

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

INDEPENDENT SCHOOL DISTRICT  
NO. 282

ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

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INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

FOR THE YEAR ENDED  
JUNE 30, 2019

DR. RENEE CORNEILLE  
SUPERINTENDENT OF SCHOOLS

REPORT PREPARED BY

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CONTROLLER

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St. Anthony, Minnesota  
Comprehensive Annual Financial Report  
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June 30, 2019

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INTRODUCTORY SECTION  
INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

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# St. Anthony New Brighton

## INDEPENDENT SCHOOL DISTRICT 282

### **2018 - 2019 COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR END JUNE 30, 2019**

To: ISD No. 282 - St. Anthony-New Brighton School Board members and citizens

#### **INTRODUCTION**

This letter accompanies the submission of the comprehensive annual financial report (CAFR) of Independent School District No. 282 - St. Anthony-New Brighton Schools (the District) for the fiscal year ended June 30, 2019. This report fairly presents the District's financial position, results of operations, and cash flows in accordance with national and state standards. The District is responsible for its contents and has made every effort to ensure the accuracy and completeness of this presentation. An independent firm of certified public accountants audits this report.

As a part of required supplementary information, the "Management's Discussion and Analysis" (MD&A) allows the District to explain, in layman's terms, its financial position and results of operations of the past fiscal year.

#### **REPORT FORMAT**

This CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this letter of transmittal, a list of School Board members and administration personnel and an organization chart. The financial section includes the independent auditor's report, MD&A, basic financial statements, required supplementary information, and the combining and individual fund statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year comparative basis, other reports and student activity account information.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A of the District can be found immediately following the report of the independent auditors.

#### **FEDERAL SINGLE AUDIT AND STATE COMPLIANCE AUDIT**

The District is required to undergo an annual single audit in conformity with the provisions of the Federal Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. The District is also required to undergo an annual Minnesota State legal compliance audit under Minnesota Statute § 6.65. Independent auditor reports and a Schedule of Expenditures of Federal Awards are included.

## **REPORTING ENTITY AND ITS SERVICES**

The District was incorporated in 1961 and is situated in Hennepin and Ramsey Counties (56% and 44%, respectively) and is headquartered within the City of St. Anthony Village. The District is comprised entirely of the City of St. Anthony Village and a portion of the City of New Brighton. The District is situated just north of the City of Minneapolis and is part of the Minneapolis/St. Paul Metropolitan Area. The District encompasses two thousand seventy-eight acres and approximately three square miles. We are the smallest geographical District in the State.

The District currently operates three schools with two sites: an elementary school, grades kindergarten through five; a middle school, grades six through eight; and a senior high school, grades nine through twelve.

In the past year, the District's elementary school (Wilshire Park Elementary) served approximately seven hundred and seventeen students. Of those students, approximately six hundred and ninety five were residents. The District's middle school (St. Anthony Middle School) served approximately four hundred and thirty-seven students. Of those students, approximately three hundred and thirty-two were resident students. The District's high school (St. Anthony High School) served approximately six hundred and eighty-one students. Of those students, approximately three hundred and seventy-five were resident students. The total district enrollment for 2018-19 is projected at 1,835 (approximately 1,816 ADM).

The District provides a full range of public education services appropriate to grade levels ranging from pre-kindergarten through Grade 12. These include regular and enriched academic education, special education for exceptional children, and vocational education. Food service and transportation are provided as supporting programs. The District's community education program includes early childhood and extended day programs, along with a myriad of classes for lifelong learning experiences for children and adults.

The financial reporting entity includes all the funds of the primary government (the District). Component units are legally separate entities for which the District (primary government) is financially accountable. There are no organizations considered to be component units of the District. As of September, 2019, there were 169 charter schools operating in Minnesota. We have one charter school operating within our school district boundary. Charter schools are eligible for general education revenue, special education revenue, building lease revenue, start-up grants, and certain other school district revenue.

The School Board consists of six members. The Board is responsible for, among other things; developing policy, adopting the budget, levying taxes, incurring bonded debt, supervising committees, and hiring the Superintendent. The Superintendent is responsible for carrying out the policies of the School Board and overseeing the day-to-day operations of the District. The School Board is elected on a non-partisan basis. Board members serve four-year terms with three board members elected every two years.

## **LOCAL ECONOMIC CONDITION AND OUTLOOK**

In November 2014, the Board of Education passed a voter approved increase to the District's operating referendum. The operating referendum will remain at \$1,068.35 for 2016 and 2017, before increasing to \$1,149.11 per pupil unit in taxes payable 2018. The District also has a voter approved capital projects levy for curriculum and technology. The capital projects approval authorizes the Board to levy 6.198% of the net tax capacity of the school district for curriculum and technology purchases for a period of 10 years. The Board of Education and school administration thank the community for their continued tradition of community support.

The age of the buildings is also a key component in the long term financial planning of the District. The estimated average age of the District's buildings is fifty-three years. With the passage of a voter approved bond referendum and the utilization of an alternative facilities bond in 2008, the District was able to update its educational facilities. Deferred maintenance, upgraded mechanical ventilation and other improvements that were made have provided opportunities to create a five year capital plan that can be funded and maintained. During the 2015 legislative session, the legislature established a new long-term facilities maintenance revenue program for school districts. The new program replaces the current health and safety revenue, deferred maintenance revenue and alternative facilities bonding and levy programs, beginning in the 2016-17 school year. The District will continue to monitor these changes and adjust the 10 year capital and long term facilities maintenance plans as needed.

With the exception of the voter-approved operating referendum, capital projects levy and bond referendum, the District is dependent on the State of Minnesota for its revenue authority. Recent experience demonstrates that legislated revenue increases have not been sufficient to meet instructional program needs and increased costs due to inflation. From 2009-2019, the actual general education funding formula increased, on average, by 1.50% per year, while the average rate of inflation increased by more than 2% each year.

The Legislature did approve an increase in the education funding formula for 2019-20 to a formula allowance of \$6,438 per adjusted pupil unit.

Student enrollment is a key component financially and programmatically. With the District having a large waiting list for students wanting to attend, maintaining projected enrollment has not been an issue. The District has projected enrollment for the 2019 - 2020 school year to be between 1,835 and 1,840 students. District administration monitors enrollment throughout the year and makes recommendations to the Board of Education on revenue projections as needed.

