service	102,959	103,179
Community Ed	164,093	77,161
Debt redemption	301,237	205,165
Other projects	114,482	25,749
Unrestricted	(10,456,084)	(6,736,185)
TOTAL NET POSITION	2,752,411	2,358,989

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024  
(WITH PARTIAL COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)

Functions/Programs	2024				2023
	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
District and school administration	506,124	1,270	32,942	(471,912)	(406,957)
District support services	370,492			(370,492)	(375,160)
Regular instruction	3,788,391	220,417	968,749	(2,599,225)	(1,807,135)
Vocational instruction	215,879			(215,879)	(221,899)
Special education instruction	1,419,977	7,671	1,254,677	(157,629)	(121,784)
Instructional support services	173,931		1,000	(172,931)	(256,926)
Pupil support services	921,821		62,084	(859,737)	(1,201,483)
Sites and buildings	1,999,707			262,498 (1,737,209)	(1,002,521)
Fiscal and other fixed cost programs	72,914			(72,914)	(16,093)
Food service	606,112	34,809	536,603	(34,700)	14,792
Community service	892,612	660,450	131,935	(100,227)	(3,125)
Loss on disposal of assets	24,545			(24,545)	
Interest and fiscal charges on long term debt	840,708		21,300	(819,408)	(741,547)
<b>Total governmental activities</b>	<b>11,833,213</b>	<b>924,617</b>	<b>3,009,290</b>	<b>262,498</b> <b>(7,636,808)</b>	<b>(6,139,838)</b>

See accompanying notes to financial statements

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2024  
(WITH PARTIAL COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)

Functions/Programs	2024				2023	
	Expenses	Program Revenues		Net (Expense)	Net (Expense)	
		Charges for Services	Operating	Capital	Revenue and	Revenue and
			Grants and Contributions	Grants and Contributions	Changes in	Changes in
				Net Position	Net Position	
				Governmental	Governmental	
				Activities	Activities	
General revenues:						
Taxes						
Property taxes, levied for general purposes				862,093	722,166	
Property taxes, levied for community service				84,285	69,870	
Property taxes, levied for debt service				736,646	892,327	
State and federal aid - formula grants				6,048,757	5,724,825	
Other general revenue				65,857	95,688	
Investment earnings				232,592	88,899	
Gain on sale of assets					752	
Total general revenues				<u>8,030,230</u>	<u>7,594,527</u>	
CHANGE IN NET POSITION				393,422	1,454,689	
NET POSITION - beginning of year				<u>2,358,989</u>	<u>904,300</u>	
NET POSITION - end of year				<u><u>2,752,411</u></u>	<u><u>2,358,989</u></u>	

See accompanying notes to financial statements

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024  
(WITH PARTIAL COMPARATIVE INFORMATION AT JUNE 30, 2023)

	General	Food Service	Community Service	Building Construction	Debt Redemption	Total Governmental Funds	
						2024	2023
<b>ASSETS</b>							
Equity in pooled cash and investments	113,867	141,411	47,714	4,334,145	857,352	5,494,489	1,596,194
Current property taxes receivable	622,383		59,793		1,476,090	2,158,266	1,764,265
Delinquent property taxes receivable	2,225				4,572	6,797	12,032
Due from other governments	1,140,657		8,516		98,469	1,247,642	912,870
Other receivables	43,810	3,450	875			48,135	48,717
Prepays	73,240	3,940	3,256			80,436	152,315
Inventory		18,864				18,864	18,784
<b>Total assets</b>	<b>1,996,182</b>	<b>167,665</b>	<b>120,154</b>	<b>4,334,145</b>	<b>2,436,483</b>	<b>9,054,629</b>	<b>4,505,177</b>
<b>LIABILITIES</b>							
Accounts and contracts payable	61,859	17,302	590	727,633	2,000	809,384	292,454
Salaries and benefits payable	40,055	4,266	32,550			76,871	106,012
Due to other governments	64,637	53	519			65,209	58,026
Unearned revenue - other	1,015		8,830			9,845	11,120
<b>Total liabilities</b>	<b>167,566</b>	<b>21,621</b>	<b>42,489</b>	<b>727,633</b>	<b>2,000</b>	<b>961,309</b>	<b>467,612</b>

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2024  
(WITH PARTIAL COMPARATIVE INFORMATION AT JUNE 30, 2023)

	General	Food Service	Community Service	Building Construction	Debt Redemption	Total Governmental Funds	
						2024	2023
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unearned revenue - delinquent taxes	2,225				4,572	6,797	12,032
Property taxes levied - subsequent years	776,878		86,227		2,128,674	2,991,779	2,528,216
<b>Total deferred inflows of resources</b>	<b>779,103</b>		<b>86,227</b>		<b>2,133,246</b>	<b>2,998,576</b>	<b>2,540,248</b>
<b>FUND BALANCES</b>							
Nonspendable	73,240	22,804	3,256			99,300	171,099
Restricted	354,326	123,240	379,404	3,606,512	301,237	4,764,719	1,095,160
Unassigned	621,947		(391,222)			230,725	231,058
<b>Total fund balances</b>	<b>1,049,513</b>	<b>146,044</b>	<b>(8,562)</b>	<b>3,606,512</b>	<b>301,237</b>	<b>5,094,744</b>	<b>1,497,317</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>1,996,182</b>	<b>167,665</b>	<b>120,154</b>	<b>4,334,145</b>	<b>2,436,483</b>	<b>9,054,629</b>	<b>4,505,177</b>

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENTS OF NET POSITION  
 JUNE 30, 2024 AND 2023

	2024	2023
Total fund balance, governmental funds	5,094,744	1,497,317
 Amounts reported for governmental activities in the Statements of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statements of Net Position.		
Cost of capital assets	42,871,429	41,256,163
Less: accumulated depreciation	(13,005,562)	(11,801,118)
Some liabilities, (such as Notes Payable, Long-term Compensated Absences, and Bonds Payable ), are not due and payable in the current period and therefore, are not included in the fund financial statement, but are included in the governmental activities of the		
Bonds, notes and capital lease payable	(25,985,255)	(22,153,856)
Compensated absences, postemployment benefits, and pensions	(6,470,760)	(7,112,544)
Deferred inflows/outflows related to PERA/TRA and OPEB	702,560	984,186
Governmental funds do not report a liability for accrued interest until due and payable	(461,542)	(323,191)
Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds	6,797	12,032
Net position of governmental activities in the statements of net position	2,752,411	2,358,989

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2024  
(WITH PARTIAL COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)

	General	Food Service	Community Service	Building Construction	Debt Redemption	2024	2023
<b>REVENUES</b>							
Local property tax levies	894,750		84,285		718,244	1,697,279	1,710,618
Interest earnings	25,546	4,661	925	170,250	31,210	232,592	88,956
Local sales and other revenues	378,394	50,459	759,207		21,050	1,209,110	1,264,052
Revenues from state sources	7,138,709	206,530	36,418		993,411	8,375,068	7,816,627
Revenues from federal sources	327,777	315,075				642,852	951,775
<b>Total revenues</b>	<b>8,765,176</b>	<b>576,725</b>	<b>880,835</b>	<b>170,250</b>	<b>1,763,915</b>	<b>12,156,901</b>	<b>11,832,028</b>
<b>EXPENDITURES</b>							
<b>Current</b>							
District and school administration	513,503					513,503	479,141
District support services	328,587					328,587	334,793
Regular instruction	3,911,376					3,911,376	3,537,069
Vocational instruction	215,879					215,879	221,899
Special education instruction	1,463,118					1,463,118	1,513,862
Instructional support services	170,709					170,709	254,705
Pupil support services	838,176					838,176	898,422
Sites, buildings and equipment	905,518			61,029		966,547	1,002,058
Fiscal and other fixed cost programs	72,914					72,914	59,835
Food service		564,774				564,774	427,972
Community service			885,158			885,158	740,612
Capital outlay	371,372	15,776	1,083	1,399,001		1,787,232	3,292,580
<b>Debt service</b>							
Principal	86,611				896,127	982,738	1,067,375
Interest and fiscal charges	12,796				771,716	784,512	822,800
<b>Total expenditures</b>	<b>8,890,559</b>	<b>580,550</b>	<b>886,241</b>	<b>1,460,030</b>	<b>1,667,843</b>	<b>13,485,223</b>	<b>14,653,123</b>

See accompanying notes to financial statements.

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH PARTIAL COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2023)**

	General	Food Service	Community Service	Building Construction	Debt Redemption	2024	2023
REVENUE OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(125,383)	(3,825)	(5,406)	(1,289,780)	96,072	(1,328,322)	(2,821,095)
OTHER FINANCING SOURCES (USES)							
Proceeds from bonds/loan/lease				4,896,292		4,896,292	298,885
Insurance recoveries	29,457					29,457	8,887
Transfers (to) from other funds	114,892		48,343	(163,235)		0	
Total other financing sources (uses)	<u>144,349</u>		<u>48,343</u>	<u>4,733,057</u>		<u>4,925,749</u>	<u>307,772</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	18,966	(3,825)	42,937	3,443,277	96,072	3,597,427	(2,513,323)
FUND BALANCES (DEFICIT), beginning of year	<u>1,030,547</u>	<u>149,869</u>	<u>(51,499)</u>	<u>163,235</u>	<u>205,165</u>	<u>1,497,317</u>	<u>4,010,640</u>
FUND BALANCES (DEFICIT), end of year	<u><u>1,049,513</u></u>	<u><u>146,044</u></u>	<u><u>(8,562)</u></u>	<u><u>3,606,512</u></u>	<u><u>301,237</u></u>	<u><u>5,094,744</u></u>	<u><u>1,497,317</u></u>

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES GOVERNMENTAL FUNDS  
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
Net change in fund balances - total governmental funds:	3,597,427	(2,513,323)
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
<p>Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.</p>		
Capital outlay	1,665,189	2,921,191
Gain (loss) on disposal of asset	(24,545)	(1,623)
Depreciation and amortization expense	(1,229,822)	(711,139)
<p>Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.</p>		
Amortization of bond premium/discount	82,154	68,950
Note proceeds	(4,896,293)	(298,885)
Bond and lease repayments	982,739	1,067,375
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:</p>		
Accrued interest payable	(138,351)	8,912
<p>Compensated absences, severance and other postemployment benefits reported in the statements of net position do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds until actually due.</p>		
Severance, compensated absences, and OPEB	51,495	11,222
PERA and TRA	308,664	900,038
<p>Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.</p>		
	(5,235)	1,971
Change in net position of governmental activities	393,422	1,454,689

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual
	Original/Final		
<b>REVENUES</b>			
Local sources			
Property taxes	834,264		894,750
Interest earnings	3,000		25,546
Other	174,483		377,394
Sale of property	2,500		1,000
State sources	6,890,688		7,138,709
Federal sources	223,286		327,777
<b>TOTAL REVENUES</b>	<b>8,128,221</b>		<b>8,765,176</b>
<b>EXPENDITURES</b>			
Current			
Administration	541,542		513,503
District support services	393,113		328,587
Elementary and secondary regular instruction	3,478,873		3,911,376
Vocational education instruction	221,672		215,879
Special education instruction	1,668,231		1,463,118
Instructional support services	93,977		170,709
Pupil support services	625,731		838,176
Sites and buildings	609,655		905,518
Fiscal and other fixed cost programs	175,062		172,321
Capital outlay	417,781		371,372
<b>TOTAL EXPENDITURES</b>	<b>8,225,637</b>		<b>8,890,559</b>
<b>REVENUES UNDER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>			
	<b>(97,416)</b>		<b>(125,383)</b>

See accompanying notes to financial statements.

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts	
	Original/Final	Actual
<b>OTHER FINANCING SOURCES (USES)</b>		
Insurance recoveries		29,457
Transfers (to)/from other funds	(15,000)	114,892
	(15,000)	144,349
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(15,000)</b>	<b>144,349</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(112,416)</b>	<b>18,966</b>
	<b>(112,416)</b>	<b>18,966</b>
<b>FUND BALANCE, beginning of year</b>		<b>1,030,547</b>
		<b>1,030,547</b>
<b>FUND BALANCE, end of year</b>		<b>1,049,513</b>
		<b>1,049,513</b>

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOOD SERVICE FUND  
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original/Final	Actual
<b>REVENUES</b>		
Local sources		
Interest earnings		20,311
Sales and other revenues	154,955	34,809
State sources	39,152	206,530
Federal sources	235,052	315,075
TOTAL REVENUES	429,159	576,725
<b>EXPENDITURES</b>		
Current		
Food service	429,159	564,774
Capital outlay		15,776
TOTAL EXPENDITURES	429,159	580,550
REVENUES UNDER EXPENDITURES		(3,825)
FUND BALANCE, beginning of year		149,869
FUND BALANCE, end of year		146,044

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
COMMUNITY SERVICE FUND  
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts Original/Final	Actual
<b>REVENUES</b>		
Local sources		
Property taxes	87,103	84,285
Other	889,092	760,132
State sources	24,415	36,418
<b>TOTAL REVENUES</b>	<b>1,000,610</b>	<b>880,835</b>
 <b>EXPENDITURES</b>		
Current		
Community service	950,660	885,158
Capital outlay	8,000	1,083
<b>TOTAL EXPENDITURES</b>	<b>958,660</b>	<b>886,241</b>
<b>REVENUES OVER (UNDER) EXPENDITURES     BEFORE OTHER FINANCING SOURCES</b>	<b>41,950</b>	<b>(5,406)</b>
<b>OTHER FINANCING SOURCES</b>		
Transfer from other fund	15,000	48,343
<b>TOTAL OTHER FINANCING SOURCES</b>	<b>15,000</b>	<b>48,343</b>
<b>REVENUES AND OTHER FINANCING SOURCES     OVER EXPENDITURES</b>	<b>56,950</b>	<b>42,937</b>
<b>FUND BALANCE (DEFICIT), beginning of year</b>		<b>(51,499)</b>
<b>FUND BALANCE (DEFICIT), end of year</b>		<b>(8,562)</b>

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 STATEMENTS OF FIDUCIARY NET POSITION  
 JUNE 30, 2024 AND 2023

	Custodial Fund	
	2024	2023
ASSETS		
Non-pooled cash and temporary investments	28,818	24,818
TOTAL ASSETS	28,818	24,818
NET POSITION		
Restricted for scholarships	28,818	24,818
TOTAL NET POSITION	28,818	24,818

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION  
 YEARS ENDED JUNE 30, 2024 AND 2023

	Custodial Fund	
	2024	2023
ADDITIONS		
Gifts and contributions	5,000	
Interest		500
Total additions	5,000	500
DEDUCTIONS		
Scholarships awarded	1,000	1,000
REVENUES OVER (UNDER) EXPENDITURES	4,000	(500)
NET POSITION, beginning of year	24,818	25,318
NET POSITION, end of year	28,818	24,818

See accompanying notes to financial statements.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Independent School District No. 378 are prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies are described below:

A. REPORTING ENTITY

The District receives funding from local, state, and federal government sources and must comply with the accompanying requirements of these funding source entities. The District is not included in any other governmental “reporting entity” as defined in Section 2100 of Codification of Governmental Accounting and Financial Reporting Standards, since board members are elected by the public and have decision-making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters. The District has no component units over which it exercises financial accountability as defined by *Government Auditing Standards*.

B. BASIC FINANCIAL STATEMENT PRESENTATION

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

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

The District applies restricted resources first when an expense is incurred for purpose for which both restricted and unrestricted net position is available. Depreciation expense can be specifically identified by function and is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Separate Fund financial statements are provided for governmental funds and fiduciary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Fiduciary funds are presented in the fiduciary fund financial statements by type: private – purpose trust. Since by definition, fiduciary fund assets

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIC FINANCIAL STATEMENT PRESENTATION (Continued)

are being held for the benefit of a third party and cannot be used for activities or obligations of the District, these funds are excluded from the District – wide statements.

As a general rule, the effect of inter-fund activity has been eliminated from the district-wide financial statements.

Description of Funds

The existence of the various District funds has been established by the State of Minnesota, Department of Education. Each fund is accounted for as an independent entity. Descriptions of the funds included in this report are as follows:

Major Governmental Funds

General Fund - The General Fund is used to account for all financial resources except those required to be accounted for in another fund. It includes the general operations and pupil transportation activities of the district, as well as the capital related activities.

Food Service Special Revenue Fund - The Food Service Fund is used to account for food service revenues and expenditures. Revenue in this fund comes from Federal and State grants and also from sales to students and adults.

Community Service Special Revenue Fund - The Community Service Fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, adult or early childhood programs, K-6 extended day programs, or other similar services. Revenues in this fund come mainly from the state and also from fees charged to the community for programs.

Building Construction Fund – The Building Construction Fund is used to account for the use of the 2023 G.O. Facilities Maintenance Bond proceeds.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and payment of general obligation bond principal, interest, capital notes principal and interest, and related costs. The Debt Service Fund is used to make the debt service payments on the general obligation bonds.

Fiduciary Funds

Custodial Fund – The Custodial Fund accounts for assets held by the District in a trustee capacity for the purpose of yearly scholarships.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Revenues

Governmental fund revenues are recognized in the accounting period in which they become susceptible to accrual; that is, when they become both measurable and available to finance the expenditures of the fiscal period. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs.

Nonexchange Transactions

Imposed nonexchange transactions result from assessments by governments on nongovernmental entities and individuals. Property taxes are imposed nonexchange transactions. Revenues from property taxes are recognized in the period for which they were levied, to the extent they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes receivable which are not available, are reported as deferred revenue and will be recognized as revenue in the fiscal year that they become available. The District considers these revenues as available if they are collected within 60 days after year-end.

Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and requires that government to use them for a specific purpose. The provider government

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

Nonexchange Transactions (Continued)

establishes purpose restrictions and may also establish time requirements. Federal and state grants mandating the District perform particular programs are government-mandated nonexchange transactions. Revenues are recognized when the eligibility and time requirements are met, usually when the corresponding expenditure is incurred, using the guidelines of the legal and contractual requirements of the individual programs.

Voluntary nonexchange transactions result from legislative or contractual agreements, such as grants, entitlements, appropriations, and donations. The provider may establish purpose restrictions and eligibility requirements. Revenues are recognized in the year to which they apply according to statute or contract. Gifts and contributions from individuals and miscellaneous revenue are also considered voluntary nonexchange transactions, and they are generally recognized when received in cash because they are not measurable until received. Tax credits paid by the state (included in intergovernmental revenue) are recognized as revenue in the fiscal year that they become available. The District considers revenues from tax credits paid by the state as available if they are collected within 60 days after year-end.

Exchange Transactions

Exchange transactions include revenues such as interest earned, sales and service fees. Sales, service fees, and interest earned, are reported as revenue when they become both measurable and available to finance expenditures of the fiscal period. The District considers these revenues as available if they are collected within 60 days after year-end. Fees are reported as revenue when received in cash, because they are usually not measurable until received.