Residents of St. Anthony-New Brighton School District approved a bond referendum on September 7, 2017 to construct additional classrooms, gymnasium, expanded cafeteria, bathrooms, larger media center and a secured entrance at Wilshire Park Elementary School. The expansion project completed in September 2019. Due to lower than expected construction bids and a grant from Hennepin County, the district will have approximately \$850,000 for additional capital projects at Wilshire Park in fiscal year 2019-2020.

## MAJOR INITIATIVES

The District's mission and vision provide direction for the investment of human and financial resources across the system.

### MISSION

*The mission of the St. Anthony-New Brighton School District is to Educate, Prepare, and Inspire a Community of lifelong learners in our small, caring environment.*

### VISION

*We are committed to the success of all learners. We will engage, inspire, challenge, and support each learner through innovation and collaboration.*

Based upon the mission and vision, goals are in place as a means to continuously improve its high quality programs and services:

- Assessment, Curriculum and Instruction

To foster the growth of the whole child and challenge each child to excellence, the District will utilize best practices and evolving research to ensure all students have access to high quality educational programming. The District reviews curriculum on a regular and systematic basis.

- Community Involvement

Understanding its role as a partner to both families and the broader community, the District will foster engagement through open communication and active involvement.

- Facilities

The District has put a substantial amount of resources into making our facilities work in today's learning environment. We will continue to maintain and utilize our facilities to meet identified needs in curriculum, services and programs consistent with its strong commitment to fiscal integrity.

- Human Resources

Recognizing its commitment to academic excellence and fiscal responsibility, the District will develop and retain high-performing staff that fosters individual student growth and achievement.

- Technology

The District will adopt, maintain and incorporate technology as a tool for 21<sup>st</sup> century learning and community engagement.

Although the aforementioned goal areas represent the broader interests and day-to-day work of the Board and District personnel, student performance has remained the primary focus of all District initiatives. We are committed to working with families and community to ensure that every student succeeds. We formally and informally examine our work and strive to constantly improve. The District's student performance on state tests for all subjects tested and for all grade levels has remained high. In order to maintain and build even further on this success, the District is engaged in a comprehensive review of local assessment practices, student performance data, instructional methodologies and district-wide professional staff development. For example, our World's Best Workforce Committee involves parents, teachers, administrators, students and members of the community in reviewing district-wide curriculum, assessments, program evaluation, and other responsibilities as directed by state laws.

The District's teaching staff is involved in a program called Q-Comp. Q-Comp was enacted through a bipartisan agreement in the Minnesota Legislature in July 2005. It is a voluntary program that allows local districts and exclusive representatives of the teachers to design and collectively bargain a plan that meets the five components of the law. The five components under Q-Comp include Career ladder/Advancement Options, Job-embedded Professional Development, Teacher Evaluation, Performance Pay, and an Alternative Salary Schedule. As part of the District's Q-Comp plan teachers are required to meet individual and site criteria/goals to receive additional compensation and advance to the next step of the salary schedule.

Teachers work with a mentor on identified goals, in addition to administrative observations and evaluations.

In terms of all other staff, including administrators, classified and confidential personnel, everyone who works in the District understands that their role is to support our number one goal: our students and their continued success. Therefore, all staff members are provided appropriate time and other resources in order to help them fulfill this mission. The success of the District is also highly correlated to its outstanding leadership. The School Board has been strong, capable and supportive, working in unison for the success and betterment of our students, families, staff and broader community.

## **INTERNAL CONTROLS**

The management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America and with Minnesota Uniform Financial Accounting and Reporting Standards. The internal control framework is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

## **BUDGETARY CONTROLS**

The District maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Each June, the School Board adopts an annual budget for the following fiscal year for the General Fund (including separate budgets for the Pupil Transportation and Capital expenditure accounts), Food Service Special Revenue Fund, Community Service Special Revenue Fund, Building Construction Fund, Debt Service Fund, Trust Fund, Agency Fund, Internal Service Fund and OPEB Trust Fund. The level of budgetary control is at the fund level. However, in the General Fund, the Pupil Transportation and Capital Expenditure Accounts are treated as separate funds for budgeting purposes. The District also maintains an encumbrance accounting system as one method of maintaining budgetary control. Encumbered amounts lapse at year-end.

Budgets are reviewed and maintained on a daily basis at the site level. Once expenditures are approved at the site level, the review then moves on to the Controller to review and sign off. Quarterly, the Board of Education is presented budget to actual expenses for the current year. The Board evaluates and makes adjustments as necessary based on the information that has been provided.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

## **FINANCIAL PROSPECTS FOR FUTURE YEARS**

The economic condition of the State of Minnesota remains uncertain in the short term. As mentioned earlier, with the exception of the voter-approved excess operating referendum and capital projects levy, the District is dependent on the State of Minnesota for its revenue authority. Recent experience demonstrates that legislated revenue increases have not been sufficient to meet instruction program needs and increased costs due to inflation. The Legislature did increase the unrestricted general education formula funding per student for the 2018-19 and the 2019-20 fiscal years.

The Board of Education and the teachers union has a settled union contract for the 2017-18 and 2018-19 school years. The Board of Education has settled contracts with all other employee bargaining groups for the 2018-19 and 2019-20 school year. Currently all contracts limit the costs for employee health insurance benefits.

## RELEVANT FINANCIAL POLICIES

The District has adopted a comprehensive set of financial policies. In recent years, one of these policies has been particularly relevant. The District has a policy (701.3) that requires maintaining an adequate, stable fund balance to sustain District operations. The District has established a goal of achieving a total un-appropriated fund balance between (8) and (10) percent of expenditures. The economic uncertainties surrounding the State of Minnesota and the District's reliance on the state aid funding formula will continue to make this a useful and relevant financial policy going forward.

## AWARDS

The District received the Certificate of Excellence in Financial Reporting for fiscal year(s) ending June 30, 2012, 2013, 2014, 2015, 2016, 2017 and 2018. The district will submit for the aforementioned award again in this current year.

## ACKNOWLEDGMENTS

The time, effort, and attention that go into the timely preparation of a CAFR require the commitment and cooperation of many people. We would like to express appreciation to all the members of the Staff who assisted in the timely closing of the District's financial records and the preparation of this report. Special appreciation is extended to the School Board for their unfailing support for maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



---

Renee Corneille  
Superintendent of Schools



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Phan Tu  
Controller

Independent School District No. 282  
St. Anthony, Minnesota  
Board of Education and Administration  
For the Year June 30, 2019

**BOARD OF EDUCATION**

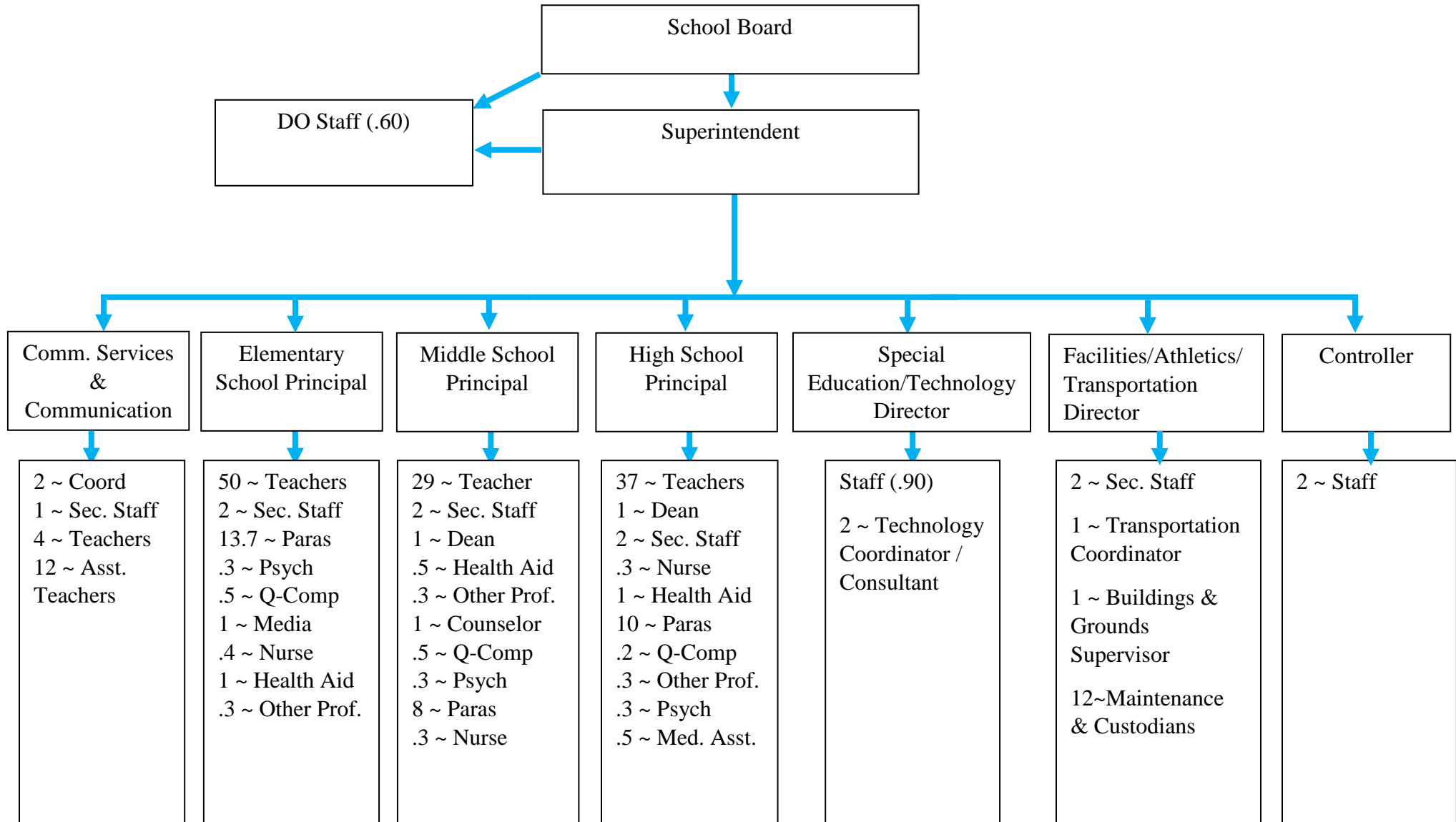
<u>Name</u>	<u>Positions</u>
Leah Slye	Chairperson
Laura Oksnevad	Vice Chair
Andrea Scamehorn	Clerk
Mike Volna	Director
Barry Kinsey	Director
Dr. Cassandra Palmer	Treasurer

**ADMINISTRATION**

Dr. Renee Corneille	Superintendent
Phan Tu	Controller



Independent School District No. 282  
St. Anthony, MN  
Organizational Chart  
June 30, 2019





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

**St. Anthony-New Brighton Public Schools**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSRM  
President

A handwritten signature in black ink, reading 'Siobhán McMahon'.

Siobhán McMahon, CAE  
Chief Operating Officer

FINANCIAL SECTION  
INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

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## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Education  
Independent School District No. 282  
St. Anthony, Minnesota

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Independent School District No. 282 (the District), St. Anthony, Minnesota as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District as of June 30 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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## Other Matters

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 25 and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions, the Schedules of Funding Progress, the Schedule of Changes in the District's Net OPEB Liability (Asset) and Related Ratios, Schedule of District's Contributions and the Schedule of Investment Returns, starting on page 84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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.

### ***Other Information***

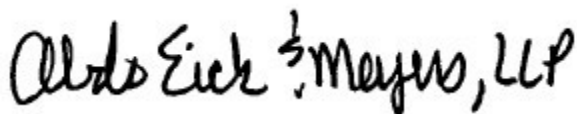
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and table and the statistical section are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



ABDO, EICK & MEYERS, LLP  
Minneapolis, Minnesota  
November 25, 2019

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## Management's Discussion and Analysis

As management of the Independent School District No. 282 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2019.