Expenditures

Expenditures are recorded under the modified accrual method when the fund liability is incurred, except for certain compensated absences, claims, and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The Custodial Fund Financial Statement is reported using the economic resources measurement focus and the accrual basis of accounting as described earlier in these notes.

The District reports unearned revenue on its combined balance sheet. Unearned revenues arise when potential revenues do not meet both the "measurable" and

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)

"available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to incurring the qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

D. BUDGETING

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Revisions to the originally adopted budget require approval of the School Board. The budget was not amended during the year. Each June, the School Board adopts an annual budget for the following fiscal year for the General, Food Service, Community Service, and Debt Service Fund. Unexpected budget amounts lapse at the end of the budget year.

E. USE OF ESTIMATES

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

F. CASH AND INVESTMENTS

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings on these accounts are allocated to the individual funds based upon the average month-end cash and investment balances.

The District follows Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." This statement establishes accounting and financial reporting standards for investments in: interest earning investment contracts, external investment pools, open-end mutual funds, debt securities, equity securities, option contracts, stock warrants, and stock rights that have readily determinable fair values. Under this statement, governmental entities other than external investment pools may report money market investments and participating interest-earning investment contracts at amortized cost. All other investments must be reported at their fair market value.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. CASH AND INVESTMENTS (Continued)

The District's investment policies are structured to conform to Minnesota Statutes. During fiscal year 2024, the District's investments were comprised of government securities, term series investments and certificates of deposit whose costs approximate fair value.

G. RESTRICTED ASSETS

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

H. ACCOUNTS RECEIVABLE

Accounts receivable have been adjusted for all known uncollectible accounts. No allowance for bad debts is considered necessary at year end.

I. PROPERTY TAXES RECEIVABLE

Property tax levies are set by 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.

Generally, tax revenue is recognized in the fiscal year ending June 30, following the calendar year in which the tax levy is collectible, while the current calendar year tax levy is recorded as deferred revenue (property taxes levied for subsequent year).

The majority of the revenue in the General Fund is determined annually by statutory funding formulas. The total revenue allowed by these formulas is then allocated between property taxes and state aids by the Legislature based on education funding priorities. Changes in this allocation are periodically accompanied by a change in property tax revenue recognition referred to as the tax shift. The current tax shift as mandated by legislation recognizes \$120,662 of the property tax levy collectible in June 30, 2024 as revenue in fiscal year 2023 - 2024. The remaining portion of the taxes collectible in 2024 is recorded as a deferred inflow of resources (property taxes levied for subsequent years expenditures).

Taxes which remain unpaid are classified as delinquent taxes receivable. Revenue from these delinquent property taxes that is not collected within 60 days of year-end

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. PROPERTY TAXES RECEIVABLE (Continued)

is deferred in the fund based financial statements because it is not known to be available to finance the operations of the District in the current year. No allowance for uncollectible taxes is considered necessary.

J. INVENTORY

Inventories of food and supplies are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method. Surplus commodities are stated at standardized costs, as determined by the Department of Agriculture.

K. CAPITAL ASSETS

Capital assets, which include land, buildings and equipment, are recorded in the district-wide financial statement, but are not reported in the fund financial statements. Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historical cost is not available. Donated assets are recorded as capital assets at their estimated fair value at the date of donation. The District maintains a threshold level of \$1,000 for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are 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 15 to 50 years for land improvements and buildings, and 5 to 20 years for equipment. Capital assets not being depreciated include land. The District does not possess any material amounts of infrastructure capital assets. Items such as sidewalks and other land improvements are considered to be part of the cost of buildings or other improvable property.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

L. COMPENSATED ABSENCES

Employees' vacation benefits are recognized in the period earned. Employees are granted vacation days at various rates and accumulations. Sick leave is also earned at various rates with a maximum accumulation of 167 to 260 days. Leave time costs are recognized as expenditures when leave time is used. The liability for unused vacation time is recorded in the government wide financial statements. Unused sick

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. COMPENSATED ABSENCES

leave is not recorded in the financial statements as it is not paid upon termination. The accumulated unused sick pay at June 30, 2024 was approximately \$1,444,000.

M. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenditure/expense) until then. The District has several calculations related to PERA, TRA, and OPEB that qualify for reporting in this category.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District's Property Taxes Levied for Subsequent Year's Expenditures and also calculations related to PERA, TRA and OPEB qualify for reporting in this category.

N. LONG-TERM OBLIGATIONS

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the year the bonds are issued.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. Rather, the debt proceeds are reported as other financing sources, and payments of principal, interest, and issuance costs are reported as expenditures.

O. RETIREMENT PLANS

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 statewide basis. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TRA/PERA and additions to/deductions from TRA/PERA's net position have been determined on the same basis as they are reported by TRA/PERA. For this purpose, benefit payments (including

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. RETIREMENT PLANS (Continued)

refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. OTHER POSTEMPLOYMENT BENEFITS

Under provisions of the various employee and union contracts the District allows retirees to continue with the District's Health Care coverage until age 65 if certain age and minimum years of service requirements are met. The amount to be incurred is limited as specified by contract. All premiums are funded on a pay-as-you-go basis. The total OPEB liability was actuarially determined at July 1, 2023.

Q. LEASES

The District adopted Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, as of July 1, 2021. A lease liability and a lease asset are recognized at the commencement of the lease term, unless the lease is a short-term lease or it transfers ownership of the underlying assets. The lease liability is measured at the present value of payments expected during the lease term. The lease asset is measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease. The lease liability is reduced as payments are made and interest expense is recognized. The leased asset is generally amortized over the term of the lease unless the useful life of the underlying asset is less. A short-term lease is a lease that at the commencement of the lease term, has a maximum possible term under the lease contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Short-term leases are expensed in period incurred. Contracts that transfer ownership of the underlying assets or contain a bargain purchase option are recognized as financing contracts. The District excludes immaterial leases from the provisions of GASB 87.

R. FUND EQUITY

Government-Wide Financial Statements - Equity is classified as net position and displayed in three components:

Net investment in capital assets - Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. FUND EQUITY (Continued)

Government-Wide Financial Statements (Continued)

Restricted net position - Consists of restricted assets reduced by liabilities and deferred inflows of resource related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

Unrestricted net position - Consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets, net of related debt, or the restricted net position.

It is the District's policy to first use restricted components of net position prior to the use of unrestricted components of net position when an expense is incurred for purposes for which both restricted and unrestricted components of net position are available.

Fund Financial Statements – The District utilizes GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – amounts that are in nonspendable form (such as inventory and prepaid items) or are required to be maintained intact.

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts constrained by the District itself, using its highest level of decision-making authority (i.e., School Board). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned fund balance – amounts the District intends to use for a specific purpose. Intent can be expressed by the School Board or by an official or body to which the Board delegates the authority. The School Board has delegated authority to assign fund balances to the superintendent.

Unassigned fund balance – amounts that are available for any purpose. Positive amounts are reported only in the general fund.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. FUND EQUITY (Continued)

Fund Financial Statements (Continued)

Unassigned fund balance (Continued)

In the general fund, the District strives to maintain a minimum unassigned general fund balance of two months of operating expenses. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

S. REVENUES, EXPENDITURES, AND EXPENSES

Program Revenues

In the statement of activities, revenues that are derived directly from each activity or from parties outside the District taxpayers are reported as program revenues. The District has the following program revenues in each activity:

District and school administration – specific bequest

Regular instruction – admission and student participation fees; governmental grants and aids; specific donations

Special education instruction – revenues from other districts; governmental grants and aids

Instructional support services – revenues from other districts or entities

Pupil support services – governmental grants and aids

Sites and buildings – capital grants received from State, and bond proceeds

Food Service – fees from students and staff; governmental grants and aids, including a capital grant

Community service – participation fees from students and adults; governmental grants and aids

All other governmental revenues are reported as general. All taxes are classified as general revenue even if restricted for a specific purpose.

**INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**S. REVENUES, EXPENDITURES, AND EXPENSES (Continued)**

**Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function.

In the fund financial statements, expenditures are classified as follows:

Governmental funds - By each function

Current

Capital outlay

Debt service

**T. FUND TRANSFERS**

During , the District transferred funds from the general fund to the community service fund to cover costs of TRA and FICA expenses. See further details in NOTE 16.

**U. PRIOR-YEAR COMPARATIVE FINANCIAL INFORMATION**

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with the applicable basis of accounting. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended June 30, 2023, from which the summarized information was derived.

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

**A. EXCESS EXPENDITURES OVER APPROPRIATIONS**

Expenditures exceeded the appropriations during the year ended June 30, 2024 in the following funds. This excess was covered by current year revenues or existing fund balances.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. EXCESS EXPENDITURES OVER APPROPRIATIONS (Continued)

	Appropriations	Expenditures	Expenditures Over Appropriations
General Fund	8,225,637	8,890,559	664,922
Food Service Fund	429,159	580,550	151,391
Building Construction Fund		1,460,030	1,460,030
Debt Redemption	1,629,886	1,667,843	37,957

B. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit fund or net position balances at year end. The following fund had a deficit fund balance at June 30, 2024:

	Total Fund Balance
Community Service Fund	(8,562)

This deficit will be eliminated with future revenue amounts.

NOTE 3. EQUITY IN POOLED CASH AND INVESTMENTS

The District follows the provisions of GASB Statement 40, *Deposit and Investment Risk Disclosures*. This standard establishes requirements for disclosures regarding credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. The District maintains a cash and investment pool that is used by all funds, except the Fiduciary Fund. Each portion of this pool is displayed on the balance sheet as “Equity in Pooled Cash and Investments”.

Deposits

In accordance with Minnesota Statutes, the District maintains deposits at those depository banks authorized by the School Board all of which are members of the Federal Reserve System. Minnesota Statutes require that all District deposits be protected by insurance, security bond or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 3. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

Deposits (Continued)

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the District treasurer or in a financial institution other than that furnishing the collateral. As of June 30, 2024, the District was adequately collateralized.

The District maintains a pooled cash account that is available for all funds. The carrying amount of the District's cash deposits was \$219,407 at June 30, 2024.

Deposits and Investments

The District's cash and investments are reported as follows:

Governmental activities	5,494,489
Custodial funds	28,818
Total cash and investments	5,523,307

The carrying value (fair value) of the cash and investments consisted of the following:

Deposits:	
Demand deposits	219,407
Investments:	
Certificates of Deposit	4,509,576
Money market shares	794,324
Total investments	5,303,900
Total cash and investments	5,523,307

The fair value of investments grouped by maturity is as follows:

Investment Maturities:	
Current to one year	5,303,900
Total	5,303,900

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 3. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

Deposits and Investments (Continued)

Money Market Shares (Investment Pools)

The District holds assets in the MN Trust Investment Pool, which also seeks to maintain a stable net asset value of \$1 per share, however there is no assurance that this objective will be received. The MN Trust Investment Pool is not insured or guaranteed by the Federal Depository Insurance Corporation or any other governmental agency.

At June 30, 2024, the District had \$1,303,057 in MN Trust Investment shares. This investment is categorized as money market shares.

The District is exposed to risks noted below in relation to its investments in the money market share accounts. The District does not have a policy for these risks. The following MSDLAF+ Portfolio risk policies below were taken from footnotes in the MN Trust audit report.

Interest Rate Risk

The MN Trust Investment Share account is comprised of cash accounts that are 39% collateralized, with the remaining in investments in certificates of deposits and commercial paper. Due to the types of investments included in the MN Trust Investment Share account, the interest rate and credit risks are limited.

Concentration of Credit Risk

The MN Trust Investment Shares account is comprised of many individual investments, none of which exceed 5% of the net asset value of the Fund.

Custodial Credit risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the MN Trust Portfolio will not be able to recover the value of its investment. An investment in the MN Trust Investment Pool is not insured or guaranteed by the FDIC or any other governmental agency.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 3. EQUITY IN POOLED CASH AND INVESTMENTS (Continued)

Money Market Shares (Investment Pools) (Continued)

Investments

At June 30, 2024, the District had the following investments:

Type	Carrying Amount	06/30/2024 maturities in years less than 1	Credit Rating- Moody's/ S&P
MN Trust - Investment Pool (Operating)	5,279,490	5,279,490	AAAm
Greater Community Credit Union	24,410	24,410	Not Rated
Total	5,303,900	5,303,900	

Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The three levels of the fair value hierarchy are as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs (other than quoted prices included within Level 1) that are observable for the asset or liability – either directly or indirectly.
- Level 3: Unobservable inputs – market data are not available and are developed using the best information available about the assumptions that market participants would use when pricing an asset or liability.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. All investments are level 1, as market value equals cost.

NOTE 4. RESTRICTED CASH

All funds held in the Debt Service fund by the District are considered to be reserved for debt service, in accordance with the bond documents, and the funds in the Building Construction fund are considered to be reserved for the Facilities Maintenance Projects. At June 30, 2024, Pooled Cash and Investments in the Debt Service Fund was \$857,352, and in the Building Construction Fund was \$4,334,145.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2024 is as follows:

	Cost at 06/30/2023	Additions	Disposals	Cost at 06/30/2024
Construction in progress		1,399,380		1,399,380
Land	403,472			403,472
Land improvements	292,340			292,340
Buildings	35,567,287			35,567,287
Equipment	4,871,829	265,809	(49,923)	5,087,715
Right of use asset	121,235			121,235
<b>Total</b>	<b>41,256,163</b>	<b>1,665,189</b>	<b>(49,923)</b>	<b>42,871,429</b>

Accumulated depreciation activity for the year ended June 30, 2024 is as follows:

	Accumulated Depreciation at 06/30/2023	Additions	Disposals	Accumulated Depreciation at 06/30/2024
Land improvements	143,846	15,525		159,371
Buildings	8,561,311	894,475		9,455,786
Equipment	3,047,467	295,575	(25,378)	3,317,664
Right of use asset	48,494	24,247		72,741
<b>Total</b>	<b>11,801,118</b>	<b>1,229,822</b>	<b>(25,378)</b>	<b>13,005,562</b>
<b>Capital assets net of accumulated depreciation</b>	<b>29,455,045</b>			<b>29,865,867</b>

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 5. CAPITAL ASSETS (Continued)

Depreciation and amortization expense of \$1,229,822 for the year ended June 30, 2024 was charged to the following governmental functions:

District support services	25,215
Elementary and secondary regular instruction	106,748
Pupil support services	84,859
Sites and buildings	962,525
Community services	5,915
Instructional support	3,222
Food service	41,338
Total depreciation/amortization expense	1,229,822

NOTE 6. LONG-TERM LIABILITIES

A. COMPONENTS OF LONG-TERM LIABILITIES

The following is a summary of the of long-term liabilities reported in the Statement of Net Position as of June 30, 2024:

<u>Issue</u>	<u>Date</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Final Maturity</u>	<u>Principal Outstanding</u>
General Obligation Crossover Refunding Bond, Series 2015A	5/15/2015	2.00- 2.55%	1,160,000	2/1/2029	620,000
General Obligation School Building Bonds, Series 2019A	5/7/2019	3.00- 5.00%	21,675,000	2/1/2040	19,040,000
General Obligation Facilities Maintenance Bonds, Series 2023A	8/31/2023	4.00- 5.00%	4,685,000	2/1/2039	4,685,000
Subtotal Bonded Debt			27,520,000		24,345,000
Plus Bond Premiums			1,659,237		1,301,283
Total Bonded Debt			29,179,237		25,646,283

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (Continued)

A. COMPONENTS OF LONG-TERM LIABILITIES (Continued)

<u>Issue</u>	<u>Issue Date</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Final Maturity</u>	<u>Principal Outstanding</u>
Other Long-Term Debt					
2022 Capital Equipment Note	4/18/2022	4.00%	70,040	4/18/2027	41,882
2023 Capital Equip Note	7/13/2022	4.00%	70,040	7/13/2027	41,181
2021 School Bus Financed Purchase	2/5/2020	2.80%	86,437	7/20/2024	46,692
2023 School Bus Financed Purchase	2/25/2023	5.00%	146,255	10/1/2026	109,018
Scoreboard financed purchase	9/28/2022	4.00%	82,590	10/1/2026	49,516
Total other LT Debt			<u>455,362</u>		<u>288,289</u>
Total all long-term liabilities			<u>29,634,599</u>		<u>25,934,572</u>
During fiscal year					
2024 interest charged					
to expense was:					
			<u>918,022</u>		

The District has no unused lines of credit at June 30, 2024, and none of their long-term debt agreements have terms related to default or termination events with finance-related consequences, or subjective acceleration clauses.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (Continued)

B. MINIMUM DEBT PAYMENTS

Minimum annual principal and interest payments required to retire long-term liabilities, excluding leases, pension, OPEB, early retirement and vacation benefits are as follows:

Year Ending June 30,	General Obligation Bonds	
	Principal	Interest
2025	1,110,000	1,020,118
2026	1,230,000	896,736
2027	1,295,000	838,596
2028	1,355,000	777,346
2029	1,420,000	712,660
2030-2034	7,445,000	2,680,720
2035-2039	8,910,000	1,201,370
2040-2041	1,580,000	49,371
	<u>24,345,000</u>	<u>8,176,917</u>

Year Ending June 30,	Direct Placement Note	
	Principal	Interest
2025	28,004	3,490
2026	29,123	2,371
2027	21,734	1,207
	<u>78,861</u>	<u>7,068</u>

Year Ending June 30,	Direct Financed Purchase Agreements	
	Principal	Interest
2025	97,055	7,253
2026	52,805	3,413
2027	55,366	760
	<u>205,226</u>	<u>11,426</u>

C. DESCRIPTION OF LONG-TERM LIABILITIES

General Obligation Crossover Refunding Bonds, Series 2015A

The General Obligation Crossover Refunding Bonds, Series 2015A, are recorded in the District-wide Financial Statements and are backed by the full faith and credit of the School District. The bonds were issued to call the G.O. Obligation Refunding Bonds, Series 2009A which were called February 2019. This issue is for \$1,160,000 and will

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (Continued)

C. DESCRIPTION OF LONG-TERM LIABILITIES (Continued)

General Obligation Crossover Refunding Bonds, Series 2015A (Continued)

be repaid in annual installments of \$120,000 to \$130,000 beginning February 1, 2020 through February 1, 2029; interest varies from 2.00% to 2.55%. Payments are made out of the Debt Service Fund.

General Obligation School Building Bonds, Series 2019A

The General Obligation School Building Bonds, Series 2019A, are recorded in the District-wide Financial Statements and are backed by the full faith and credit of the School District. This issue is for \$21,675,000 and will be repaid in annual installments of \$785,000 to \$1,580,000 beginning February 1, 2020 through February 1, 2040; interest varies from 3.00% to 5.00%. Payments are made out of the Debt Service Fund.

General Obligation Facilities Maintenance Bonds, Series 2023A

The General Obligation Facilities Maintenance Bonds, Series 2023A are recorded in the District-Wide Financial Statements and are backed by the full faith and credit of the School District. This issue is for \$4,685,000 and will be repaid in annual installments of \$205,000 to \$370,000 beginning February 1, 2025 through February 1, 2039; interest varies from 4.00% to 5.00%. Payments are made out of the Debt Service Fund.