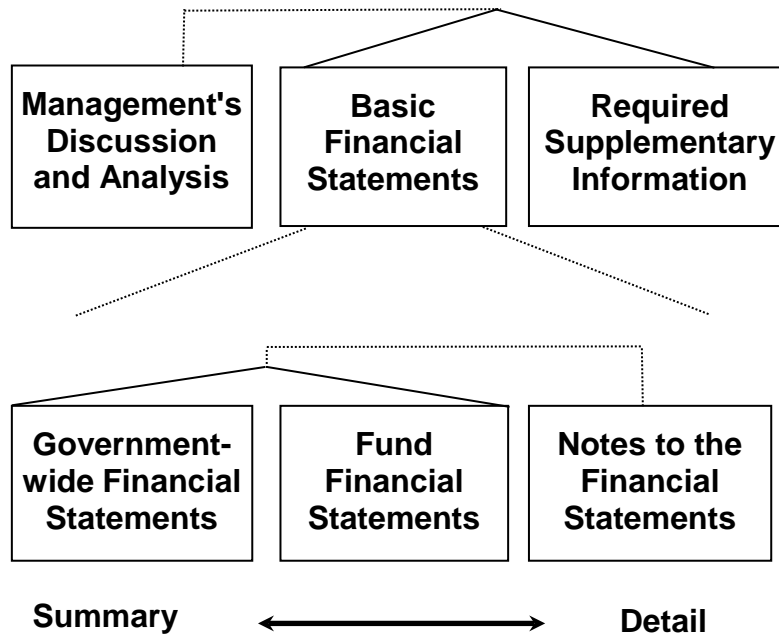
### Financial Highlights

- The liabilities and deferred inflows of resources of the District were greater than its assets and deferred outflows of resources at the close of the most recent fiscal year by \$826,667 (*deficit net position*).
- A deficit of \$11,482,893 (*unrestricted net position*) exists due to long-term pension liabilities in accordance with GASB Statements No. 68.
- The District's total net position increased \$6,956,564. This increase is largely attributable to a significant decrease in the District's pension liability.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$10,566,131, a decrease of \$6,239,836 in comparison with the prior year. The decrease is primarily the result of completed construction projects. Approximately 24.2 percent of this total amount, \$2,560,722, constitutes unassigned fund balance, which is available for spending at the District's discretion. The remainder of fund balance is not available for new spending because it is either 1) non-spendable (\$38,385), 2) restricted (\$4,410,617), 3) committed (\$747,868), or 4) assigned (\$2,808,539).
- At the end of the current fiscal year, unassigned fund balance for the General fund was \$2,560,722 or 11.8 percent of total General fund expenditures.
- The District's total long-term debt decreased \$1,537,962 or 12.0 percent during the current fiscal year due to scheduled bond payments.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) District-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplemental information in addition to the basic financial statements themselves. The following chart shows how the various parts of this annual report are arranged and related to one another:

### Organization of Independent School District No. 282 Annual Financial Report



The following chart summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements:

**Figure 2**  
**Major Features of the District-wide and Fund Financial Statements**

	<b>District-wide Statements</b>	<b>Fund Financial Statements</b>		
		<b>Governmental Funds</b>	<b>Proprietary Funds</b>	<b>Fiduciary Funds</b>
Scope	Entire District (except fiduciary funds)	The activities of the District that are not fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses.	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statements of Revenues, Expenses, and Changes in Net Position</li> <li>• Statement of Cash Flows</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Fiduciary Net Position</li> <li>• Statement of Changes in Fiduciary Net Position</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid	All deferred outflows/inflows of resources, regardless of when cash is received or paid
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and deductions during the year, regardless of when cash is received or paid

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

The *statement of net position* presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the residual remaining amount being reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the District's overall health, you need to consider additional non-financial indicators such as changes in the District's property tax base and condition of school buildings and other facilities.

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

In the district-wide financial statements, the District activities are shown in one category titled "governmental activities":

- **Governmental Activities:** The District's basic services are reported here, including administration, district support services, elementary and secondary regular instruction, vocational education instruction, special education instruction, community education and services, instructional support services, pupil support services, sites and buildings, fiscal and other fixed cost programs, and interest and fiscal charges on long-term debt. Property taxes and State aids finance most of these activities.

The district-wide financial statements start on page 36 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact by the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Debt Service fund and the Building Construction fund, all of which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic governmental fund financial statements start on page 40 of this report.

**Proprietary Funds.** The *internal service fund* accounts for the District's self-insurance dental plan. Both District and employee insurance premiums are deposited into and paid from this fund.

The basic proprietary fund financial statements start on page 45 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the district-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those whom the assets belong. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements start on page 48 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements start on page 51 of this report.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Independent School District No. 282's share of net pension liabilities (assets) for defined benefits plans, schedules of contributions, and progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found starting on page 84 of this report.

**Other Information.** The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules start on page 94 of this report.

### District-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$826,667 at the close of the most recent fiscal year.

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

### Independent School District No. 282's Net Position

	2019	2018	Increase (Decrease)
Assets			
Current and other assets	\$ 21,691,481	\$ 27,851,905	\$ (6,160,424)
Capital assets	37,136,613	30,373,447	6,763,166
Total Assets	<u>58,828,094</u>	<u>58,225,352</u>	<u>602,742</u>
Deferred Outflows of Resources	<u>15,743,501</u>	<u>20,090,635</u>	<u>(4,347,134)</u>
Liabilities			
Noncurrent liabilities outstanding	43,993,043	68,812,380	(24,819,337)
Other liabilities	3,627,122	3,812,597	(185,475)
Total Liabilities	<u>47,620,165</u>	<u>72,624,977</u>	<u>(25,004,812)</u>
Deferred Inflows of Resources	<u>27,778,097</u>	<u>13,474,241</u>	<u>14,303,856</u>
Net Position			
Net investment in capital assets	7,415,335	6,690,859	724,476
Restricted	3,240,891	2,594,722	646,169
Unrestricted	<u>(11,482,893)</u>	<u>(17,068,812)</u>	<u>5,585,919</u>
Total Net Position	<u>\$ (826,667)</u>	<u>\$ (7,783,231)</u>	<u>\$ 6,956,564</u>

A portion of the District's net position represents restricted money that will be subject to external restrictions on how they may be used once funding is received.

At the end of the current fiscal year, the District is able to report positive balances in two categories of net position with the unrestricted balance reporting a deficit \$11,482,893.

- Capital assets increased mainly due to the completion of the Wilshire Park Expansion project.
- The decrease in long term liabilities was due to a decrease in the pension liability amount.