Capital Equipment Note Payable

The Capital Equipment Note Payable is recorded in the District-wide Financial Statements and is a note through the Dawson Co-op Credit Union. This note is for \$70,040, with five annual principal and interest payments of \$15,735, commencing April 18, 2023. Payments are made out of the Debt Service Fund, and are funded by contributions received.

Capital Equipment Note Payable

The Capital Equipment Note Payable is recorded in the District-wide Financial Statements and is a note through Minnwest Bank. This note is for \$70,040, with five annual principal and interest payments of \$15,759, commencing July 13, 2023. Payments are made out of the Debt Service Fund, and are funded by contributions received.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM LIABILITIES (Continued)

C. DESCRIPTION OF LONG-TERM LIABILITIES (Continued)

School Bus Financed Purchase Agreements

The School Bus Financed Purchase is recorded in the District-wide Financial Statements and is collateralized by the 2021 BBCV 77 passenger diesel bus purchased. This financed purchase is for \$86,437, with four annual lease payments of \$11,605 and one annual lease payment of \$48,000 commencing July 20, 2020. Payments are made out of the General Fund.

The School Bus Financed Purchase is recorded in the District-wide Financial Statements and is collateralized by the two 2020 IC 65 passenger diesel buses purchased. This financed purchase is for \$146,255, with four annual lease payments of \$40,070, commencing July 15, 2023. Payments are made out of the General Fund.

Scoreboard Financed Purchase

The Scoreboard Financed Purchase is recorded in the District-wide Financial Statements and is collateralized by the scoreboards purchased. This finance purchase is for \$82,590 with four annual payments of \$15,739 and one annual payment of \$15,618, commencing October 1, 2022. Payments are made out of the General Fund.

Compensated Absences

The District compensates employees upon termination of employment for unused vacation leave. The liability for unused vacation leave has been recorded in the government wide financial statements.

Changes in long-term obligations for the year ended June 30, 2024, are as follows:

	06/30/2023	Additions	Retirements	06/30/2024	Due within one year
Long-term liabilities					
G.O. Bonds	20,525,000	4,685,000	865,000	24,345,000	1,110,000
Financed Purchases	267,612		62,386	205,226	96,400
Equipment Notes	114,190		31,127	83,063	57,600
Vacation payable	47,363		47,363		
	<u>20,954,165</u>	<u>4,685,000</u>	<u>1,005,876</u>	<u>24,633,289</u>	<u>1,264,000</u>

NOTE 7. LEASES

As of June 30, 2024, the District has the following long-term lease accounted for in accordance with the provisions of GASB 87 – Leases (see Note 1):

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 7. LEASES (Continued)

	Inception	Maturity	Monthly Payment	Lease Liability
MARCO Technologies, LLC	7/1/2021	6/30/2026	2,173	50,683
		Current		24,962
		Long-term		25,721
				50,683

MARCO Technologies, LLC

The District entered into a lease agreement with MARCO Technologies, LLC for copiers and printers, with payments starting July 1, 2021. Terms of the lease agreement between the District and MARCO Technologies, LLC. require monthly lease payments of \$2,173 through July 1, 2026. The leased property includes seven Konica copiers, three HP LaserJet copiers and one HP LaserJet printer. The lease term is 5 years. There are no early termination rights. Amounts relating to the lease are reflected in the financial statements as right to use assets and lease liabilities. Future lease payments on leases classified as right to use assets are as follows:

	Principal	Interest	Total
2025	24,962	1,114	26,076
2026	25,721	355	26,076
Total	50,683	1,469	52,152

There were no material contingent or sublease amounts relating to the above lease for 2023. The District accounts for the leases in accordance with the provisions of GASB 87, Leases (Note 1). Amortization on leased (right to use) assets is provided for based on the asset value at inception of leases over the lease terms. Amortization expenses was \$24,247 for 2023.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 8. FUND BALANCES

At June 30, 2024, the detail of the District’s fund balances are as follows:

	General Fund	Food Service Fund	Community Service Fund	Building Construction Fund	Debt Redemption Fund	Total
<b>Nonspendable</b>						
Inventory/Prepays	73,240	22,804	3,256	-		99,300
<b>Restricted</b>						
Operating capital	159,328					159,328
Building project				3,606,512		3,606,512
Long-term facilities maintenance	58,067					58,067
Basic skills	12,127					12,127
School library aid	9,699					9,699
Student support personnel	25,526					25,526
Other projects	15,182					15,182
Safe schools	1,964					1,964
Community Ed			164,093			164,093
Community Service			102,959			102,959
ECFE			112,352			112,352
Food service		123,240				123,240
Scholarships	4,343					4,343
Student activities	68,090					68,090
Debt service					301,237	301,237
<b>Total Restricted</b>	<b>354,326</b>	<b>123,240</b>	<b>379,404</b>	<b>3,606,512</b>	<b>301,237</b>	<b>4,764,719</b>
Unassigned	621,947					621,947
Deficit - Sch readiness			(391,222)			(391,222)
<b>Total Unassigned</b>	<b>621,947</b>		<b>(391,222)</b>			<b>230,725</b>
<b>Total fund balances</b>	<b>1,049,513</b>	<b>146,044</b>	<b>(8,562)</b>	<b>3,606,512</b>	<b>301,237</b>	<b>5,094,744</b>

The deficit fund balances will be eliminated with future revenues.

NOTE 9. COMMITMENTS

In February 2014, the District, along with other districts from the Minnesota River Valley Education District, entered into a High Capacity Services Lease Agreement with New Ulm Telecom, Inc. (Nu-Tel). The lease effective date is July 1, 2014 and expires June 30, 2024. The total cost of the lease is \$3,471,958, and will be paid over the life of the lease by the participating districts. During fiscal year 2024, the total lease payment was \$317,640. MRVED used part of their committed fund balance to cover the District’s cost. The payment required by the District will vary each year depending on the future E-rate funding received by MRVED and their designated fund balance used.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

**NOTE 10. RISK MANAGEMENT - CLAIMS AND JUDGMENTS**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District's property and liability premiums, unemployment claims and insurance coverage for vehicles are paid by the General Fund.

Workers compensation premiums are paid by the General, Food Service, and Community Service Funds based on salaries. The District purchases commercial insurance for property and liability, transferring the risk of loss to the insurance carrier. The District participates in a risk pool for workers compensation insurance. The pool in turn contracts with an insurance carrier, thereby transferring the risk from the pool members to the insurance carrier. The workers compensation policy is retrospectively rated in that the initial premium is adjusted based on the actual experience during coverage period of the group of entities that participate in the pool. There have been no settlements in excess of coverage in the past 3 years.

The District handles unemployment costs through a self-insurance plan. The District retains the risks associated with unemployment claims. As there are few unemployment claims against the District, no liability estimate has been recorded in the financial statements. At June 30, 2024 there are no outstanding claims of which the School District is aware.

**NOTE 11. JOINT VENTURE**

Independent School District No. 378 Dawson, Minnesota, along with other schools in West Central Minnesota created the Minnesota River Valley Education District #61-6018 in a joint venture agreement. The presence of either an ongoing financial interest or responsibility indicates a joint venture relationship exists. This joint venture provides for comprehensive educational programs within the geographical boundaries of member districts by continuing to facilitate cooperation and coordination among school districts and other agencies involved in providing learner outcomes. Services rendered by the Education District are billed to each member district based on the services provided; therefore, an ongoing financial responsibility exists. As of June 30, 2024, the audited financial statements of the Education District reflected a fund balance of \$3,407,317 which would be shared among participating school districts upon dissolution. This demonstrates that an ongoing financial interest exists. Audited financial statements are available from the Minnesota River Valley Education District #61-6018.

**NOTE 12. CONTINGENT LIABILITIES**

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

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS

Public Employees Retirement Association of Minnesota (PERA)

A. PLAN DESCRIPTION

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

The General Employees Retirement Plan covers certain full time and part-time employees of the Independent School District No. 378. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

B. BENEFITS PROVIDED

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

General Employees Plan benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated members is 1.2 percent for each of the first 10 years of service and 1.7 percent for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7 percent for all years of service. For members hired prior to July 1, 1989 a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Public Employees Retirement Association of Minnesota (PERA) (Continued)

C. CONTRIBUTIONS

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

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year June 30, 2024 and the District was required to contribute 7.50 percent for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2024 were \$150,744. The District's contributions were equal to the required contribution as set by state statute.

D. PENSION COSTS

At June 30, 2024, the District reported a liability of \$1,246,991 for its proportionate share of the General Employees Fund's net pension liability. The District's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the District totaled \$34,353. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2022, through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.0223 percent at the end of the measurement period and 0.0232 percent for the beginning of the period.

District's proportionate share of net pension liability	1,246,991
State of Minnesota's proportionate share of the	
net pension liability associated with the District	34,353
Total net pension liability	1,281,344

For the year ended June 30, 2024 the District recognized pension expense of \$32,843 for its proportionate share of General Employees Plan's pension expense.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Public Employees Retirement Association of Minnesota (PERA) (Continued)

D. PENSION COSTS (Continued)

In addition, the District recognized \$154 as grant revenue for its proportionate share of the State of Minnesota’s pension expense for the annual \$16 million contribution.

At June 30, 2024, the District reported its proportionate share of the General Employees Plan’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected/actual economic experience	41,349	8,629
Changes in actuarial assumptions	203,065	341,790
Net difference between projected/actual investment earnings	529,942	560,124
Changes in proportion	-	25,886
Contributions paid to PERA subsequent to the measurement date	150,744	
Total	925,100	936,429

The \$150,744 reported as deferred outflows of resources related to pensions resulting from the District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	Pension Expense Amount
2025	37,612
2026	(190,373)
2027	17,741
2028	(27,052)
	(162,072)

E. LONG-TERM EXPECTED RETURN ON INVESTMENT

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Public Employees Retirement Association of Minnesota (PERA) (Continued)

E. LONG-TERM EXPECTED RETURN ON INVESTMENT (Continued)

to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	5.90%
Private Markets	25.0%	0.75%
Total	100.0%	

F. ACTUARIAL METHODS AND ASSUMPTIONS

The total pension liability in the June 30, 2023, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 7.0 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 7.0 percent was deemed to be within that range of reasonableness for financial reporting purposes.

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

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Public Employees Retirement Association of Minnesota (PERA) (Continued)

F. ACTUARIAL ASSUMPTIONS (Continued)

The following changes in actuarial assumptions and plan provisions occurred in 2023:

Changes in Actuarial Assumptions:

- The investment return assumption and single discount rate were changed from 6.5 percent to 7.00 percent.

Changes in Plan Provisions:

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

G. DISCOUNT RATE

The discount rate used to measure the total pension liability in 2023 was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. PENSION LIABILITY SENSITIVITY

The following presents the District's proportionate share of the net pension liability for the plan it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
GERF Discount Rate	6.00%	7.00%	8.00%
District's proportionate share of the GERF net pension liability	2,206,027	1,246,991	458,147

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

I. PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the pension plan’s fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org).

Teachers Retirement Association (TRA)

A. PLAN DESCRIPTION

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with Minnesota Statutes, Chapters 354 and 356. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active members, one retired member and three statutory officials.

Educators employed in Minnesota’s public elementary and secondary schools, charter schools, and certain other TRA-covered educational institutions maintained by the state are required to be TRA members (except those employed by St. Paul schools or Minnesota State Colleges and Universities). Educators first hired by Minnesota State may elect either TRA coverage or coverage through the Define Contribution Plan (DCR) administered by the State of Minnesota.

B. BENEFITS PROVIDED

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Teachers Retirement Association (TRA) (Continued)

B. BENEFITS PROVIDED (Continued)

With these provisions:

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

Or

For years of service prior to July 1, 2006, a level formula of 1.7 percent per year for coordinated members and 2.7 percent per year for basic members is applied. For years of service July 1, 2006 and after, a level formula of 1.9 percent per year for Coordinated members and 2.7 percent per year for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established on rates established under Minnesota Statute. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

*Tier II Benefits:*

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

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

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

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Teachers Retirement Association (TRA) (Continued)

C. CONTRIBUTION RATES

Per Minnesota Statutes, Chapter 354 sets the contribution rates for employees and employers. Rates for each the fiscal year ended June 30, 2022, June 30, 2023, and June 30, 2024 were:

	June 30, 2022		June 30, 2023		June 30, 2024	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic	11.00%	12.34%	11.00%	12.55%	11.25%	12.75%
Coordinated	7.50%	8.34%	7.50%	8.55%	75.00%	8.75%

The following is a reconciliation of employer contributions in TRA's fiscal year 2023 ACFR "Statement of Changes in Fiduciary Net Position" to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations.

	<i>(Dollars in thousands)</i>
Employer contributions reported in TRA's ACFR, Statement of Changes in Fiduciary Net Position	508,764
Employer contributions not related to future contribution efforts	(87)
TRA's contributions not included in allocation	(643)
Total employer contributions	508,034
Total non-employer contributions	35,587
Total contributions reported in <i>Schedule of Employer and Non-Employer Allocations.</i>	543,621

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

D. ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Teachers Retirement Association (TRA) (Continued)

D. ACTUARIAL ASSUMPTIONS (Continued)

Key Methods and Assumptions Used in Valuation of Total Pension Liability	
<b>Actuarial Information</b>	
Valuation date	July 1, 2023
Measurement date	June 30, 2023
Experience study	June 28, 2019 (demographic and economic assumptions)*
Actuarial cost method	Entry Age Normal
<b>Actuarial assumptions:</b>	
Investment rate of return	7.00%
Price inflation	2.50%
Wage growth rate	2.85% before July 1, 2028 and 3.25% after June 30, 2028
Projected salary increase	2.85% to 8.85% before July 1, 2028 and 3.25% to 9.25% after June 30, 2028
Cost of living adjustment	1.0% for January 2019 through January 2023, then increasing 0.1% each year up to 1.5% annually
<b>Mortality assumptions:</b>	
Pre-retirement	RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP-2015 scale.
Post-retirement	RP-2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP-2015 scale.
Post-disability	RP-2014 disabled retiree mortality table, without adjustment

*\*The assumptions prescribed are based on the experience study dated June 28, 2019. For GASB 67 purposes, the long-term rate of return assumptions is selected by TRA management in consultation with actuary.*

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Teachers Retirement Association (TRA) (Continued)

D. ACTUARIAL ASSUMPTIONS (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Geometric Mean)
Domestic Equity	33.5%	5.10%
International Equity	16.5%	5.30%
Fixed Income	25.0%	0.75%
Private Markets	25.0%	5.90%
Total	<u>100.0%</u>	

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2023 is six years. The *Difference between Expected and Actual Experience, Changes of Assumptions, and Changes in Proportion* use the amortization period of six years in the schedule presented. The amortization period for *Net Difference between Projected and Actual Investment Earnings on Pension Plan Investments* is five years as required by GASB 68.

**Changes in actuarial assumptions since the 2022 valuation:**

**The 2023 Tax Finance and Policy Bill, effective July 1, 2025:**

- The employer contribution rate will increase from 8.75% to 9.5% on July 1, 2025.
- The employee contribution rate will increase from 7.75% to 8% on July 1, 2025.
- The pension adjustment rate for school districts and the base budgets for Minnesota State, Perpich Center for Arts Education, and Minnesota Academies will increase to reflect the .75% employer contribution rate increase.

**The 2024 Omnibus Pensions and Retirement Bill:**

- The Normal Retirement Age (NRA) for active and eligible deferred Tier II members will be 65 effective July 1, 2024.
- TRA's amortization date will remain the same at 2048.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Teachers Retirement Association (TRA) (Continued)

E. DISCOUNT RATE

The discount rate used to measure the total pension liability was 7.00%. There was no change in the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2023 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

F. NET PENSION LIABILITY

At June 30, 2024, the Independent School District No. 378 reported a liability of \$4,578,717 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to TRA in relation to total system contributions including direct aid from the State of Minnesota, City of Minneapolis and Minneapolis School District. District proportionate share was 0.0557% at the end of the measurement period and 0.0569% for the beginning of the year.

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

District's proportionate share of net pension liability	4,598,717
State's proportionate share of the net pension liability associated with the district	<u>322,124</u>
Total net pension liability	<u><u>4,920,841</u></u>

For the year ended June 30, 2024, the District recognized pension expense of \$(342,209). It also recognized \$45,348 as an increase to pension expense for the support provided by direct aid.

On June 30, 2023, the District had deferred resources related to pensions from the following sources:

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Teachers Retirement Association (TRA) (Continued)

F. NET PENSION LIABILITY (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected/actual experience	12,849	67,095
Changes in assumptions	544,082	-
Net difference between projected/actual earnings on plan investments	1,329,141	1,342,275
Changes in proportion	101,857	86,355
Contributions paid to TRA subsequent to the measurement date	328,143	
Total	2,316,072	1,495,725

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

Year Ended June 30	Pension Expense Amount
2024	50,850
2025	(16,180)
2026	552,808
2027	(70,841)
2028	(21,220)
	495,417

G. PENSION LIABILITY SENSITIVITY

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

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 13. DEFINED BENEFIT PENSION PLANS (Continued)

Teachers Retirement Association (TRA) (Continued)

G. PENSION LIABILITY SENSITIVITY (Continued)

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
	6.00%	7.00%	8.00%
TRA Discount Rate	6.00%	7.00%	8.00%
District's proportionate share of the TRA net pension liability	7,334,615	4,598,717	2,359,051

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

H. PENSION PLAN FIDUCIARY NET POSITION

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

NOTE 14. OTHER POSTEMPLOYMENT BENEFITS

The District follows Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. The District engaged an actuary to determine the District's liability for postemployment healthcare benefits other than pensions as of July 1, 2023.

A. GENERAL INFORMATION ABOUT THE OPEB PLAN

*Plan Description.* The District operates a single-employer retiree benefit plan ("the Plan") that provides health insurance to eligible employees and their spouses through the District's self-insured health insurance plan. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

*Benefits Provided.* The Plan provides healthcare benefits for retirees and their spouses. Benefit and eligibility provisions are established through negotiations between the District and various unions representing District employees and are renegotiated each two-year bargaining period. The Plan does not issue a publicly available financial report.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

A. GENERAL INFORMATION ABOUT THE OPEB PLAN (Continued)

*Employees Covered by Benefit Terms.* At June 30, 2024, the following employees were covered by benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	2
Active plan members	116
	118

B. TOTAL OPEB LIABILITY

The District’s total OPEB liability was determined by an actuarial valuation as of July 1, 2023 (the valuation date).

*Actuarial assumptions and other inputs.* The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	Service graded table
Healthcare cost trend rates	6.25% for 2023, grading to 5.0% over 6 years

A discount rate of 3.9% was applied in the measurement of the total OPEB liability. This is up from the 3.8% discount rate used for the July 1, 2021 measurement. The discount rate is based on the index rate for 20-year, AA-rated municipal bond yield. Mortality rates were based on the Pub-2010 Public Retirement Plan Headcount – Weighted Mortality Tables (General, Teachers) with MP-2021 Generational Improvement Scale.

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

C. CHANGES IN THE TOTAL OPEB LIABILITY

Changes in the total OPEB liability were as follows:

	Total OPEB Liability
Balance at July 1, 2023	<u>671,482</u>
Changes for the year:	
Service cost	36,700
Interest	26,115
Assumption changes	4,275
Plan Changes	(2,640)
Differences between expected and actual experience	(68,580)
Benefit payments	<u>(42,300)</u>
Net changes	<u>(46,430)</u>
 Balance at June 30, 2024	 <u>625,052</u>

*Sensitivity of the total OPEB liability to changes in the discount rate.*

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.80%) or 1-percentage-point higher (4.80%) than the current discount rate:

	1.0% Decrease (2.90%)	Discount Rate (3.90%)	1.0% Increase (4.90%)
Total OPEB liability	664,790	625,052	586,466

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.50% decreasing to 4.00%) or 1-percentage-point higher (7.50% decreasing to 6.0%) than the current healthcare cost trend rates:

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

C. CHANGES IN THE TOTAL OPEB LIABILITY (Continued)

	1.0% Decrease (5.50% decreasing to 4.0%)	6.50% decreasing to 5.0%	1.0% increase (7.50% decreasing to 6.0%)
Total OPEB liability	584,317	625,052	673,316

D. OPEB EXPENSE, DEFERRED OUTFLOWS OF RESOURCES, AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended June 30, 2024, the District recognized OPEB expense of \$27,016. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected/actual experience	25,368	131,532
Changes in assumptions	28,692	60,134
Contributions made subsequent to measurement date	31,148	
Total	85,208	191,666

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

Year Ended June 30	OPEB Expense
2025	(33,158)
2026	(33,158)
2027	(33,155)
2028	(5,487)
2029	(8,468)
Thereafter	(24,180)
	(137,606)

INDEPENDENT SCHOOL DISTRICT NO. 378 – DAWSON, MINNESOTA  
NOTES TO FINANCIAL STATEMENTS

NOTE 15. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

As disclosed in NOTE 1M, the District reports deferred outflows of resources for consumption of resources that apply to future periods and reports deferred inflows of resources, which represent acquisition of net position or fund balance that applies to future periods. On the government-wide statements, the District’s deferred outflows and inflows of resources at June 30, 2024, are as follows:

	Deferred Outflows	Deferred Inflows
TRA - pension	2,316,072	1,495,725
PERA - pension	925,100	936,429
OPEB	85,208	191,666
Property taxes levied for subsequent years		2,991,779
	3,326,380	5,615,599

NOTE 16. TRANSFERS

The following is a schedule of interfund transfers for the year ended June 30, 2024:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Community Service Fund	General Fund	48,343
General Fund	Building Construction	163,235

**REQUIRED SUPPLEMENTAL INFORMATION**

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY (LAST 10 YEARS) \*  
 OTHER POST EMPLOYMENT BENEFITS (OPEB)

	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total OPEB Liability							
Service cost	36,700	42,874	53,685	49,340	43,277	51,581	50,079
Interest on TOL	26,115	16,014	17,711	22,176	31,758	32,304	32,856
Assumption changes	4,274	(64,859)	20,915	23,766	(30,646)		
Plan changes	(2,640)				(6,281)		
Differences between expected and actual experience	(68,580)		40,593		(190,735)		
Benefit payments	(42,300)	(84,078)	(110,605)	(43,810)	(99,947)	(83,469)	(117,591)
Net change in TOL	(46,431)	(90,049)	22,299	51,472	(252,574)	416	(34,656)
Total OPEB liability - beginning	<u>671,483</u>	<u>761,532</u>	<u>739,233</u>	<u>687,761</u>	<u>940,335</u>	<u>939,919</u>	<u>974,575</u>
Total OPEB liability - ending	<u><u>625,052</u></u>	<u><u>671,483</u></u>	<u><u>761,532</u></u>	<u><u>739,233</u></u>	<u><u>687,761</u></u>	<u><u>940,335</u></u>	<u><u>939,919</u></u>

\* Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

NOTES TO SCHEDULE:

No plan assets are accumulated in a trust meeting all of the following criteria of GASBS 75, paragraph 4:

- (1) Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- (2) Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- (3) Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF THE TOTAL OPEB LIABILITY AND RELATED RATIOS (LAST 10 YEARS)  
 OTHER POST EMPLOYMENT BENEFITS (OPEB)

Fiscal Year Ended	Total OPEB Liability	Covered Employee Payroll	Total OPEB Liability as a Percentage of its Covered Employee Payroll
June 30, 2018	\$939,919	\$3,921,213	23.97%
June 30, 2019	\$940,335	\$4,038,849	23.28%
June 30, 2020	\$687,761	\$4,286,505	16.04%
June 30, 2021	\$739,233	\$4,415,100	16.74%
June 30, 2022	\$761,532	\$4,709,971	16.17%
June 30, 2023	\$671,483	\$4,851,270	13.84%
June 30, 2024	\$625,052	\$5,191,612	12.04%

\* Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**NOTES TO SCHEDULE:**

*Plan Assets*

No assets are accumulated in a trust that meets all of the following criteria of GASBS 75, paragraph 4:

- (1) Contributions from the employer and any nonemployer contributing entities, and earnings thereon, must be irrevocable.
- (2) Plan assets must be dedicated to providing OPEB to Plan members in accordance with the benefit terms.
- (3) Plan assets must be legally protected from the creditors of the employer, nonemployer contributing entities, the Plan administrator, and Plan members.

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER'S CONTRIBUTIONS**  
**PUBLIC EMPLOYEES GENERAL EMPLOYEES RETIREMENT FUND (PERA)\***

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered- Employee Payroll (d)	Contributions as a Percentage of Covered- Employee Payroll (b/d)
June 30, 2015	\$77,232	\$77,232	\$0	\$1,047,546	7.37%
June 30, 2016	\$82,741	\$82,741	\$0	\$1,103,211	7.50%
June 30, 2017	\$89,580	\$89,580	\$0	\$1,194,400	7.50%
June 30, 2018	\$102,058	\$102,058	\$0	\$1,360,635	7.50%
June 30, 2019	\$101,680	\$101,680	\$0	\$1,355,716	7.50%
June 30, 2020	\$116,151	\$116,151	\$0	\$1,549,487	7.50%
June 30, 2021	\$120,761	\$120,761	\$0	\$1,610,752	7.50%
June 30, 2022	\$129,862	\$129,862	\$0	\$1,731,493	7.50%
June 30, 2023	\$134,180	\$134,180	\$0	\$1,789,062	7.50%
June 30, 2024	\$150,744	\$150,744	\$0	\$2,009,920	7.50%

\* Option to provide RSI for ten years at transition or to provide RSI prospectively.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY  
 PUBLIC EMPLOYEES GENERAL EMPLOYEES RETIREMENT FUND (PERA)\*

Fiscal Year Ending	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	Employer's Covered- Employee Payroll (b)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Employee Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2014	0.0189%	\$887,827	\$992,648	89.44%	78.75%
June 30, 2015	0.0176%	\$912,123	\$1,047,546	87.07%	78.19%
June 30, 2016	0.0178%	\$1,445,272	\$1,103,211	131.01%	68.19%
June 30, 2017	0.0185%	\$1,181,028	\$1,194,400	98.88%	75.90%
June 30, 2018	0.0202%	\$1,120,613	\$1,360,635	82.36%	79.53%
June 30, 2019	0.0192%	\$1,061,525	\$1,355,716	78.30%	80.23%
June 30, 2020	0.0217%	\$1,301,014	\$1,549,487	83.96%	79.06%
June 30, 2021	0.0224%	\$956,580	\$1,610,752	59.39%	87.00%
June 30, 2022	0.0232%	\$1,837,448	\$1,741,565	105.51%	76.67%
June 30, 2023	0.0223%	\$1,246,991	\$1,769,541	70.47%	83.10%

\* Schedule is to be provided prospectively beginning with the employer's fiscal year ended June 30, 2014, the Measurement Date.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER'S CONTRIBUTIONS  
 TEACHERS RETIREMENT ASSOCIATION (TRA)\*

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered- Employee Payroll (d)	Contributions as a Percentage of Covered- Employee Payroll (b/d)
June 30, 2015	\$187,965	\$187,965	\$0	\$2,506,192	7.50%
June 30, 2016	\$198,514	\$198,514	\$0	\$2,647,120	7.50%
June 30, 2017	\$216,376	\$216,376	\$0	\$2,885,013	7.50%
June 30, 2018	\$226,266	\$226,266	\$0	\$3,016,880	7.50%
June 30, 2019	\$236,284	\$236,284	\$0	\$3,064,643	7.71%
June 30, 2020	\$248,993	\$248,993	\$0	\$3,143,636	7.92%
June 30, 2021	\$276,010	\$276,010	\$0	\$3,395,007	8.13%
June 30, 2022	\$293,128	\$293,128	\$0	\$3,514,724	8.34%
June 30, 2023	\$302,897	\$302,897	\$0	\$3,542,923	8.55%
June 30, 2024	\$328,143	\$328,143	\$0	\$3,754,786	8.73%

\*Option to provide RSI for ten years at transition or to provide RSI prospectively.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER'S NET PENSION LIABILITY  
 TEACHERS RETIREMENT ASSOCIATION (TRA)\*

Fiscal Year Ending	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability (Asset) Associated with Employer (b)	Total Proportionate Share of Net Pension Liability (a+b) (1)	Employer's Covered- Employee Payroll (2)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered- Employee Payroll (1/2)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2014	0.0530%	\$2,442,202	\$171,719	\$2,613,921	\$2,423,223	100.78%	81.50%
June 30, 2015	0.0494%	\$3,055,879	\$375,107	\$3,430,986	\$2,506,192	121.93%	76.80%
June 30, 2016	0.0509%	\$12,140,864	\$1,218,429	\$13,359,293	\$2,647,120	458.64%	44.88%
June 30, 2017	0.0536%	\$10,699,532	\$1,034,618	\$11,734,150	\$2,885,009	370.87%	51.57%
June 30, 2018	0.0546%	\$3,429,391	\$322,041	\$3,751,432	\$3,016,880	113.67%	78.07%
June 30, 2019	0.0540%	\$3,441,971	\$304,714	\$3,746,685	\$3,064,643	112.31%	78.21%
June 30, 2020	0.0541%	\$3,996,981	\$334,766	\$4,331,747	\$3,143,636	127.15%	75.48%
June 30, 2021	0.0567%	\$2,481,362	\$209,336	\$2,690,698	\$3,394,957	73.09%	86.63%
June 30, 2022	0.0569%	\$4,556,251	\$46,445	\$4,602,696	\$3,514,736	129.63%	76.17%
June 30, 2023	0.0557%	\$4,578,717	\$45,348	\$4,624,065	\$3,754,786	121.94%	76.42%

\*Schedule is to be provided prospectively beginning with the employer's fiscal year ended June 30, 2014, the Measurement Date.

**OTHER SUPPLEMENTAL INFORMATION**

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL -  
YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024		2023
	Final Budget	Actual	Actual
<b>REVENUES</b>			
<b>LOCAL AND COUNTY REVENUES</b>			
Local levies	834,264	885,730	767,774
County apportionment		9,020	28,226
Revenue from other MN districts	51,783	31,530	28,555
Fees from patrons	37,500	56,049	33,230
Admissions	66,700	180,594	168,769
Interest	3,000	25,546	36,769
Rent facilities	6,500	4,432	7,067
Gifts and bequests	10,000	93,144	137,294
Miscellaneous local revenue	2,000	11,645	16,952
	<u>1,011,747</u>	<u>1,297,690</u>	<u>1,224,636</u>
<b>STATE REVENUES</b>			
Endowment aid	25,110	33,064	26,632
General ed aid	5,626,180	5,598,113	5,147,007
Market value credit		4,613	4,292
Disparity reduction		7,940	6,700
Special education aid	1,035,598	1,142,463	1,139,419
School safety grant		35,000	335,569
Other state aids	203,800	317,516	136,756
	<u>6,890,688</u>	<u>7,138,709</u>	<u>6,796,375</u>
<b>FEDERAL REVENUES</b>			
Teacher & principal training & recruitment	11,398	11,143	11,515
Title I, Part A	62,161	61,576	71,918
Special education - general & preschool	92,000	120,685	98,322
IEIC funds		1,200	2,500
Drug abuse prevention	19,600	3,459	20,440
Small, rural education achievement program	38,127	50,308	46,522
ESSER and GEER funds		79,406	375,027
	<u>223,286</u>	<u>327,777</u>	<u>626,244</u>
<b>Total federal revenues</b>	<u>223,286</u>	<u>327,777</u>	<u>626,244</u>

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**- BUDGET AND ACTUAL -**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	<u>2024</u>		<u>2023</u>
	Final Budget	Actual	Actual
<b>REVENUES (CONTINUED)</b>			
<b>LOCAL SALES</b>			
Sales of materials	2,500	1,000	2,375
Total sales and insurance recoveries	2,500	1,000	2,375
Total revenues	<u>8,128,221</u>	<u>8,765,176</u>	<u>8,649,630</u>
<b>EXPENDITURES</b>			
<b>DISTRICT AND SCHOOL ADMINISTRATION</b>			
Salaries	385,931	373,005	319,930
Employee benefits	129,071	116,030	96,747
Purchased services	13,750	11,775	51,975
Supplies/materials	3,400	2,635	2,176
Capital expenditures	500		
Other expenditures	9,390	10,058	8,313
Total district and school administration	<u>542,042</u>	<u>513,503</u>	<u>479,141</u>
<b>DISTRICT SUPPORT SERVICES</b>			
Salaries	212,975	166,418	166,789
Employee benefits	95,271	90,564	94,032
Purchased services	59,505	42,408	46,460
Supplies/materials	21,162	21,559	23,895
Capital expenditures	12,470	16,690	15,153
Other expenditures	4,200	7,638	3,617
Total district support services	<u>405,583</u>	<u>345,277</u>	<u>349,946</u>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL -  
YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024		2023
	Final Budget	Actual	Actual
<b>EXPENDITURES (CONTINUED)</b>			
<b>REGULAR INSTRUCTION</b>			
Salaries	2,373,200	2,598,659	2,330,629
Employee benefits	725,067	794,835	701,863
Purchased services	218,824	292,543	242,950
Supplies/materials	153,782	214,152	252,309
Capital expenditures	128,112	157,642	252,690
Other expenditures	8,000	11,187	9,318
Total regular instruction	<u>3,606,985</u>	<u>4,069,018</u>	<u>3,789,759</u>
<b>VOCATIONAL INSTRUCTION</b>			
Salaries	157,097	156,146	154,633
Employee benefits	46,527	45,893	45,020
Purchased services			2,434
Supplies/materials	18,048	13,840	19,812
Total vocational instruction	<u>221,672</u>	<u>215,879</u>	<u>221,899</u>
<b>SPECIAL EDUCATION INSTRUCTION</b>			
Salaries	1,166,595	981,558	1,051,798
Employee benefits	324,121	316,267	309,323
Purchased services	172,015	158,088	146,749
Supplies/materials	5,500	7,205	5,992
Capital expenditures	900		
Total special education instruction	<u>1,669,131</u>	<u>1,463,118</u>	<u>1,513,862</u>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL -  
YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024		2023
	Final Budget	Actual	Actual
<b>EXPENDITURES (CONTINUED)</b>			
<b>INSTRUCTIONAL SUPPORT SERVICES</b>			
Salaries	40,871	92,327	161,673
Employee benefits	17,256	24,737	46,764
Purchased services	32,000	49,316	40,900
Supplies/materials	3,850	4,329	5,368
<b>Total instructional support services</b>	<b>93,977</b>	<b>170,709</b>	<b>254,705</b>
<b>PUPIL SUPPORT SERVICES</b>			
Salaries	370,839	441,568	443,584
Employee benefits	59,021	80,635	77,002
Purchased services	67,671	145,488	179,048
Supplies/materials	128,200	170,485	198,788
Capital expenditures	33,791	93,791	503,594
<b>Total pupil support services</b>	<b>659,522</b>	<b>931,967</b>	<b>1,402,016</b>
<b>SITE, BUILDINGS AND EQUIPMENT</b>			
Salaries	250,905	266,881	262,312
Employee benefits	68,012	84,672	90,555
Purchased services	258,738	487,844	489,761
Supplies/materials	32,000	58,212	159,430
Capital expenditures	242,008	103,249	239,565
Other expenditures		7,909	
<b>Total site, buildings and equipment</b>	<b>851,663</b>	<b>1,008,767</b>	<b>1,241,623</b>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL -  
YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024		2023
	Final Budget	Actual	Actual
<b>EXPENDITURES (CONTINUED)</b>			
<b>FISCAL AND OTHER FIXED COST PROGRAMS</b>			
Employee benefits	51,176		
Purchased services	72,209	72,664	59,835
Lease principal	47,255	86,611	104,485
Interest expense	4,422	12,796	8,712
Other expenditures		250	
	<u>175,062</u>	<u>172,321</u>	<u>173,032</u>
<b>Total fiscal and other fixed cost programs</b>			
	<u>175,062</u>	<u>172,321</u>	<u>173,032</u>
<b>Total expenditures</b>	<u>8,225,637</u>	<u>8,890,559</u>	<u>9,425,983</u>
<b>REVENUES UNDER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	(97,416)	(125,383)	(776,353)
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from equipment loan/lease			298,885
Insurance recoveries		29,457	8,887
Transfers from/(to) other funds	(15,000)	114,892	(36,286)
	<u>(15,000)</u>	<u>144,349</u>	<u>271,486</u>
<b>Total other financing sources</b>			
	<u>(15,000)</u>	<u>144,349</u>	<u>271,486</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	(112,416)	18,966	(504,867)
<b>FUND BALANCE, beginning of year</b>	<u>1,030,547</u>	<u>1,030,547</u>	<u>1,535,414</u>
<b>FUND BALANCE, end of year</b>	<u>918,131</u>	<u>1,049,513</u>	<u>1,030,547</u>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
GENERAL FUND  
SCHEDULE OF CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2024