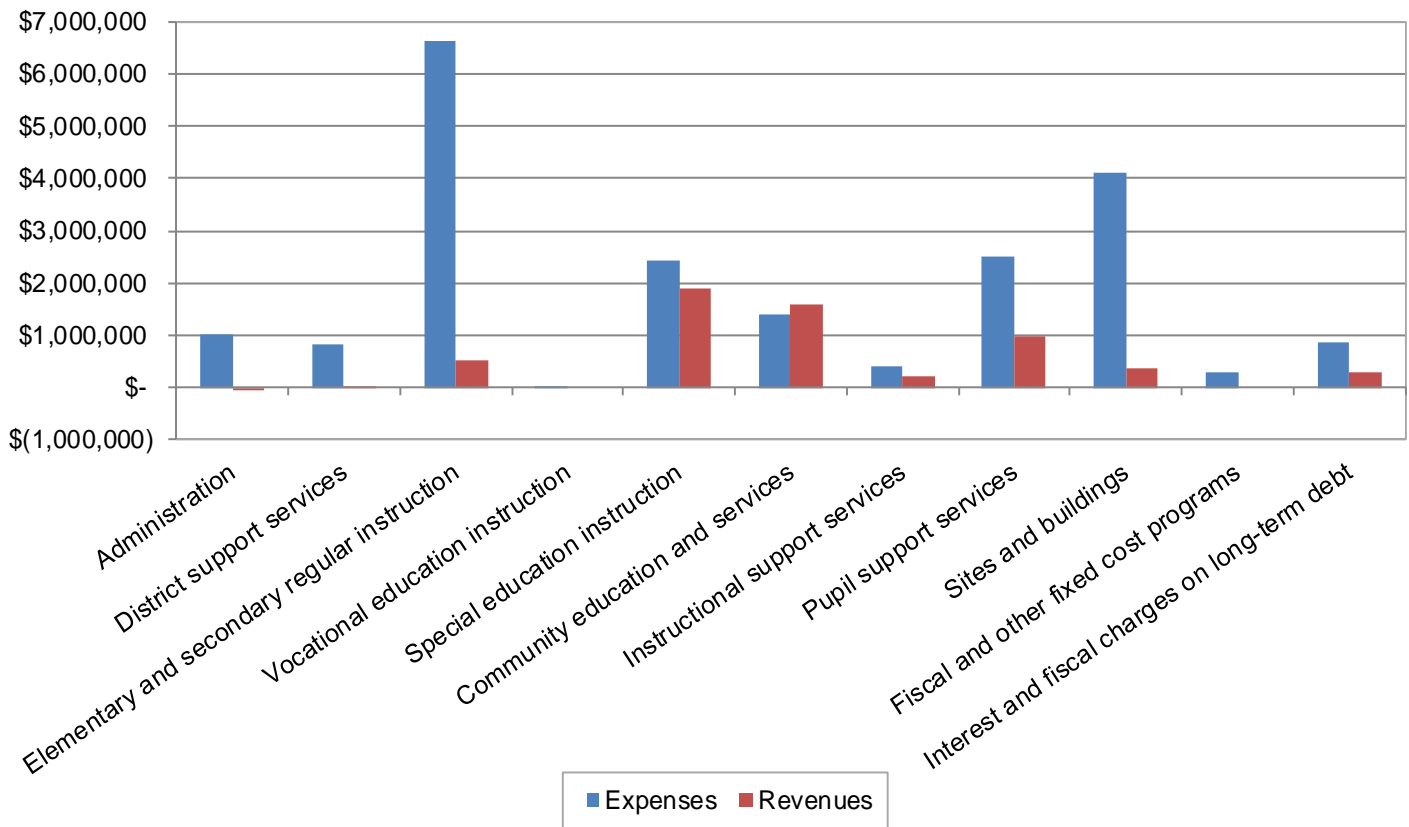
The District's net position increased \$6,956,564 during the current fiscal year. Key elements of this increase are as follows:

### Independent School District No. 282's Changes in Net Position

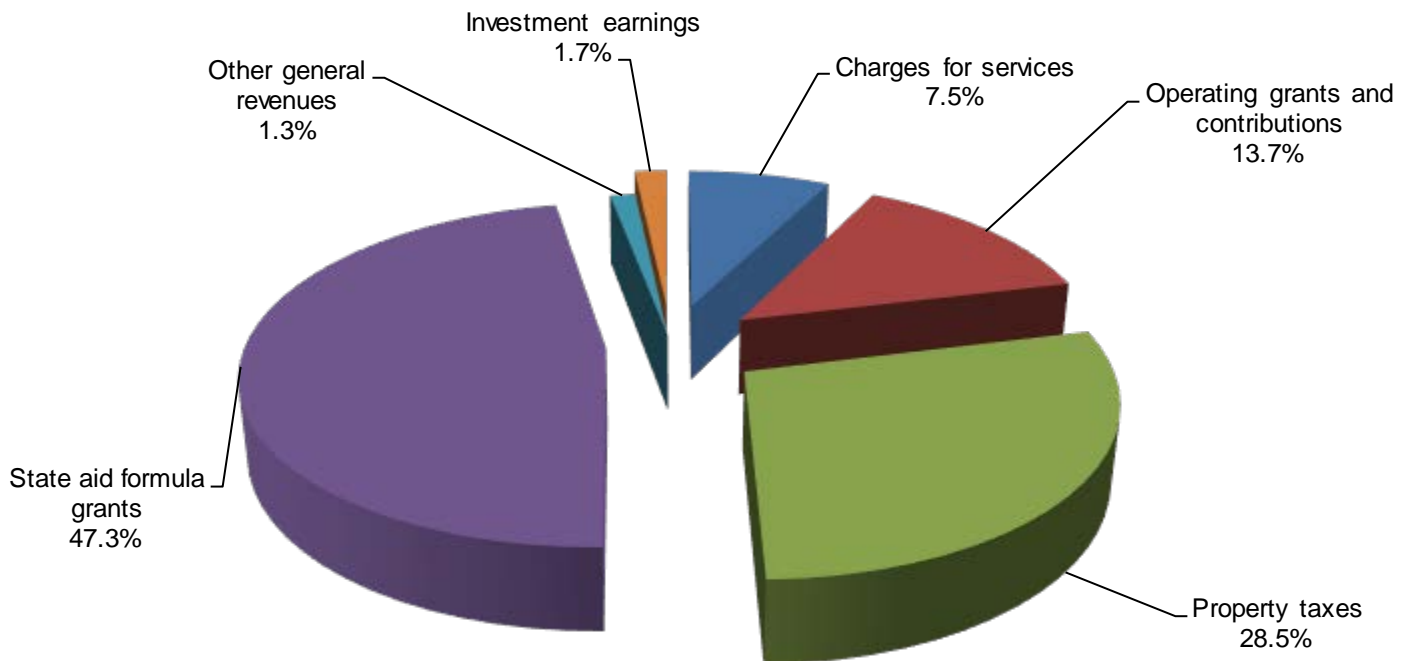
	2019	2018	Increase (Decrease)
Revenues			
Program Revenues			
Charges for services	\$ 2,037,617	\$ 1,823,966	\$ 213,651
Operating grants and contributions	3,779,437	4,605,975	(826,538)
Capital grants and contributions	-	245,913	(245,913)
General Revenues			
Property taxes	7,846,902	7,052,684	794,218
State aid-formula grants	13,021,736	12,723,099	298,637
Other	817,218	484,090	333,128
Total Revenues	<u>27,502,910</u>	<u>26,935,727</u>	<u>567,183</u>
Expenses			
Administration	1,029,633	1,790,852	(761,219)
District support services	849,164	1,030,179	(181,015)
Elementary and secondary regular instruction	6,637,949	14,437,089	(7,799,140)
Vocational education instruction	3,112	1,228	1,884
Special education instruction	2,420,493	3,387,343	(966,850)
Community education and services	1,408,793	1,564,666	(155,873)
Instructional support services	408,976	687,549	(278,573)
Pupil support services	2,525,724	2,617,823	(92,099)
Sites and buildings	4,115,635	3,464,158	651,477
Fiscal and other fixed cost programs	284,563	302,325	(17,762)
Interest and fiscal charges on long-term debt	862,304	1,343,029	(480,725)
Total Expenses	<u>20,546,346</u>	<u>30,626,241</u>	<u>(10,079,895)</u>
Change in Net Position	6,956,564	(3,690,514)	10,647,078
Net Position, July 1	<u>(7,783,231)</u>	<u>(4,092,717)</u>	<u>(3,690,514)</u>
Net Position, June 30	<u>\$ (826,667)</u>	<u>\$ (7,783,231)</u>	<u>\$ 6,956,564</u>