	Fund Balance July 1	Add: Revenues & Other financing sources	Deduct: Expenditures	Fund Balance June 30
Non-spendable		73,240		73,240
Restricted for operating capital	246,506	213,119	300,297	159,328
Restricted for safe schools	4,875	22,523	25,434	1,964
Restricted for long-term facilities maintenance	112,878	220,404	275,215	58,067
Restricted for student activities	67,867	64,935	64,712	68,090
Restricted for scholarships	4,343			4,343
Restricted for operetta's	7,383	6,464	13,258	589
Restricted for backpacks for jacks	7,767	1,192	6,721	2,238
Restricted for Athletic Department	10,599	5,452	3,696	12,355
Restricted for basic skills		410,218	398,091	12,127
Restricted for school library aid		40,000	30,301	9,699
Restricted for student support personnel		40,000	14,474	25,526
<b>Total restricted</b>	<b>462,218</b>	<b>1,024,307</b>	<b>1,132,199</b>	<b>354,326</b>
Unassigned	568,329	7,811,978	7,758,360	621,947
<b>Total unassigned</b>	<b>568,329</b>	<b>7,811,978</b>	<b>7,758,360</b>	<b>621,947</b>
<b>Total</b>	<b>1,030,547</b>	<b>8,909,525</b>	<b>8,890,559</b>	<b>1,049,513</b>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 FOOD SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 - BUDGET AND ACTUAL -  
 YEAR ENDED JUNE 30, 2024  
 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024		2023
	Final Budget	Actual	Actual
<b>REVENUES</b>			
<b>LOCAL REVENUES</b>			
Gifts and bequests		15,650	
Interest		4,661	3,648
		<u>20,311</u>	<u>3,648</u>
Total local revenues			
		<u>20,311</u>	<u>3,648</u>
<b>STATE REVENUES</b>			
School lunch aid	21,788	146,510	11,788
Breakfast program	16,587	59,208	16,587
Other aids and grants	777	812	778
		<u>22,172</u>	<u>29,153</u>
Total state revenues	<u>39,152</u>	<u>206,530</u>	<u>29,153</u>
<b>FEDERAL REVENUES</b>			
Lunch program aid	152,056	31,533	52,301
Free and reduced lunch program		114,623	99,755
Breakfast program	60,528	65,826	60,528
Summer food service program		44,301	59,789
Supply chain assistance		18,368	24,656
Commodity distribution	22,468	34,894	27,874
Other aids and grants		5,530	628
		<u>275,275</u>	<u>325,531</u>
Total federal revenues	<u>235,052</u>	<u>315,075</u>	<u>325,531</u>
<b>SALES AND OTHER REVENUES</b>			
Sales to pupils	130,238	34,479	95,895
Sales to adults	9,576	330	9,576
Other food sales	15,141		26,899
		<u>154,955</u>	<u>132,370</u>
Total sales and other revenues	<u>154,955</u>	<u>34,809</u>	<u>132,370</u>
<b>Total revenues</b>	<u>429,159</u>	<u>576,725</u>	<u>490,702</u>

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA**  
**FOOD SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**- BUDGET AND ACTUAL -**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	<u>2024</u>		<u>2023</u>
	Final Budget	Actual	Actual
<b>EXPENDITURES</b>			
<b>PUPIL SUPPORT SERVICES</b>			
Salaries	138,117	170,466	106,361
Employee benefits	28,425	42,542	23,797
Purchased services	15,319	17,591	14,197
Supplies/materials	246,848	334,175	283,617
Capital expenditures		15,776	2,503
Other expenditures	450		
	<u>429,159</u>	<u>580,550</u>	<u>430,475</u>
<b>Total pupil support services</b>	<u>429,159</u>	<u>580,550</u>	<u>430,475</u>
<b>Total expenditures</b>	<u>429,159</u>	<u>580,550</u>	<u>430,475</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>		(3,825)	60,227
<b>FUND BALANCE, beginning of year</b>	<u>149,869</u>	<u>149,869</u>	<u>89,642</u>
<b>FUND BALANCE, end of year</b>	<u><u>149,869</u></u>	<u><u>146,044</u></u>	<u><u>149,869</u></u>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
COMMUNITY SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL -  
YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	<u>2024</u>		<u>2023</u>
	Final Budget	Actual	Actual
<b>REVENUES</b>			
<b>LOCAL AND COUNTY REVENUES</b>			
Local levies	87,103	84,285	69,870
Tuition from patrons	745,724	631,220	571,983
Fees from patrons	28,200	29,230	25,656
Interest	25	925	
Miscellaneous local revenue	115,143	98,757	92,726
	<u>976,195</u>	<u>844,417</u>	<u>760,235</u>
Total local and county revenues			
<b>STATE REVENUES</b>			
Disparity reduction aid	32	2,049	1,645
Market value credit		1,191	1,054
Other aids and grants	24,383	33,178	42,716
	<u>24,415</u>	<u>36,418</u>	<u>45,415</u>
Total state revenues			
Total revenues	<u>1,000,610</u>	<u>880,835</u>	<u>805,650</u>
<b>EXPENDITURES</b>			
<b>COMMUNITY EDUCATION AND SERVICES</b>			
Salaries	749,083	648,100	558,553
Employee benefits	147,272	142,863	117,549
Purchased services	28,455	39,226	19,993
Supplies/materials	25,650	54,760	44,353
Capital expenditures	8,000	1,083	10,065
Other expenditures	200	209	164
	<u>958,660</u>	<u>886,241</u>	<u>750,677</u>
Total community education and services			
Total expenditures	<u>958,660</u>	<u>886,241</u>	<u>750,677</u>

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA**  
**COMMUNITY SERVICE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**- BUDGET AND ACTUAL -**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	<u>2024</u>		<u>2023</u>
	Final Budget	Actual	Actual
REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES	41,950	(5,406)	54,973
OTHER FINANCING SOURCES			
Transfer from other fund	<u>15,000</u>	<u>48,343</u>	<u>36,286</u>
Total other financing sources	<u>15,000</u>	<u>48,343</u>	<u>36,286</u>
REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	56,950	42,937	91,259
FUND BALANCE (DEFICIT), beginning of year	<u>(51,499)</u>	<u>(51,499)</u>	<u>(142,758)</u>
FUND BALANCE (DEFICIT), end of year	<u><u>5,451</u></u>	<u><u>(8,562)</u></u>	<u><u>(51,499)</u></u>

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA**  
**COMMUNITY SERVICE FUND**  
**SCHEDULE OF CHANGES IN FUND BALANCE**  
**YEAR ENDED JUNE 30, 2024**

	<u>Restricted for Community Education</u>	<u>Restricted for ECFE</u>	<u>Restricted for School Readiness</u>	<u>Restricted for Community Service</u>	<u>Non-Spendable</u>	<u>Total</u>
FUND BALANCE (DEFICIT) - JULY 1	77,161	105,432	(337,271)	103,179		(51,499)
Add: revenues and other financing sources	719,241	28,958	176,196	1,527	3,256	929,178
Deduct: expenditures	<u>632,309</u>	<u>22,038</u>	<u>230,147</u>	<u>1,747</u>		<u>886,241</u>
FUND BALANCE (DEFICIT) - JUNE 30	<u><u>164,093</u></u>	<u><u>112,352</u></u>	<u><u>(391,222)</u></u>	<u><u>102,959</u></u>	<u><u>3,256</u></u>	<u><u>(8,562)</u></u>

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA**  
**BUILDING CONSTRUCTION FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**- BUDGET AND ACTUAL -**  
**YEAR ENDED JUNE 30, 2024**  
**(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)**

	<u>2024</u>		<u>2023</u>
	Final Budget	Actual	Actual
<b>REVENUES</b>			
<b>LOCAL REVENUES</b>			
Interest		170,250	26,922
<b>Total local revenues</b>		<u>170,250</u>	<u>26,922</u>
<b>Total revenues</b>		<u>170,250</u>	<u>26,922</u>
<b>EXPENDITURES</b>			
<b>SITE, BUILDINGS AND EQUIPMENT</b>			
Capital expenditures		1,399,001	2,269,010
Purchased services		61,029	
<b>Total expenditures</b>		<u>1,460,030</u>	<u>2,269,010</u>
<b>REVENUES UNDER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>		(1,289,780)	(2,242,088)
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from equipment loan/lease		4,896,292	
Transfers to other funds		(163,235)	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<u>4,733,057</u>	
<b>REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>		<u>3,443,277</u>	
<b>FUND BALANCE, beginning of year</b>	<u>163,235</u>	<u>163,235</u>	<u>2,405,323</u>
<b>FUND BALANCE, end of year</b>	<u><u>163,235</u></u>	<u><u>3,606,512</u></u>	<u><u>163,235</u></u>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
DEBT REDEMPTION FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL -  
YEAR ENDED JUNE 30, 2024  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2023)

	2024		2023
	Final Budget	Actual	Actual
<b>REVENUES</b>			
<b>LOCAL REVENUES</b>			
Local property tax levies	1,714,140	718,244	844,748
Donations		21,050	47,075
Interest		31,210	21,617
Total local revenues	<u>1,714,140</u>	<u>770,504</u>	<u>913,440</u>
<b>STATE REVENUES</b>			
Disparity reduction		40,325	41,969
Market value credit		23,428	26,888
Long term facilities maintenance aid	46,978		46,113
School building bond ag credit		929,658	830,714
Total state revenues	<u>46,978</u>	<u>993,411</u>	<u>945,684</u>
Total revenues	<u>1,761,118</u>	<u>1,763,915</u>	<u>1,859,124</u>
<b>EXPENDITURES</b>			
<b>DEBT SERVICE</b>			
Principal	865,000	896,127	962,890
Interest and fiscal charges	764,886	771,716	814,088
Total expenditures	<u>1,629,886</u>	<u>1,667,843</u>	<u>1,776,978</u>
<b>REVENUES OVER EXPENDITURES</b>	131,232	96,072	82,146
<b>FUND BALANCE, beginning of year</b>	<u>205,165</u>	<u>205,165</u>	<u>123,019</u>
<b>FUND BALANCE, end of year</b>	<u><u>336,397</u></u>	<u><u>301,237</u></u>	<u><u>205,165</u></u>

**SCHEDULES AND STATISTICAL DATA**

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA

SCHEDULE 1 - COMBINED SCHEDULE OF INDEBTEDNESS

JUNE 30, 2024

General Obligation Bond	Interest Rate	Authorized	Issued	Retired	Outstanding	Principal Due in Fiscal Year 2024-25	Interest Due in Fiscal Year 2024-25
<b>General Obligation Crossover</b>							
Refunding Bonds, Series 2015A	2.00/2.55%	1,160,000	1,160,000	540,000	620,000	120,000	14,292
<b>General Obligation School</b>							
Building Bonds, Series 2019A	3.00/5.00%	21,675,000	21,675,000	2,635,000	19,040,000	785,000	710,794
<b>General Obligation Facilities</b>							
Maintenance Bonds, Series 2023A	4.00/5.00%	4,685,000	4,685,000		4,685,000	205,000	295,032
<b>Other</b>							
<b>Direct Placement Notes -</b>							
Capital Equipment Note - 2022	4.00%	70,040	70,040	28,158	41,882	13,989	1,746
Capital Equipment Note - 2023	4.00%	70,040	70,040	28,859	41,181	14,015	1,744
2021 Bus Financed Purchase	2.80%	86,437	86,437	39,745	46,692	46,692	1,308
2023 Bus Financed Purchase	5.00%	146,255	146,255	37,237	109,018	34,565	3,760
Scoreboard Financed Purchase	4.00%	82,590	82,590	33,074	49,516	15,798	2,185
<b>Total</b>		<b>27,975,362</b>	<b>27,975,362</b>	<b>3,342,073</b>	<b>24,633,289</b>	<b>1,235,059</b>	<b>1,030,861</b>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 SCHEDULE 2  
 JUNE 30, 2024

GENERAL OBLIGATION CROSSOVER REFUNDING BONDS, SERIES 2015A

Year	Interest Rate	Bond Principal	Bond Interest	Total Principal and Interest
2024-25	2.00%	120,000	14,292	134,292
2025-26	2.00%	120,000	11,892	131,892
2026-27	2.00%	125,000	9,252	134,252
2027-28	2.55%	125,000	6,502	131,502
2028-29	2.55%	130,000	3,316	133,316
		620,000	45,254	665,254
		620,000	45,254	665,254

GENERAL OBLIGATION SCHOOL BUILDING BONDS, SERIES 2019A

Year	Interest Rate	Bond Principal	Bond Interest	Total Principal and Interest
2024-25	3.00%	785,000	710,794	1,495,794
2025-26	5.00%	810,000	687,244	1,497,244
2026-27	5.00%	850,000	646,744	1,496,744
2027-28	5.00%	895,000	604,244	1,499,244
2028-29	4.00%	940,000	559,494	1,499,494
2029-30	4.00%	1,110,000	521,894	1,631,894
2030-31	4.00%	1,155,000	477,494	1,632,494
2031-32	4.00%	1,200,000	431,294	1,631,294
2032-33	4.00%	1,250,000	383,294	1,633,294
2033-34	3.00%	1,300,000	333,294	1,633,294
2034-35	3.00%	1,335,000	294,294	1,629,294
2035-36	4.00%	1,375,000	254,244	1,629,244
2036-37	4.00%	1,430,000	199,244	1,629,244
2037-38	3.00%	1,490,000	142,044	1,632,044
2038-39	3.125%	1,535,000	97,344	1,632,344
2039-40	3.125%	1,580,000	49,371	1,629,371
		19,040,000	6,392,331	25,432,331
		19,040,000	6,392,331	25,432,331

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 SCHEDULE 2  
 JUNE 30, 2024

GENERAL OBLIGATION FACILITIES MAINTENANCE BONDS, SERIES 2020A

Year	Interest Rate	Bond Principal	Bond Interest	Total Principal and Interest
2024-25	5.00%	205,000	295,032	500,032
2025-26	5.00%	300,000	197,600	497,600
2026-27	5.00%	320,000	182,600	502,600
2027-28	5.00%	335,000	166,600	501,600
2028-29	5.00%	350,000	149,850	499,850
2029-30	5.00%	265,000	132,350	397,350
2030-31	5.00%	270,000	119,100	389,100
2031-32	4.00%	285,000	105,600	390,600
2032-33	4.00%	300,000	94,200	394,200
2033-34	4.00%	310,000	82,200	392,200
2034-35	4.00%	325,000	69,800	394,800
2035-36	4.00%	335,000	56,800	391,800
2036-37	4.00%	350,000	43,400	393,400
2037-38	4.00%	365,000	29,400	394,400
2038-39	4.00%	370,000	14,800	384,800
		4,685,000	1,739,332	6,424,332

FINANCED PURCHASE AGREEMENT - 2021 SCHOOL BUS

Year	Interest Rate	Principal	Interest	Total Principal and Interest
2024-25	2.80%	46,692	1,308	48,000
		46,692	1,308	48,000

FINANCED PURCHASE AGREEMENT - 2023 SCHOOL BUSES

Year	Interest Rate	Principal	Interest	Total Principal and Interest
2024-25	5.00%	34,565	3,760	38,325
2025-26	5.00%	36,310	1,925	38,235
2026-27	5.00%	38,143	-	38,143
		109,018	5,685	114,703

FINANCED PURCHASE AGREEMENT - SCOREBOARD

Year	Interest Rate	Principal	Interest	Total Principal and Interest
2024-25	4.00%	15,798	2,185	17,983
2025-26	4.00%	16,495	1,488	17,983
2026-27	4.00%	17,223	760	17,983
		49,516	4,433	53,949

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
 SCHEDULE 2  
 JUNE 30, 2024

CAPITAL EQUIPMENT NOTE - SCOREBOARD

Year	Interest Rate	Principal	Interest	Total Principal and Interest
2024-25	4.00%	13,989	1,746	15,735
2025-26	4.00%	14,548	1,187	15,735
2026-27	4.00%	13,343	606	13,949
		<u>41,880</u>	<u>3,539</u>	<u>45,419</u>

CAPITAL EQUIPMENT NOTE - SCOREBOARD

Year	Interest Rate	Principal	Interest	Total Principal and Interest
2024-25	4.00%	14,015	1,744	15,759
2025-26	4.00%	14,575	1,184	15,759
2026-27	4.00%	12,591	601	13,192
		<u>41,181</u>	<u>3,529</u>	<u>44,710</u>

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
SCHEDULE 3 - DUE FROM STATE AND FEDERAL AGENCIES  
JUNE 30, 2024

	<u>General</u>	<u>Community Service</u>	<u>Debt Service</u>	<u>Total</u>
<b>DUE FROM DEPT OF EDUCATION</b>				
General education aid	671,270			671,270
Homestead market credit	461		2,343	2,804
Agriculture land market value credit	115	119	145	379
Disparity reduction aid	794	7	4,032	4,833
Long term facilities maintenance	9,913	205		10,118
School building bond ag credit			91,949	91,949
Special education	142,256			142,256
Integration aid	3,710			3,710
Literacy incentive	2,849			2,849
Abatement aid	4			4
Great starts grant		5,045		5,045
School library aid	4,000			4,000
Student support personnel	4,000			4,000
Student support coop	4,000			4,000
Hourly worker unemployment	3,216			3,216
School readiness		2,152		2,152
Preschool screening		171		171
Home visiting		13		13
ECFE		804		804
Total due from Minnesota Department of Education	<u>846,588</u>	<u>8,516</u>	<u>98,469</u>	<u>953,573</u>
<b>DUE FROM FEDERAL GOVERNMENT</b>				
Federal SPED - 419	112,094			112,094
Federal SPED - 420	3,379			3,379
Federal SPED - 422	1,200			1,200
Title I - 401	61,576			61,576
Title II - Part A - 414	11,143			11,143
Title I - 433	3,459			3,459
ESSER - 150	21,000			21,000
Total due from Federal Government	<u>213,851</u>			<u>213,851</u>

**INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
SCHEDULE 4 - TAXABLE VALUATIONS, TAX LEVIES AND TAX RATES, TAX CAPACITY  
AND TAX CAPACITY RATES AS APPROPRIATE**

YEAR COLLECTIBLE	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>TOTAL TAXABLE TAX CAPACITY</b>						
Lac Qui Parle County	7,008,105	6,915,090	6,952,836	7,101,501	7,950,970	9,592,559
Yellow Medicine County	<u>574,549</u>	<u>570,880</u>	<u>571,340</u>	<u>580,889</u>	<u>657,244</u>	<u>1,007,733</u>
	<u><u>7,582,654</u></u>	<u><u>7,485,970</u></u>	<u><u>7,524,176</u></u>	<u><u>7,682,390</u></u>	<u><u>8,608,214</u></u>	<u><u>10,600,292</u></u>
<b>TAX LEVIES</b>						
Levied in Year	2019	2020	2021	2022	2023	2024
Collected in Year	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Maintenance	516,687	651,206	601,327	699,071	834,264	897,540
Community Service	88,869	87,586	81,637	69,756	87,103	86,227
Debt Redemption	<u>483,697</u>	<u>1,798,504</u>	<u>1,783,079</u>	<u>1,782,775</u>	<u>1,714,140</u>	<u>2,128,674</u>
Total	<u><u>1,089,253</u></u>	<u><u>2,537,296</u></u>	<u><u>2,466,043</u></u>	<u><u>2,551,602</u></u>	<u><u>2,635,507</u></u>	<u><u>3,112,441</u></u>
<b>TAX CAPACITY RATE</b>						
Maintenance	6.814	8.699	7.992	9.100	9.691	8.467
Community Service	1.172	1.170	1.085	0.908	1.012	0.813
Debt Redemption	<u>6.379</u>	<u>24.025</u>	<u>23.698</u>	<u>23.206</u>	<u>19.913</u>	<u>20.081</u>
Total	<u><u>14.365</u></u>	<u><u>33.894</u></u>	<u><u>32.775</u></u>	<u><u>33.214</u></u>	<u><u>30.616</u></u>	<u><u>29.361</u></u>

**ADDITIONAL REPORT REQUIRED BY GENERALLY  
ACCEPTED GOVERNMENT AUDITING STANDARDS**



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

To the Board of Education  
Independent School District No. 378  
Dawson, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 378, Dawson, Minnesota, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Independent School District No. 378, Dawson, Minnesota's basic financial statements and have issued our report thereon dated December 19, 2024.

#### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Independent School District No. 378, Dawson, Minnesota's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Independent School District No. 378, Dawson, Minnesota's internal control. Accordingly, we do not express an opinion on the effectiveness of Independent School District No. 378, Dawson, Minnesota's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as 2024-001, that we consider to be a significant deficiency.

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Independent School District No. 378, Dawson, Minnesota's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Independent School District No. 378, Dawson, Minnesota's Response to Findings

*Government Auditing Standards* requires the auditor to perform limited procedures on Independent School District No. 378, Dawson, Minnesota's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. Independent School District No. 378, Dawson, Minnesota's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Montevideo, Minnesota  
December 19, 2024

*Dana F. Cook - Company, LLP*

**OTHER REQUIRED REPORT  
AND SCHEDULES**

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2024

2024-001: Significant Deficiency in Financial Reporting Process

**Criteria:** District management should possess the ability to prepare financial statements prepared in accordance with generally accepted accounting principles. This would include the ability to properly record and classify transactions in the general ledger, measure and record accrual basis adjustments to the accounts, and prepare the financial statements and related disclosures without the assistance from the auditors.

**Condition:** District management relies on audit staff to prepare financial statements and disclosures required by generally accepted accounting principles. In addition, the auditors proposed adjustments that result in significant changes to the District's financial statements.

**Cause:** District management reviews all financial statements to ensure that they are appropriately stated but do not have a background in financial reporting to ensure that all relevant disclosures are made.

**Effect:** The design of the controls over financial reporting process would affect the ability of the District to report their financial data consistently with the assertions of management in the financial statements.

**Recommendation:** We recommend that District management be aware of the responsibilities regarding financial reporting. If management chooses to undertake these financial reporting responsibilities, a number of policies, procedures, and reviews will need to be developed and implemented.

**CORRECTIVE ACTION PLAN (CAP)**

- a. **Explanation of Disagreement with Audit Finding:** There is no disagreement with the audit finding.
- b. **Action Planned in Response to Finding:** The District will determine whether it is economically feasible to outsource the final review of the financial statements to verify that they are appropriately prepared.
- c. **Official Responsible for Insuring CAP:** The Superintendent is responsible for insuring corrective action of this deficiency.
- d. **Planned Completion Date for CAP:** Continuous review is necessary
- e. **Plan to Monitor Completion of CAP:** The school board will be monitoring this corrective action plan.

INDEPENDENT SCHOOL DISTRICT NO. 378 - DAWSON, MINNESOTA  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2024

2023-001: Significant deficiency in Financial Statements Reporting

**Condition:** The District relied on audit staff to prepare financial statements and disclosures required by general accepted accounting principles. In addition, the auditors proposed adjustments that resulted in significant changes to the District's financial statements.

**Recommendation:** The auditors recommended that the District's management be aware of the responsibilities regarding financial reporting. Management has decided not to undertake the financial reporting responsibilities, related to financial statement preparation.

**Current Status:** This is a significant deficiency finding in the fiscal year 2023 audit.

2023-002: Noncompliance – Collateral of Public Funds

**Conditions:** The District's funds in one financial institution were not adequately collateralized at year end, due to the financial institution not obtaining additional collateral.

**Recommendation:** The auditors recommended that the District use a financial institution that will obtain additional collateral, or monitor the District's funds to keep them under the FDIC limits.

**Current Status:** This is not a noncompliance in the fiscal year 2024 audit.



**DANA F. COLE  
& COMPANY LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

To the Board of Education  
Independent School District No. 378  
Dawson, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 378, Dawson, Minnesota as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 19, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that Independent School District No. 378, Dawson, Minnesota failed to comply with the provisions of the contracting-bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards for Minnesota school districts (UFARS) sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

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

Montevideo, Minnesota  
December 19, 2024

*Dana F. Cole & Company, LLP*



Fiscal Compliance Report - 6/30/2024

Help Logoff

District: DAWSON (378-1) Back Print

	Audit	UFARS	Audit - UFARS
<b>01 GENERAL FUND</b>			
Total Revenue	\$8,765,180	<u>\$8,765,180</u>	\$0
Total Expenditures	\$8,890,562	<u>\$8,890,562</u>	\$0
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$73,240	<u>\$73,240</u>	\$0
<i>Restricted / Reserved:</i>			
4.01 Student Activities	\$68,090	<u>\$68,090</u>	\$0
4.02 Scholarships	\$4,343	<u>\$4,343</u>	\$0
4.03 Staff Development	\$0	<u>\$0</u>	\$0
4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0
4.08 Cooperative Revenue	\$0	<u>\$0</u>	\$0
4.12 Literacy Incentive Aid	\$0	<u>\$0</u>	\$0
4.14 Operating Debt	\$0	<u>\$0</u>	\$0
4.16 Levy Reduction	\$0	<u>\$0</u>	\$0
4.17 Taconite Building Maint	\$0	<u>\$0</u>	\$0
4.20 American Indian Education Aid	\$0	<u>\$0</u>	\$0
4.24 Operating Capital	\$159,328	<u>\$159,328</u>	\$0
4.26 \$25 Taconite	\$0	<u>\$0</u>	\$0
4.27 Disabled Accessibility	\$0	<u>\$0</u>	\$0
4.28 Learning & Development	\$0	<u>\$0</u>	\$0
4.34 Area Learning Center	\$0	<u>\$0</u>	\$0
4.35 Contracted Alt. Programs	\$0	<u>\$0</u>	\$0
4.36 State Approved Alt. Program	\$0	<u>\$0</u>	\$0
4.38 Gifted & Talented	\$0	<u>\$0</u>	\$0
4.39 English Learner	\$0	<u>\$0</u>	\$0
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	\$0
4.41 Basic Skills Programs	\$12,127	<u>\$12,127</u>	\$0
4.43 School Library Aid	\$9,699	<u>\$9,699</u>	\$0
4.48 Achievement and Integration	\$0	<u>\$0</u>	\$0
4.49 Safe Schools Levy	\$1,964	<u>\$1,964</u>	\$0
4.51 QZAB Payments	\$0	<u>\$0</u>	\$0
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0
4.53 Unfunded Sev & Retiremt Levy	\$0	<u>\$0</u>	\$0
4.59 Basic Skills Extended Time	\$0	<u>\$0</u>	\$0
4.67 LTFM	\$58,067	<u>\$58,067</u>	\$0
4.71 Student Support Personnel Aid	\$25,526	<u>\$25,526</u>	\$0
4.72 Medical Assistance	\$0	<u>\$0</u>	\$0
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$15,182	<u>\$15,182</u>	\$0
4.75 Title VII Impact Aid	\$0	<u>\$0</u>	\$0
4.76 Payments in Lieu of Taxes	\$0	<u>\$0</u>	\$0
<i>Committed:</i>			
4.18 Committed for Separation	\$0	<u>\$0</u>	\$0
4.61 Committed Fund Balance	\$0	<u>\$0</u>	\$0
<i>Assigned:</i>			
4.62 Assigned Fund Balance	\$0	<u>\$0</u>	\$0
<i>Unassigned:</i>			
4.22 Unassigned Fund Balance	\$621,947	<u>\$621,947</u>	\$0

**02 FOOD SERVICES**

Total Revenue	\$576,725	<u>\$576,725</u>	\$0
Total Expenditures	\$580,550	<u>\$580,550</u>	\$0
<i>Non Spendable:</i>			

**06 BUILDING CONSTRUCTION**

	Audit	UFARS	Audit - UFARS
Total Revenue	\$170,250	<u>\$170,250</u>	\$0
Total Expenditures	\$1,460,030	<u>\$1,460,030</u>	\$0
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
<i>Restricted / Reserved:</i>			
4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0
4.13 Funded by COP/FP	\$0	<u>\$0</u>	\$0
4.67 LTFM	\$0	<u>\$0</u>	\$0
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$3,606,513	<u>\$3,606,513</u>	\$0
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0

**07 DEBT SERVICE**

	Audit	UFARS	Audit - UFARS
Total Revenue	\$1,763,915	<u>\$1,763,915</u>	\$0
Total Expenditures	\$1,667,843	<u>\$1,667,843</u>	\$0
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
<i>Restricted / Reserved:</i>			
4.25 Bond Refundings	\$0	<u>\$0</u>	\$0
4.33 Maximum Effort Loan Aid	\$0	<u>\$0</u>	\$0
4.51 QZAB Payments	\$0	<u>\$0</u>	\$0
4.67 LTFM	\$0	<u>\$0</u>	\$0
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$301,238	<u>\$301,238</u>	\$0
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0

**08 TRUST**

	Audit	UFARS	Audit - UFARS
Total Revenue	\$0	<u>\$0</u>	\$0
Total Expenditures	\$0	<u>\$0</u>	\$0
<i>Restricted / Reserved:</i>			
4.01 Student Activities	\$0	<u>\$0</u>	\$0
4.02 Scholarships	\$0	<u>\$0</u>	\$0
4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	\$0

**18 CUSTODIAL**

	Audit	UFARS	Audit - UFARS
Total Revenue	\$5,000	<u>\$5,000</u>	\$0
Total Expenditures	\$1,000	<u>\$1,000</u>	\$0
<i>Restricted / Reserved:</i>			
4.01 Student Activities	\$0	<u>\$0</u>	\$0
4.02 Scholarships	\$28,818	<u>\$28,818</u>	\$0
4.48 Achievement and Integration	\$0	<u>\$0</u>	\$0
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0

**20 INTERNAL SERVICE**

Total Revenue	\$0	<u>\$0</u>	\$0
Total Expenditures	\$0	<u>\$0</u>	\$0
4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	\$0

**25 OPEB REVOCABLE TRUST**

Total Revenue	\$0	<u>\$0</u>	\$0
Total Expenditures	\$0	<u>\$0</u>	\$0

4.60 Non Spendable Fund Balance <i>Restricted / Reserved:</i>	\$22,804	<u>\$22,804</u>	<u>\$0</u>
4.52 OPEB Liab Not In Trust <i>Restricted:</i>	\$0	<u>\$0</u>	<u>\$0</u>
4.64 Restricted Fund Balance <i>Unassigned:</i>	\$123,241	<u>\$123,241</u>	<u>\$0</u>
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

**04 COMMUNITY SERVICE**

Total Revenue	\$880,835	<u>\$880,835</u>	<u>\$0</u>
Total Expenditures	\$886,240	<u>\$886,240</u>	<u>\$0</u>
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance <i>Restricted / Reserved:</i>	\$3,256	<u>\$3,256</u>	<u>\$0</u>
4.26 \$25 Taconite	\$0	<u>\$0</u>	<u>\$0</u>
4.31 Community Education	\$164,093	<u>\$164,093</u>	<u>\$0</u>
4.32 E.C.F.E	\$112,352	<u>\$112,352</u>	<u>\$0</u>
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	<u>\$0</u>
4.44 School Readiness	(\$391,222)	<u>(\$391,222)</u>	<u>\$0</u>
4.47 Adult Basic Education	\$0	<u>\$0</u>	<u>\$0</u>
4.52 OPEB Liab Not In Trust <i>Restricted:</i>	\$0	<u>\$0</u>	<u>\$0</u>
4.64 Restricted Fund Balance <i>Unassigned:</i>	\$102,959	<u>\$102,959</u>	<u>\$0</u>
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>
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**45 OPEB IRREVOCABLE TRUST**

Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	<u>\$0</u>

**47 OPEB DEBT SERVICE**

Total Revenue	\$0	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$0	<u>\$0</u>	<u>\$0</u>
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance <i>Restricted:</i>	\$0	<u>\$0</u>	<u>\$0</u>
4.25 Bond Refundings	\$0	<u>\$0</u>	<u>\$0</u>
4.64 Restricted Fund Balance <i>Unassigned:</i>	\$0	<u>\$0</u>	<u>\$0</u>
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>



## **Principal's Report - February 2025**

The high school has been utilizing the time during late starts to update all curriculum maps as well as develop pacing guides. The pacing guides are designed to give a general layout for the year with the obvious adjustments made from time to time. These will be put on the website.

Registration started at the end of January with Mrs. Mortenson meeting with all grades. There may be changes as we move forward, but our goal is to have as many classes available as possible along with as much flexibility to prevent too many conflicts for students.

Our varsity One Act Play team competed at the Section tournament on February 1st. While they did not place to move on to state, they did a tremendous job. We will miss the several seniors on the team this year.

The staff development day, MELT, was held at LQPV High School on January 20th. There were many opportunities for staff to attend a variety of presentations. Thank you to the MRVED staff for a great day!

The mid quarter of quarter three is coming up on February 20th.

March will be a very busy month with concerts and contests for our music department, an Arts performance of "The Giver", and getting prepared for MCA and ACT testing.



## **AD Report - February 2025**

Winter Sports Seasons are nearing or entering postseason competition.

Congrats to our Shadows Dance team for winning 1st place in both Jazz and High Kick at the Section tournament last Saturday in Montevideo! Pepfest will be this Thursday at 11:00 AM. Jazz state competition will take place on Friday and High Kick on Saturday.

Thank you to many people for their help and work at the Conference Individual Wrestling tournament held on February 1st. The day went very smoothly and we heard good things throughout the day. We are busy getting ready to host the Section 3AA Individual Tournament on February 22nd.

Basketball teams will begin postseason play in the near future. Wrestling team playoffs begin this Thursday and continue Saturday if they win.

Again, another thank you to all the workers who help make events go every week! If anyone is interested in helping in the future in any aspect, please contact myself, Chelsie Bothun, or Carrie Kleven.



*Small School. Big Opportunities.*

1/15/2025	Musical Department	Tim & Ann Borstad	\$500.00
1/15/2025	Musical Department	Farmers For Dawson	\$1,000.00
1/27/2025	Industrial Arts Classroom	Dawson Chamber of Comm Ag Comm acct	\$900.00
1/27/2025	K-12 basketball t-shirts (Comm Ed)	Greater Community Credit Union	\$770.00
1/27/2025	Robotics \$600, ECFE \$600, GVB \$300	Dawson Fire Department	\$2,400.00
	Spanish club \$600, GBB \$300		
1/30/2025	Industrial Arts Classroom	LqP Co-op Oil	\$1,000.00
2/10/2025	Daycare Program	CEDA-City of Dawson	\$5,000.00
2/10/2025	Robotics	David Liebl	\$1,000.00

Approved @ the 2/10/25 mtg.

Independent School District No. 378  
Dawson-Boyd Public Schools

# FUNDRAISER APPLICATION

Today's Date: 1-30-25

Person Completing Form: Rhonda Olson Nelson

Organization Represented: LQP Hope Network  
DBBB (Parent Volunteers)

Describe Fundraiser Activity: [i.e. varsity hockey team selling  
candy door-to-door]  
50/50 & 1/2 time shoot out

Start Date & End Date: 2/20/25

Estimated Revenue From Activity: \$200

Who Will Collect/Receipt Revenue: Volunteer student/parents

How Will Revenue Be Used: Donated in Honor of  
Our school staff (Tobi  
Kemen) who have endured  
cancer treatment this  
year.

Rhonda Olson Nelson  
Signature of Advisor / or /  
Organization Representative

- ▶ For Office Use Only ◀
- ▶ Fundraiser ◀
- ▶ \_\_\_\_\_ Authorized ◀
- ▶ \_\_\_\_\_ Not Authorized

Independent School District No. 378  
Dawson-Boyd Public Schools

# FUNDRAISER APPLICATION

Today's Date: 2/10/24

Person Completing Form: Jeremiah Stevens

Organization Represented: National Honor Society

Describe Fundraiser Activity: [i.e. varsity hockey team selling candy door-to-door]  
50/50 Raffle

Start Date & End Date: Feb. 11 - Feb 11

Estimated Revenue From Activity: \$200<sup>00</sup>

Who Will Collect/Receipt Revenue: Swenson/Solem

How Will Revenue Be Used: Food Shelf

Who Makes Decisions On How Revenue Will Be Disbursed: Swenson/Solem

Swenson  
Signature of Advisor / or /  
Organization Representative

- ▶ For Office Use Only ◀
- ▶ Fundraiser ◀
- ▶ \_\_\_\_\_ Authorized ◀
- ▶ \_\_\_\_\_ Not Authorized ◀

Adopted: \_\_\_\_\_

MSBA/MASA Model Policy  
524.5

Revised: \_\_\_\_\_

Orig. 2025

## **524.5 PERSONAL ELECTRONIC COMMUNICATION DEVICES**

### **I. PURPOSE**

The objective of this policy is to support the school district's focus on learning in alignment with the district's mission to ignite students' passion for learning, cultivate a strong foundation of knowledge, and foster a sense of community within our schools. Possession and use of personal electronic communication devices must be regulated to ensure that such devices do not disrupt or interfere with the education process or school operations, impair the safety, welfare, and privacy of students and staff, or are used as part of an act of academic dishonesty.

### **II. GENERAL STATEMENT OF POLICY**

To minimize the impact of personal electronic communication devices on student behavior, mental health, and academic attainment and to support school environments in which students can engage fully with their classmates, their teachers, and instruction, the school board has determined the use of personal electronic communication devices by students during school hours should be limited.

### **III. DEFINITIONS**

- A. "Bell-to-Bell" means from when the first bell rings at the start of the school day to begin instructional time until the dismissal bell rings at the end of the academic school day. "Bell-to bell" includes lunch and time in between class periods.
- B. "Cell Phone" means a personal device capable of making calls, transmitting pictures or video, or sending or receiving messages through electronic means. The definition of cell phone includes a non-smart phone that is limited to making phone calls or text messages and a smart phone that encompasses the above features.
- C. "Cyberbullying" means bullying using technology or other electronic communication, including but not limited to a transfer of a sign, signal, writing, image, sound, or data, including a post on a social network Internet website or forum, transmitted through a computer, cell phone, or other electronic device.
- D. "Instructional Time" means any structured or unstructured learning experiences that occur from when the first bell rings at the start of the school day until the dismissal bell rings at the end of the academic school day.
- E. "Personal Electronic Communication Device" means any personal device capable of connecting to a cell phone, the internet, a cellular or Wi-Fi network, or directly connects to another similar device. Personal electronic communication devices may include cell phones, wearable devices such as smart watches, personal headphones, earbuds or pods, laptops, tablets, virtual reality devices, and other personal electronic communication devices with the abovementioned characteristics.
- F. "Stored" means a cell phone or personal electronic communication device not being carried on the student's person, including not in the student's pocket. Storage options may include, but are not limited to, in the student's backpack, in the student's locker, in a locked pouch, or in a designated place in the classroom, as determined by school administration.