The largest variance from prior year was in the elementary and secondary regular instruction category, the decrease is related to the Wilshire Park Expansion project costs that incurred in fiscal year 2018 and the allocation of negative pension expense recognized as a result of the decrease in the District's pension liability.

## Expenses and Program Revenues - Governmental Activities



## Revenues by Source - Governmental Activities



## Financial Analysis of the Government's Funds

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

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

As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$10,566,131, a decrease of \$6,239,836 in comparison with the prior year. Approximately 24.2 percent of this total amount, \$2,560,722, constitutes unassigned fund balance, which is available for spending at the District's discretion. The remainder of fund balance is not available for new spending because it is either 1) non-spendable (\$38,385), 2) restricted (\$4,410,617), 3) committed (\$747,868), or 4) assigned (\$2,808,539).

The General fund is the chief operating fund of the District. At the end of the current year, unassigned fund balance of the General fund was \$2,560,722, while total fund balance was \$8,396,207. As a measure of the General fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 11.8 percent of expenditures while total fund balance represents 38.6 percent of that same amount.

The fund balance of the District's General fund increased \$1,045,916 during the current fiscal year. The increase primarily resulted from increases in revenues from local property tax levies and interest earnings.

The Debt Service fund has a total fund balance of \$257,844, all of which is restricted for the payment of debt service. The fund balance increased \$117,829 due to an increase in revenues received.

The Building Construction fund has a total fund balance of \$871,760, all of which is restricted for building construction costs. The fund balance decreased \$7,576,652 due payments for the building construction projects.

### General Fund Budgetary Highlights

Over the course of the year, the District did not revise the annual operating budget.

The final budget called for a decrease in fund balance of \$221,478. Revenues were \$702,966 over the final budget and expenditures were \$564,428 under the final budget. Fund balance increased \$1,045,916.

- The increase in budgeted revenues was mostly due to an increase in interest earned on investments, \$230,000 from the dissolution of West Metro Education Program and other local revenue sources.
- Prior year state aid was under accrued.
- Tax revenues were more than anticipated due to unbudgeted fiscal disparity revenues.
- Administration expenditures were over budget by \$112,020 mainly due to salary expenditures being over budget.
- Capital outlay was under budget by \$488,814 due to the timing of capital projects.



## Capital Asset and Debt Administration

**Capital Assets.** The District's investment in capital assets for its governmental activities as of June 30, 2019, amounts to \$37,136,613 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system, improvements and machinery and equipment. The following is a schedule of capital assets as of June 30, 2019.

### Independent School District No. 282's Capital Assets (Net of Depreciation)

	2019	2018	Increase (Decrease)
Land	\$ 984,510	\$ 984,510	\$ -
Construction in Progress	52,537	5,802,554	(5,750,017)
Buildings and Improvements	35,646,925	23,071,847	12,575,078
Equipment	452,641	514,536	(61,895)
Total	<u>\$ 37,136,613</u>	<u>\$ 30,373,447</u>	<u>\$ 6,763,166</u>

Significant capital asset activity for the year included:

- Completion of the Wilshire Park Expansion Project.
- Purchase of maintenance machinery and equipment.

Additional information on the District's capital assets can be found in Note 3C on page 63 of this report.

**Long-term Debt.** At the end of the current fiscal year, the District's long-term liabilities consisted of general obligation bonds, capital leases and severance payable. Balances of the liabilities are shown below.

### Independent School District No. 282's Outstanding Debt General Obligation Bonds and Liabilities

	2019	2018	Increase (Decrease)
General Obligation Bonds	\$ 30,205,000	\$ 31,625,000	\$ (1,420,000)
Capital Lease Payable	388,038	506,000	(117,962)
Total	<u>\$ 30,593,038</u>	<u>\$ 32,131,000</u>	<u>\$ (1,537,962)</u>

The District's total long-term debt decreased \$1,537,962. The main reason for the decrease was due to annual debt payments.

Additional information on the District's long-term debt can be found in Note 3D starting on page 64 of this report.

## **Factors Bearing on the District's Future**

The state aid increase per pupil in 2018-19 was \$124 per adjusted pupil unit. The state aid increase for 2019-20 will be an additional 2 percent, bringing the total state aid for 2019-20 to \$6,438 per adjusted pupil unit.

All day kindergarten was fully funded for the first time effective for the 2014-15 school year. As such, the District remodeled the Wilshire Park media center and multipurpose room in 2014 to accommodate additional sections of kindergarten.

As no doubt is the case for most school districts in Minnesota, projections over the next three to five years (without adequate aid from the State) suggest that the District will be faced with ongoing financial challenges. The School Board is dealing with this issue by keeping communication open with legislators regarding potential options for funding.