#### **IV. PERSONAL ELECTRONIC COMMUNICATION DEVICE USE AND STORAGE**

##### **A. Personal Electronic Communication Device Use**

###### **1. Elementary Schools (K-5)**

- a. Personal electronic devices are not allowed during the school day. Examples could include, but are not limited to the following: headphones, iPods, MP3 players, DS, video games, cell phones, Gizmos, Apple Watches (or the like) etc. These items will not be allowed for use during the hours of 8:10 AM to 3:05 PM. Students are allowed to have these items in their lockers during the day; however, misplaced/stolen valuables are not the responsibility of the school. If a student needs to use their cell phone for an emergency, please go to the office to get permission to use it.
- b. Students are prohibited from recording video or taking pictures of other students or staff using cell phones or other recording devices on school property, in school vehicles, and at school related functions.

###### **2. Middle School and High School (7-12)**

- a. Students will be able to use cell phones (texting only) between classes and during lunch. Once a student enters the classroom, their phone must be put away the entire class period unless directed by the teacher to use it for an assignment (i.e. creating a video assignment). Students should have their cell phones on silent or vibrate from 8:00 AM to 3:12 PM. Students will need permission from a staff member to talk on their phone during the school day. If students need to talk on their phone, they should do so in the office or outside of the building.
- b. Students are prohibited from recording video or taking pictures of other students or staff using cell phones or other recording devices on school property, in school vehicles, and at school related functions.
- c. Students may wear smart or electronic watches but may not use any communication applications or features that are prohibited from use on other personal electronic communication devices and all notifications must be turned off.

##### **B. Off-Campus School-Sponsored Activities**

Students are prohibited from recording video or taking pictures of other students or staff using cell phones or other recording devices on school property, in school vehicles, and at school related functions. This includes school activities and events at other facilities. Examples include the school bus, locker rooms, and field trips. Possible student consequences include detention, loss of bus riding privileges, or other consequences deemed necessary by the high school principal. Students who are recording for school events would be exempt with proper permission.

**V. LIMITATIONS ON USE OF AND STORAGE OF PERSONAL ELECTRONIC COMMUNICATION DEVICES**

A. Limitations on Use of Personal Electronic Communication Devices

1. Personal electronic communication devices may not be used in any manner that causes or results in disruption of the educational environment or school-sponsored extracurricular activities or events or impairs or interferes with school district operations.
2. Devices, including but not limited to personal electronic communication devices, with audio, video, or photo-taking capabilities shall not be used at any time in locker rooms, bathrooms, or other locations where the presence of such devices poses an unreasonable risk to the safety, welfare, or privacy of others. Confiscation and search of such devices will occur if found in these areas.
3. Students may not use a device to record, transmit, or post audio, videos, or photos of a person or persons on school grounds or on a school bus without the express permission of school staff in addition to the express consent of the individual or individuals that are the subjects of the recording.
4. Personal electronic communication devices may not be used to engage in bullying, cyberbullying, harassment, discrimination, or other activity prohibited under federal or state law or under school district policy.
5. Personal electronic communication devices shall not be used during a lockdown drill, a fire drill, or a similar safety drill.

B. Storage of Personal Electronic Communication Devices

Students shall keep their personal electronic communication devices in a secure place, such as the student's locker, a closed backpack, a storage device provided by the school, or an area designated by the classroom teacher at all times when personal electronic communication device use is prohibited.

**V. EXCEPTIONS**

- A. Nothing in this policy prohibits a student from using a personal electronic communication device for a purpose documented in the student's individualized education program, a plan developed under section 504 of the Rehabilitation Act of 1973, or a health care plan in force regarding the student.
- B. A student may use a personal electronic communication device to monitor or address a health concern or medical condition upon permission granted by school administration.
- C. Students may use a personal electronic communication device when the use is necessary to respond to or report an emergency. For purposes of this policy, "emergency" means an actual or imminent threat to the health or safety of students and/or school personnel, which may result in death, bodily injury, or substantial property damage.
- D. A student may use a personal electronic communication device during a time at which use would otherwise be prohibited when the student has been granted permission from a staff member to use the device. If the school district implements a curriculum that uses technology, students may be allowed to use their own personal electronic communication devices to access the curriculum. Students who are allowed to use their own devices to access the curriculum will be granted access to any application or electronic materials when they are available to students who do not use their own

devices, or provided free of charge to students who do not use their own devices for curriculum.

- E. A personal electronic communication device may be stored in student vehicles parked on school district property provided that the device is not removed from the vehicle while on school district property.
- F. Students who need to make a call may request permission to use a telephone in the building office.

## **VI. CONSEQUENCES**

### **A. Consequences for violation of this policy**

#### **1. Elementary Schools (K-5)**

- a. Warning: phone stays in the office for the remainder of the day
- b. Warning: phone stays in the office and has to be picked up by adult
- c. Consequences determined by the principal - we have done a daily checkin/out typically
- d. 2024-25 Handbook

#### **2. Middle School and High School (7-12)**

- a. Warning: phone will stay in the office for the remainder of the day
- b. 3 days check phone into office or 30 minute detention
- c. 6 days check phone into office or 60 Minute Detention
- d. Consequences determined by the Principal.

## **VII. SCHOOL DISTRICT RESPONSIBILITY**

- A. The school district is not responsible for, nor is it required to investigate, any lost, stolen, or damaged personal electronic communication devices brought onto school grounds or the bus or school-sponsored activities or events.
- B. The school board directs the superintendent and school district administration to establish additional rules and procedures regarding student possession and use of personal electronic communication devices in schools as the superintendent and school district administration find appropriate. These rules shall be consistent with this policy and other applicable school district policies. These rules and procedures should seek to minimize the impact of personal electronic communication devices on student behavior, mental health, and academic attainment. These rules and procedures may be designed for specific school buildings, grade levels, or pursuant to similar criteria.

**Legal References:** Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)  
Minn. Stat. § 13.32 (Educational Data)  
Minn. Stat. § 121A.031 (School Student Bullying Policy)  
Minn. Stat. § 121A.73 (School Cell Phone Policy)

Minn. Stat. § 124D.166 (Limit on Screen Time for Children in Preschool and Kindergarten)  
Minn. Stat. § 125B.15 (Internet Access for Students)  
Minn. Stat. § 125B.26 (Telecommunications/Internet Access Equity Act)  
29 U.S.C. § 794 (Nondiscrimination under Federal Grants and Programs)

***Cross References:***

MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)  
MSBA/MASA Model Policy 406 (Public and Private Personnel Data)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 514 (Bullying Prohibition Policy)  
MSBA/MASA Model Policy 515 (Protection and Privacy of Pupil Records)  
MSBA/MASA Model Policy 524 (Internet, Technology, and Cell Phone Acceptable Use and Safety Policy)  
Away for the Day ([www.awayfortheday.org](http://www.awayfortheday.org))  
MASSP/MESPA, *The Cell Phone Toolkit* (July 2024)

**522 TITLE IX SEX NONDISCRIMINATION POLICY, GRIEVANCE PROCEDURE AND PROCESS**

**I. GENERAL STATEMENT OF POLICY**

- A. The school district does not discriminate on the basis of sex in its education programs or activities, and it is required by Title IX of the Education Amendments Act of 1972, and its implementing regulations, not to discriminate in such a manner. The requirement not to discriminate in its education program or activity extends to admission and employment. The school district is committed to maintaining an education and work environment that is free from discrimination based on sex, including sexual harassment.
- B. The school district prohibits sexual harassment that occurs within its education programs and activities. When the school district has actual knowledge of sexual harassment in its education program or activity against a person in the United States, it shall promptly respond in a manner that is not deliberately indifferent.
- C. This policy applies to sexual harassment that occurs within the school district's education programs and activities and that is committed by a school district employee, student, or other members of the school community. This policy does not apply to sexual harassment that occurs off school grounds, in a private setting, and outside the scope of the school district's education programs and activities. This policy does not apply to sexual harassment that occurs outside the geographic boundaries of the United States, even if the sexual harassment occurs in the school district's education programs or activities.
- D. Any student, parent, or guardian having questions regarding the application of Title IX and its regulations and/or this policy and grievance process should discuss them with the Title IX Coordinator. The school district's Title IX Coordinator(s) is/are:

**[INSERT: NAME(S) TITLE(S) PHONE NUMBER(S) OFFICE ADDRESS(ES) EMAIL ADDRESS(ES)]**

Questions relating solely to Title IX and its regulations may be referred to the Title IX Coordinator(s), the Assistant Secretary for Civil Rights of the United States Department of Education, or both.

- E. The effective date of this policy is August 14, 2020, and applies to alleged violations of this policy occurring on or after August 14, 2020.

**II. DEFINITIONS**

- A. "Actual knowledge" means notice of sexual harassment or allegations of sexual harassment to the school district's Title IX Coordinator or to any employee of the school district. Imputation of knowledge based solely on vicarious liability or constructive notice is insufficient to constitute actual knowledge. This standard is not met when the only official of the school district with actual knowledge is the respondent.
- B. "Complainant" means a person who is alleged to be the victim of conduct that could constitute sexual harassment under Title IX. A Title IX Coordinator who signs a formal complaint is not a complainant unless the Title IX Coordinator is alleged to be the victim of the conduct described in the formal complaint.

- C. "Day" or "days" means, unless expressly stated otherwise, business days (i.e. day(s) that the school district office is open for normal operating hours, Monday - Friday, excluding State-recognized holidays).
- D. "Deliberately indifferent" means clearly unreasonable in light of the known circumstances. The school district is deliberately indifferent only if its response to sexual harassment is clearly unreasonable in light of the known circumstances.
- E. "Education program or activity" means locations, events, or circumstances for which the school district exercises substantial control over both the respondent and the context in which the sexual harassment occurs and includes school district education programs or activities that occur on or off of school district property.
- F. "Formal complaint" means a document filed by a complainant or signed by the Title IX Coordinator alleging sexual harassment against a respondent and requesting that the school district investigate the allegation of sexual harassment.
  - 1. A formal complaint filed by a complainant must be a physical document or an electronic submission. The formal complaint must contain the complainant's physical or digital signature, or otherwise indicate that the complainant is the person filing the formal complaint, and must be submitted to the Title IX Coordinator in person, by mail, or by email.
  - 2. A formal complaint shall state that, at the time of filing the formal complaint, the complainant was participating in, or attempting to participate in, an education program or activity of the school district with which the formal complaint is filed.
- G. "Informal resolution" means options for resolving a formal complaint that do not involve a full investigation and adjudication. Informal resolution may encompass a broad range of conflict resolution strategies, including mediation or restorative justice.
- H. "Relevant questions" and "relevant evidence" are questions, documents, statements, or information that are related to the allegations raised in a formal complaint. Relevant evidence includes evidence that is both inculpatory and exculpatory. Questions and evidence about the complainant's sexual predisposition or prior sexual behavior are not relevant, unless such questions and evidence about the complainant's prior sexual behavior are offered to prove that someone other than the respondent committed the conduct alleged by the complainant, or if the questions and evidence concern specific incidents of the complainant's prior sexual behavior with respect to the respondent and are offered to prove consent.
- I. "Remedies" means actions designed to restore or preserve the complainant's equal access to education after a respondent is found responsible. Remedies may include the same individualized services that constitute supportive measures, but need not be non-punitive or non-disciplinary, nor must they avoid burdening the respondent.
- J. "Respondent" means an individual who has been reported to be the perpetrator of conduct that could constitute sexual harassment under Title IX.
- K. "Sexual harassment" means any of three types of misconduct on the basis of sex that occurs in a school district education program or activity and is committed against a person in the United States:
  - 1. *Quid pro quo* harassment by a school district employee (conditioning the provision of an aid, benefit, or service of the school district on an individual's participation in unwelcome sexual conduct);
  - 2. Unwelcome conduct that a reasonable person would find so severe, pervasive,

and objectively offensive that it denies a person equal educational access; or

3. Any instance of sexual assault (as defined in the Clery Act, 20 United States Code, section 1092(f)(6)A(v)), dating violence, domestic violence, or stalking (as defined in the Violence Against Women Act, 34 United States Code, section 12291).
- L. "Supportive measures" means individualized services provided to the complainant or respondent without fee or charge that are reasonably available, non-punitive, non-disciplinary, not unreasonably burdensome to the other party, and designed to ensure equal educational access, protect safety, and deter sexual harassment. Supportive measures may include counseling, extensions of deadlines or other course-related adjustments, modifications of work or class schedules, alternative educational services as defined under Minnesota Statutes, section 121A.41, as amended, mutual restrictions on contact between the parties, changes in work locations, leaves of absence, increased security and monitoring of certain areas of the school district buildings or property, and other similar measures.
- M. "Title IX Personnel" means any person who addresses, works on, or assists with the school district's response to a report of sexual harassment or formal complaint, and includes persons who facilitate informal resolutions. The following are considered Title IX Personnel:
1. "Title IX Coordinator" means an employee of the school district that coordinates the school district's efforts to comply with and carry out its responsibilities under Title IX. The Title IX Coordinator is responsible for acting as the primary contact for the parties and ensuring that the parties are provided with all notices, evidence, reports, and written determinations to which they are entitled under this policy and grievance process. The Title IX Coordinator is also responsible for effective implementation of any supportive measures or remedies. The Title IX Coordinator must be free from conflicts of interest and bias when administering the grievance process.
  2. "Investigator" means a person who investigates a formal complaint. The investigator of a formal complaint may not be the same person as the Decision-maker or the Appellate Decision-maker. The Investigator may be a school district employee, school district official, or a third party designated by the school district.
  3. "Decision-maker" means a person who makes a determination regarding responsibility after the investigation has concluded. The Decision-maker cannot be the same person as the Title IX Coordinator, the Investigator, or the Appellate Decision-maker.
  4. "Appellate Decision-maker" means a person who considers and decides appeals of determinations regarding responsibility and dismissals of formal complaints. The Appellate Decision-maker cannot be the same person as the Title IX Coordinator, Investigator, or Decision-maker. The Appellate Decision-maker may be a school district employee, or a third party designated by the school district.
  5. The superintendent of the school district may delegate functions assigned to a specific school district employee under this policy, including but not limited to the functions assigned to the Title IX Coordinator, Investigator, Decision-maker, Appellate Decision-maker, and facilitator of informal resolution processes, to any suitably qualified individual and such delegation may be rescinded by the superintendent at any time. The school district may also, in its discretion, appoint suitably qualified persons who are not school district employees to fulfill any function under this policy, including, but not limited to,

Investigator, Decision-maker, Appellate Decision-maker, and facilitator of informal resolution processes.

### **III. BASIC REQUIREMENTS FOR GRIEVANCE PROCESS**

#### **A. Equitable Treatment**

1. The school district shall treat complainants and respondents equitably. However, equality or parity with respect to supportive measures provided to complainants and respondents is not required.
2. The school district will not impose any disciplinary sanctions or take any other actions against a respondent that do not constitute supportive measures until it has completed this grievance process and the respondent has been found responsible.
3. The school district will provide appropriate remedies to the complainant any time a respondent is found responsible.

#### **B. Objective and Unbiased Evaluation of Complaints**

1. Title IX Personnel, including the Title IX Coordinator, Investigator, Decision-maker, and Appellate Decision-maker, shall be free from conflicts of interest or bias for or against complainants or respondents generally or a specific complainant or respondent.
2. Throughout the grievance process, Title IX Personnel will objectively evaluate all relevant evidence, inculpatory and exculpatory, and shall avoid credibility determinations based solely on a person's status as a complainant, respondent, or witness.

- C. Title IX Personnel will presume that the respondent is not responsible for the alleged conduct until a determination regarding responsibility is made at the conclusion of the grievance process.

#### **D. Confidentiality**

The school district will keep confidential the identity of any individual who has made a report or complaint of sex discrimination, including any individual who has made a report or filed a formal complaint of sexual harassment, any complainant, any individual who has been reported to be the perpetrator of sex discrimination, any respondent, and any witness, except as may be permitted by the Family Educational Rights and Privacy Act (FERPA), 20 United States Code, section 1232g, FERPA regulations, 34 Code of Federal Regulations, part 99, Minnesota law under Minnesota Statutes section 13.32, or as required by law, or to carry out the purposes of 34 Code of Federal Regulations, part 106, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder (i.e., the school district's obligation to maintain confidentiality shall not impair or otherwise affect the complainants and respondents receipt of the information to which they are entitled with respect to the investigative record and determination of responsibility).

#### **E. Right to an Advisor; Right to a Support Person**

Complainants and respondents have the right, at their own expense, to be assisted by an advisor of their choice during all stages of any grievance proceeding, including all meetings and investigative interviews. The advisor may be, but is not required to be, an attorney. In general, an advisor is not permitted to speak for or on behalf of a complainant or respondent, appear in lieu of complainant or respondent, participate as a witness, or participate directly in any other manner during any phase of the

grievance process.

A complainant or respondent with a disability may be assisted by a support person throughout the grievance process, including all meetings and investigative interviews, if such accommodation is necessary. A support person may be a friend, family member, or any individual who is not otherwise a potential witness. The support person is not permitted to speak for or on behalf of a complainant or respondent, appear in lieu of complainant or respondent, participate as a witness, or participate directly in any other manner during any phase of the grievance process.

F. Notice

The school district will send written notice of any investigative interviews or meetings to any party whose participation is invited or expected. The written notice will include the date, time, location, participants, and purpose of the meeting or interview, and will be provided to allow sufficient time for the party to prepare to participate.

G. Consolidation

The school district may, in its discretion, consolidate formal complaints as to allegations of sexual harassment against more than one respondent, or by more than one complainant against one or more respondents, or by one party against the other party, where the allegations of sexual harassment arise out of the same facts or circumstances.

H. Evidence

1. During the grievance process, the school district will not require, allow, rely upon, or otherwise use questions or evidence that constitute or seek disclosure of information protected under a legally recognized privilege, unless the person holding such privilege has waived the privilege.
2. The school district shall not access, consider, disclose, or otherwise use a party's medical, psychological, and similar treatment records unless the school district obtains the party's voluntary, written consent.

I. Burden of Proof

1. The burden of gathering evidence and the burden of proof shall remain upon the school district and not upon the parties.
2. The grievance process shall use a preponderance of the evidence standard (i.e. whether it is more likely than not that the respondent engaged in sexual harassment) for all formal complaints of sexual harassment, including when school district employees are respondents.

J. Timelines

1. Any informal resolution process must be completed within thirty (30) calendar days following the parties' agreement to participate in such informal process.
2. An appeal of a determination of responsibility or of a decision dismissing a formal complaint must be received by the school district within five (5) days of the date the determination of responsibility or dismissal was provided to the parties.
3. Any appeal of a determination of responsibility or of a dismissal will be decided within thirty (30) calendar days of the day the appeal was received by the school district.

4. The school district will seek to conclude the grievance process, including any appeal, within 120 calendar days of the date the formal complaint was received by the school district.
5. Although the school district strives to adhere to the timelines described above, in each case, the school district may extend the time frames for good cause. Good cause may include, without limitation: the complexity of the allegations; the severity and extent of the alleged misconduct; the number of parties, witnesses, and the types of other evidence (e.g., forensic evidence) involved; the availability of the parties, advisors, witnesses, and evidence (e.g., forensic evidence); concurrent law enforcement activity; intervening school district holidays, breaks, or other closures; the need for language assistance or accommodation of disabilities; and/or other unforeseen circumstances.

K. Potential Remedies and Disciplinary Sanctions

1. The following is the range of possible remedies that the school district may provide a complainant and disciplinary sanctions that the school district might impose upon a respondent, following determination of responsibility: counseling, extensions of deadlines or other course-related adjustments, modifications of work or class schedules, mutual or unilateral restrictions on contact between the parties, changes in work locations, leaves of absence, monitoring of certain areas of the school district buildings or property, warning, suspension, exclusion, expulsion, transfer, remediation, termination, or discharge.
2. If the Decision-maker determines a student-respondent is responsible for violating this policy, the Decision-maker will recommend appropriate remedies, including disciplinary sanctions/consequences. The Title IX Coordinator will notify the superintendent of the recommended remedies, such that an authorized administrator can consider the recommendation(s) and implement appropriate remedies in compliance with MSBA Model Policy 506 – Student Discipline. The discipline of a student-respondent must comply with the applicable provisions of Minnesota Pupil Fair Dismissal Act, the Individuals with Disabilities Education Improvement Act (IDEA) and/or Section 504 of the Rehabilitation Act of 1972, and their respective implementing regulations.

**IV. REPORTING PROHIBITED CONDUCT**

- A. Any student who believes they have been the victim of unlawful sex discrimination or sexual harassment, or any person (including the parent of a student) with actual knowledge of conduct which may constitute unlawful sex discrimination or sexual harassment toward a student should report the alleged acts as soon as possible to the Title IX Coordinator.
- B. Any employee of the school district who has experienced, has actual knowledge of, or has witnessed unlawful sex discrimination, including sexual harassment, or who otherwise becomes aware of unlawful sex discrimination, including sexual harassment, must promptly report the allegations to the Title IX Coordinator without screening or investigating the report or allegations.
- C. A report of unlawful sex discrimination or sexual harassment may be made at any time, including during non-business hours, and may be made in person, by mail, by telephone, or by e-mail using the Title IX Coordinator's contact information. A report may also be made by any other means that results in the Title IX Coordinator receiving the person's verbal or written report.
- D. Sexual harassment may constitute both a violation of this policy and criminal law. To

the extent the alleged conduct may constitute a crime, the School District may report the alleged conduct to law enforcement authorities. The school district encourages complainants to report criminal behavior to the police immediately.

#### **V. INITIAL RESPONSE AND ASSESSMENT BY THE TITLE IX COORDINATOR**

- A. When the Title IX Coordinator receives a report, the Title IX Coordinator shall promptly contact the complainant confidentially to discuss the availability of supportive measures, consider the complainant's wishes with respect to supportive measures, inform the complainant of the availability of supportive measures with or without the filing of a formal complaint, and explain to the complainant the process for filing a formal complaint.
- B. The school district will offer supportive measures to the complainant whether or not the complainant decides to make a formal complaint. The school district must maintain as confidential any supportive measures provided to the complainant or respondent, to the extent that maintaining such confidentiality would not impair the school district's ability to provide the supportive measures. The Title IX Coordinator is responsible for coordinating the effective implementation of supportive measures.
- C. If the complainant does not wish to file a formal complaint, the allegations will not be investigated by the school district unless the Title IX Coordinator determines that signing a formal complaint to initiate an investigation over the complainant's wishes is not clearly unreasonable in light of the known circumstances.
- D. Upon receipt of a formal complaint, the school district must provide written notice of the formal complaint to the known parties with sufficient time to prepare a response before any initial interview. This written notice must contain:
  - 1. The allegations of sexual harassment, including sufficient details known at the time, the identities of the parties involved in the incident (if known), the conduct allegedly constituting sexual harassment, and the date and location of the alleged incident, if known;
  - 2. A statement that the respondent is presumed not responsible for the alleged conduct and that a determination regarding responsibility will be made at the conclusion of the grievance process;
  - 3. A statement explaining that the parties may have an advisor of their choice, who may be, but is not required to be, an attorney;
  - 4. A statement that the parties may inspect and review evidence gathered pursuant to this policy;
  - 5. A statement informing the parties of any code of conduct provision that prohibits knowingly making false statements or knowingly submitting false information; and
  - 6. A copy of this policy.

#### **VI. STATUS OF RESPONDENT DURING PENDENCY OF FORMAL COMPLAINT**

- A. Emergency Removal of a Student
  - 1. The school district may remove a student-respondent from an education program or activity of the school district on an emergency basis before a determination regarding responsibility is made if:
    - a. The school district undertakes an individualized safety and risk

analysis;

- b. The school district determines that an immediate threat to the physical health or safety of any student or other individual arising from the allegations of sexual harassment justifies removal of the student-respondent; and
- c. The school district determines the student-respondent poses such a threat, it will so notify the student-respondent and the student-respondent will have an opportunity to challenge the decision immediately following the removal. In determining whether to impose emergency removal measures, the Title IX Coordinator shall consult related school district policies, including MSBA Model Policy 506 – Student Discipline. The school district must take into consideration applicable requirements of the Individuals with Disabilities Education Act and Section 504 of the Rehabilitation Act of 1973, prior to removing a special education student or Section 504 student on an emergency basis.

**B. Employee Administrative Leave**

The school district may place a non-student employee on administrative leave during the pendency of the grievance process of a formal complaint. Such leave will typically be paid leave unless circumstances justify unpaid leave in compliance with legal requirements. The school district must take into consideration applicable requirements of Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act prior to removing an individual with a qualifying disability.

**VII. INFORMAL RESOLUTION OF A FORMAL COMPLAINT**

- A. At any time prior to reaching a determination of responsibility, informal resolution may be offered and facilitated by the school district at the school district’s discretion, but only after a formal complaint has been received by the school district.
- B. The school district may not require as a condition of enrollment or continued enrollment, or of employment or continued employment, or enjoyment of any other right, waiver of the right to a formal investigation and adjudication of formal complaints of sexual harassment.
- C. The informal resolution process may not be used to resolve allegations that a school district employee sexually harassed a student.
- D. The school district will not facilitate an informal resolution process without both parties’ agreement, and will obtain their voluntary, written consent. The school district will provide to the parties a written notice disclosing the allegations, the requirements of the informal resolution process including the circumstances under which it precludes the parties from resuming a formal complaint arising from the same allegations, the parties’ right to withdraw from the informal resolution process, and any consequences resulting from participating in the informal resolution process, including the records that will be maintained or could be shared.
- E. At any time prior to agreeing to a resolution, any party has the right to withdraw from the informal resolution process and resume the grievance process with respect to the formal complaint.

**VIII. DISMISSAL OF A FORMAL COMPLAINT**

- A. Under federal law, the school district must dismiss a Title IX complaint, or a portion thereof, if the conduct alleged in a formal complaint or a portion thereof:

1. Would not meet the definition of sexual harassment, even if proven;
  2. Did not occur in the school district's education program or activity; or
  3. Did not occur against a person in the United States.
- B. The school district may, in its discretion, dismiss a formal complaint or allegations therein if:
1. The complainant informs the Title IX Coordinator in writing that the complainant desires to withdraw the formal complaint or allegations therein;
  2. The respondent is no longer enrolled or employed by the school district; or
  3. Specific circumstances prevent the school district from gathering sufficient evidence to reach a determination.
- C. The school district shall provide written notice to both parties of a dismissal. The notice must include the reasons for the dismissal.
- D. Dismissal of a formal complaint or a portion thereof does not preclude the school district from addressing the underlying conduct in any manner that the school district deems appropriate.

#### **IX. INVESTIGATION OF A FORMAL COMPLAINT**

- A. If a formal complaint is received by the School District, the school district will assign or designate an Investigator to investigate the allegations set forth in the formal complaint.
- B. If during the course of the investigation the school district decides to investigate any allegations about the complainant or respondent that were not included in the written notice of a formal complaint provided to the parties, the school district must provide notice of the additional allegations to the known parties.
- C. When a party's participation is invited or expected in an investigative interview, the Investigator will coordinate with the Title IX Coordinator to provide written notice to the party of the date, time, location, participants, and purposes of the investigative interview with sufficient time for the party to prepare.
- D. During the investigation, the Investigator must provide the parties with an equal opportunity to present witnesses for interviews, including fact witnesses and expert witnesses, and other inculpatory and exculpatory evidence.
- E. Prior to the completion of the investigative report, the Investigator, through the Title IX Coordinator, will provide the parties and their advisors (if any) with an equal opportunity to inspect and review any evidence directly related to the allegations. The evidence shall be provided in electronic format or hard copy and shall include all relevant evidence, evidence upon which the school district does not intend to rely in reaching a determination regarding responsibility, and any inculpatory or exculpatory evidence whether obtained from a party or another source. The parties will have ten (10) days to submit a written response, which the Investigator will consider prior to completion of the investigative report.
- F. The Investigator will prepare a written investigative report that fairly summarizes the relevant evidence. The investigative report may include credibility determinations that are not based on a person's status as a complainant, respondent or witness. The school district will send the parties and their advisors (if any) a copy of the report in

electronic format or hard copy, for their review and written response at least ten (10) days prior to a determination of responsibility.

**X. DETERMINATION REGARDING RESPONSIBILITY**

- A. After the school district has sent the investigative report to both parties and before the school district has reached a determination regarding responsibility, the Decision-maker must afford each party the opportunity to submit written, relevant questions that a party wants asked of any party or witness.
- B. The Decision-maker must provide the relevant questions submitted by the parties to the other parties or witnesses to whom the questions are offered, and then provide each party with the answers, and allow for additional, limited follow-up questions from each party.
- C. The Decision-maker must explain to the party proposing the questions any decision to exclude a question as not relevant.
- D. When the exchange of questions and answers has concluded, the Decision-maker must issue a written determination regarding responsibility that applies the preponderance of the evidence standard to the facts and circumstances of the formal complaint. The written determination of responsibility must include the following:
  - 1. Identification of the allegations potentially constituting sexual harassment;
  - 2. A description of the procedural steps taken from the receipt of the formal complaint through the determination, including any notifications to the parties, interviews with parties and witnesses, site visits, and methods used to gather other evidence;
  - 3. Findings of fact supporting the determination;
  - 4. Conclusions regarding the application of the school district's code of conduct to the facts;
  - 5. A statement of, and rationale for, the result as to each allegation, including a determination regarding responsibility, any disciplinary sanctions the school district imposes on the respondent, and whether remedies designed to restore or preserve equal access to the recipient's education program or activity will be provided by the school district to the complainant; and
  - 6. The school district's procedures and permissible bases for the complainant and respondent to appeal and the date by which an appeal must be made.
- E. In determining appropriate disciplinary sanctions, the Decision-maker should consider the surrounding circumstances, the nature of the behavior, past incidents or past or continuing patterns of behavior, the relationships between the parties involved, and the context in which the alleged incident occurred.
- F. The written determination of responsibility must be provided to the parties simultaneously.
- G. The Title IX Coordinator is responsible for the effective implementation of any remedies.
- H. The determination regarding responsibility becomes final either on the date that the school district provides the parties with the written determination of the result of the appeal, if an appeal is filed, or if an appeal is not filed, the date on which an appeal would no longer be considered timely.

## **XI. APPEALS**

- A. The school district shall offer the parties an opportunity to appeal a determination regarding responsibility or the school district's dismissal of a formal complaint or any allegations therein, on the following bases:
  - 1. A procedural irregularity that affected the outcome of the matter (e.g., a material deviation from established procedures);
  - 2. New evidence that was not reasonably available at the time the determination regarding responsibility or dismissal was made, that could affect the outcome of the matter; and
  - 3. The Title IX Coordinator, Investigator, or Decision-maker had a conflict of interest or bias for or against complainants or respondents generally or the individual complainant or respondent that affected the outcome of the matter.
- B. If notice of an appeal is timely received by the school district, the school district will notify the parties in writing of the receipt of the appeal, assign or designate the Appellate Decision-maker, and give the parties a reasonable, equal opportunity to submit a written statement in support of, or challenging, the outcome.
- C. After reviewing the parties' written statements, the Appellate Decision-maker must issue a written decision describing the result of the appeal and the rationale for the result.
- D. The written decision describing the result of the appeal must be provided simultaneously to the parties.
- E. The decision of the Appellate Decision-maker is final. No further review beyond the appeal is permitted.

## **XII. RETALIATION PROHIBITED**

- A. Neither the school district nor any other person may intimidate, threaten, coerce, or discriminate against any individual for the purpose of interfering with any right or privilege secured by Title IX, its implementing regulations, or this policy, or because the individual made a report or complaint, testified, assisted, or participated or refused to participate in any manner in an investigation, proceeding, or hearing under this policy. Intimidation, threats, coercion, or discrimination, including charges against an individual for code of conduct violations that do not involve sex discrimination or sexual harassment, but arise out of the same facts or circumstances as a report or complaint of sex discrimination, or a report or formal complaint of sexual harassment, for the purpose of interfering with any right or privilege secured by Title IX, its implementing regulations, or this policy, constitutes retaliation. Retaliation against a person for making a report of sexual harassment, filing a formal complaint, or participating in an investigation, constitutes a violation of this policy that can result in the imposition of disciplinary sanctions/consequences and/or other appropriate remedies.
- B. Any person may submit a report or formal complaint alleging retaliation in the manner described in this policy and it will be addressed in the same manner as other complaints of sexual harassment or sex discrimination.
- C. Charging an individual with violation of school district policies for making a materially false statement in bad faith in the course of a grievance proceeding under this policy shall not constitute retaliation, provided, however, that a determination regarding responsibility, alone, is not sufficient to conclude that any party made a materially

false statement in bad faith.

### **XIII. TRAINING**

- A. The school district shall ensure that Title IX Personnel receive appropriate training. The training shall include instruction on:
  - 1. The Title IX definition of sexual harassment;
  - 2. The scope of the school district's education program or activity;
  - 3. How to conduct an investigation and grievance process, appeals, and informal resolution processes, as applicable;
  - 4. How to serve impartially, including by avoiding prejudgment of the facts at issue, conflicts of interest, and bias;
  - 5. For Decision-makers, training on issues of relevance of questions and evidence, including when questions and evidence about the complainant's prior sexual behavior are not relevant; and
  - 6. For Investigators, training on issues of relevance, including the creation of an investigative report that fairly summarizes relevant evidence.
- B. The training materials will not rely on sex stereotypes and must promote impartial investigations and adjudications of formal complaints.
- C. Materials used to train Title IX Personnel must be posted on the school district's website. If the school district does not have a website, it must make the training materials available for public inspection upon request.

### **XIV. DISSEMINATION OF POLICY**

- A. This policy shall be made available to all students, parents/guardians of students, school district employee, and employee unions.
- B. The school district shall conspicuously post the name of the Title IX Coordinator, including office address, telephone number, and work e-mail address on its website and in each handbook that it makes available to parents, employees, students, unions, or applicants.
- C. The school district must provide applicants for admission and employment, students, parents or legal guardians of secondary school students, employees, and all unions holding collective bargaining agreements with the school district, with the following:
  - 1. The name or title, office address, electronic mail address, and telephone number of the Title IX Coordinator;
  - 2. Notice that the school district does not discriminate on the basis of sex in the education program or activity that it operates, and that it is required by Title IX not to discriminate in such a manner;
  - 3. A statement that the requirement not to discriminate in the education program or activity extends to admission and employment, and that inquiries about the application of Title IX may be referred to the Title IX Coordinator, to the Assistant Secretary for Civil Rights of the United States Department of Education, or both; and
  - 4. Notice of the school district's grievance procedures and grievance process

contained in this policy, including how to report or file a complaint of sex discrimination, how to report or file a formal complaint of sexual harassment, and how the school district will respond.

## **XV. RECORDKEEPING**

- A. The school district must create, and maintain for a period of seven calendar years, records of any actions, including any supportive measures, taken in response to a report or formal complaint of sexual harassment. In each instance, the school district must document:
1. The basis for the school district's conclusion that its response to the report or formal complaint was not deliberately indifferent;
  2. The measures the school district has taken that are designed to restore or preserve equal access to the school district's education program or activity; and
  3. If the school district does not provide a complainant with supportive measures, then it must document the reasons why such a response was not clearly unreasonable in light of the known circumstances. Such a record must be maintained for a period of seven years.
  4. The documentation of certain bases or measures does not limit the recipient in the future from providing additional explanations or detailing additional measures taken.
- B. The school district must also maintain for a period of seven calendar years records of:
1. Each sexual harassment investigation including any determination regarding responsibility, any disciplinary sanctions imposed on the respondent, and any remedies provided to the complainant designed to restore or preserve equal access to the recipient's education program or activity;
  2. Any appeal and the result therefrom;
  3. Any informal resolution and the result therefrom; and
  4. All materials used to train Title IX Personnel.

**Legal References:** Minn. Stat. § 121A.04 (Athletic Programs; Sex Discrimination)  
Minn. Stat. §§ 121A.40 – 121A.575 (Minnesota Pupil Fair Dismissal Act)  
Minn. Stat. Ch. 363A (Minnesota Human Rights Act)  
20 U.S.C. §§ 1681-1688 (Title IX of the Education Amendments)  
34 C.F.R. Part 106 (Implementing Regulations of Title IX)  
20 U.S.C § 1400, *et seq.* (Individuals with Disabilities Education Act)  
29 U.S.C. § 794 (Section 504 of the Rehabilitation Act)  
42 U.S.C. § 12101, *et seq.* (Americans with Disabilities Act)  
20 U.S.C. § 1232g (Family Educational Rights and Privacy Act of 1974)  
20 U.S.C. § 1092 *et seq.* (Jeanne Clery Disclosure of Campus Security and Campus Crime Statistics Act ("Clery Act"))

**Cross References:** MSBA/MASA Model Policy 102 (Equal Educational Opportunity)  
MSBA/MASA Model Policy 413 (Harassment and Violence)  
MSBA/MASA Model Policy 506 (Student Discipline)  
MSBA/MASA Model Policy 528 (Student Parental, Family, and Marital Status Nondiscrimination)