The District has implemented an alternative teacher compensation program. Funding provided by State aid will help support this program with the potential of the District levying for additional dollars. In the event the funding formula that supports this program changes, the District will review different facets of the program to determine viability.

An actuarial study was conducted for GASB 45 (other postemployment benefits). Based on the results of the study, the District decided to bond for the projected OPEB liability. This decision will provide financial relief to the General fund. The District has paid its debt obligation, and the balance in the OPEB trust fund as of June 30, 2018 is \$1.24M.

The taxpayers of the District approved an increase to the voter approved operating referendum and approved a capital projects levy for curriculum and technology in November of 2014. The operating referendum increased from \$987.60 to \$1,068.35 per adjusted pupil unit for taxes payable in 2015-2017, \$1,149.11 for taxes payable in 2018-2020, and \$1,229.86 for taxes payable in 2021-2024. The capital projects levy, which is set by the change in net tax capacity, will be for 10 years and will start in taxes payable 2015 at \$450,000 per year. The makeup, philosophy and vision of the School Board may change current policies. Particular highlights include policies regarding fund balances, and enrollment options.

## **Requests for Information**

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Superintendent, Independent School District No. 282, 3303 33<sup>rd</sup> Avenue Northeast, St. Anthony, Minnesota 55418.

DISTRICT-WIDE FINANCIAL STATEMENTS  
INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

# Independent School District No. 282

St. Anthony, Minnesota  
Statement of Net Position  
June 30, 2019

	Governmental Activities
<b>Assets</b>	
Cash and temporary investments	\$ 15,103,586
Receivables	
Taxes	4,190,935
Accounts and interest	37,212
Due from Department of Education	1,821,784
Due from other governments	360,713
Inventory	18,720
Prepaid items	19,665
Net other post employment benefit asset	138,866
Capital assets (net of accumulated depreciation)	
Land and construction in progress	1,037,047
Buildings, improvements and equipment	36,099,566
Total Assets	<u>58,828,094</u>
<b>Deferred Outflows of Resources</b>	
Deferred pension resources	15,720,464
Deferred other post employment benefit resources	23,037
Total Deferred Outflows of Resources	<u>15,743,501</u>
<b>Liabilities</b>	
Salaries and wages payable	2,461,059
Accounts and other payables	697,061
Accrued interest payable	338,975
Due to other school districts	93,987
Due to other governments	150
Unearned revenue	35,890
Noncurrent liabilities	
Due within one year	1,648,480
Due in more than one year	42,344,563
Total Liabilities	<u>47,620,165</u>
<b>Deferred Inflows of Resources</b>	
Property taxes levied for subsequent year	7,414,169
Deferred other post employment benefit resources	3,571
Deferred pension resources	20,360,357
Total Deferred Inflows of Resources	<u>27,778,097</u>
<b>Net Position</b>	
Net investment in capital assets	7,415,335
Restricted for	
Educational purposes	3,082,645
Food service	139,234
Debt service	19,012
Unrestricted	<u>(11,482,893)</u>
Total Net Position	<u>\$ (826,667)</u>

The notes to the financial statements are an integral part of this statement.

# Independent School District No. 282

St. Anthony, Minnesota

Statement of Activities

For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Administration	\$ 1,029,633	\$ -	\$ (49,171)	\$ (1,078,804)
District support services	849,164	-	1,740	(847,424)
Elementary and secondary regular instruction	6,637,949	147,290	361,730	(6,128,929)
Vocational education instruction	3,112	-	-	(3,112)
Special education instruction	2,420,493	-	1,886,445	(534,048)
Community education and services	1,408,793	1,386,560	214,097	191,864
Instructional support services	408,976	-	233,899	(175,077)
Pupil support services	2,525,724	503,767	461,366	(1,560,591)
Sites and buildings	4,115,635	-	366,058	(3,749,577)
Fiscal and other fixed cost programs	284,563	-	-	(284,563)
Interest and fiscal charges on long term debt	862,304	-	303,273	(559,031)
Total Governmental Activities	<u>\$ 20,546,346</u>	<u>\$ 2,037,617</u>	<u>\$ 3,779,437</u>	<u>(14,729,292)</u>
General Revenues				
Taxes				
Property taxes, levied for general purpose				3,713,059
Property taxes, levied for capital expenditures				1,832,966
Property taxes, levied for community service				174,861
Property taxes, levied for debt service				2,126,016
State aid-formula grants				13,021,736
Other general revenues				354,731
Investment earnings				462,487
Total General Revenues				<u>21,685,856</u>
Change in Net Position				6,956,564
Net Position, July 1				<u>(7,783,231)</u>
Net Position, June 30				<u>\$ (826,667)</u>

The notes to the financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS  
INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

Independent School District No. 282

St. Anthony, Minnesota

Balance Sheet

Governmental Funds

June 30, 2019

	General	Debt Service	Building Construction	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and temporary investments	\$ 11,132,797	\$ 1,225,481	\$ 1,114,767	\$ 1,414,337	\$ 14,887,382
Receivables					
Taxes	2,933,068	1,163,562	-	94,305	4,190,935
Accounts and interest	34,313	-	-	2,899	37,212
Due from Department of Education	1,774,952	29,271	-	17,561	1,821,784
Due from other governments	319,530	-	-	41,183	360,713
Inventory	-	-	-	18,720	18,720
Prepaid items	16,865	-	-	2,800	19,665
<b>Total Assets</b>	<b>\$ 16,211,525</b>	<b>\$ 2,418,314</b>	<b>\$ 1,114,767</b>	<b>\$ 1,591,805</b>	<b>\$ 21,336,411</b>
<b>Liabilities</b>					
Salaries and wages payable	\$ 2,172,534	\$ -	\$ -	\$ 288,525	\$ 2,461,059
Accounts and other payables	413,080	-	243,007	40,974	697,061
Due to other school districts	81,552	-	-	12,435	93,987
Due to other governments	-	-	-	150	150
Unearned revenue	1,725	-	-	34,165	35,890
<b>Total Liabilities</b>	<b>2,668,891</b>	<b>-</b>	<b>243,007</b>	<b>376,249</b>	<b>3,288,147</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - delinquent property taxes	48,475	19,115	-	374	67,964
Property taxes levied for subsequent year	5,097,952	2,141,355	-	174,862	7,414,169
<b>Total Deferred Inflows of Resources</b>	<b>5,146,427</b>	<b>2,160,470</b>	<b>-</b>	<b>175,236</b>	<b>7,482,133</b>
<b>Fund Balances</b>					
Nonspendable	16,865	-	-	21,520	38,385
Restricted	2,262,213	257,844	871,760	1,018,800	4,410,617
Committed	747,868	-	-	-	747,868
Assigned	2,808,539	-	-	-	2,808,539
Unassigned	2,560,722	-	-	-	2,560,722
<b>Total Fund Balances</b>	<b>8,396,207</b>	<b>257,844</b>	<b>871,760</b>	<b>1,040,320</b>	<b>10,566,131</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 16,211,525</b>	<b>\$ 2,418,314</b>	<b>\$ 1,114,767</b>	<b>\$ 1,591,805</b>	<b>\$ 21,336,411</b>

The notes to the financial statements are an integral part of this statement.



# Independent School District No. 282

## St. Anthony, Minnesota Reconciliation of the Balance Sheet to the Statement of Net Position Governmental Funds June 30, 2019

Amounts reported for governmental activities in the statement of net position are different because

Total Fund Balances - Governmental Funds	\$ 10,566,131
Long-term assets from net other post employment benefits reported in governmental activities are not financial resources and therefore are not reported as assets in the funds.	138,866
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	54,058,498
Less: accumulated depreciation	(16,921,885)
Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities assets in the funds.	
Noncurrent liabilities assets at year-end consist of	
Severance payable	(65,333)
Capital leases payable	(388,038)
Bonds payable	(30,205,000)
Pension liability	(13,334,672)
Internal service funds are used by management to charge the cost of dental premiums to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	216,204
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 unavailable in the funds.	67,964
Governmental funds do not report long-term amounts due for pensions.	
Deferred outflow of pension resources	15,720,464
Deferred inflow of pension resources	(20,360,357)
Governmental funds do not report long-term amounts due for other post employment benefits.	
Deferred outflow of other post employment benefit resources	23,037
Deferred inflow of other post employment benefit resources	(3,571)
Governmental funds do not report a liability for accrued interest until due and payable.	<u>(338,975)</u>
Total Net Position - Governmental Activities	<u>\$ (826,667)</u>

The notes to the financial statements are an integral part of this statement.

Independent School District No. 282  
St. Anthony, Minnesota  
Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2019

	General	Debt Service	Building Construction	Other Governmental Funds	Total
<b>Revenues</b>					
Local property tax levies	\$ 5,363,165	\$ 2,126,016	\$ -	\$ 174,861	\$ 7,664,042
Other local and county revenue					
Interest earned on investments	317,621	23,965	92,288	24,450	458,324
Other	535,496	-	-	1,419,314	1,954,810
Revenue from state sources	16,096,351	303,273	100,000	236,658	16,736,282
Revenue from federal sources	463,599	-	-	375,134	838,733
Sales and other conversion of assets	-	-	-	498,209	498,209
<b>Total Revenues</b>	<b>22,776,232</b>	<b>2,453,254</b>	<b>192,288</b>	<b>2,728,626</b>	<b>28,150,400</b>
<b>Expenditures</b>					
Current					
Administration	1,415,842	-	-	-	1,415,842
District support services	891,590	-	-	-	891,590
Elementary and secondary regular instruction	10,599,569	-	-	-	10,599,569
Vocational education instruction	330	-	-	-	330
Special education instruction	2,951,548	-	-	-	2,951,548
Community education and services	-	-	-	1,582,956	1,582,956
Instructional support services	565,686	-	-	-	565,686
Pupil support services	1,696,639	-	-	892,502	2,589,141
Sites, buildings and equipment	2,105,593	-	-	-	2,105,593
Fiscal and other fixed cost programs	217,796	-	-	66,767	284,563
<b>Total current</b>	<b>20,444,593</b>	<b>-</b>	<b>-</b>	<b>2,542,225</b>	<b>22,986,818</b>
Capital outlay					
Administration	482	-	-	-	482
Elementary and secondary regular instruction	39,451	-	-	-	39,451
Vocational education instruction	2,782	-	-	-	2,782
Special education instruction	1,345	-	-	-	1,345
Community education and services	-	-	-	8,233	8,233
Instructional support services	6,745	-	-	-	6,745
Pupil support services	-	-	-	5,097	5,097
Sites, buildings and equipment	1,096,237	-	7,768,940	-	8,865,177
<b>Total capital outlay</b>	<b>1,147,042</b>	<b>-</b>	<b>7,768,940</b>	<b>13,330</b>	<b>8,929,312</b>
Debt service					
Principal	117,962	1,420,000	-	-	1,537,962
Interest and other	20,719	915,425	-	-	936,144
<b>Total debt service</b>	<b>138,681</b>	<b>2,335,425</b>	<b>-</b>	<b>-</b>	<b>2,474,106</b>
<b>Total Expenditures</b>	<b>21,730,316</b>	<b>2,335,425</b>	<b>7,768,940</b>	<b>2,555,555</b>	<b>34,390,236</b>
<b>Net Change in Fund Balances</b>	<b>1,045,916</b>	<b>117,829</b>	<b>(7,576,652)</b>	<b>173,071</b>	<b>(6,239,836)</b>
<b>Fund Balances, July 1</b>	<b>7,350,291</b>	<b>140,015</b>	<b>8,448,412</b>	<b>867,249</b>	<b>16,805,967</b>
<b>Fund Balances, June 30</b>	<b>\$ 8,396,207</b>	<b>\$ 257,844</b>	<b>\$ 871,760</b>	<b>\$ 1,040,320</b>	<b>\$ 10,566,131</b>

The notes to the financial statements are an integral part of this statement.

Independent School District No. 282  
St. Anthony, Minnesota  
Reconciliation of the Statement of Revenues, Expenditures and  
Changes in Fund Balances  
to the Statement of Activities  
Governmental Funds  
For the Year Ended June 30, 2019

Amounts reported for governmental activities in the statement of activities are different because

Total Net Change in Fund Balances - Governmental Funds	\$ (6,239,836)
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlay	8,277,979
Depreciation	(1,514,813)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The amounts below are the effects of these differences in the treatment of long-term debt and related items.	
Principal repayments	
Bonds and capital lease payments	1,537,962
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	73,840
Long-term pension activity is not reported in governmental funds.	
Pension expense	5,441,190
Direct aid contributions	(685,398)
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 unavailable in the funds.	19,247
Internal service funds are used by management to charge the costs of dental premiums to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	18,661
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Other post employment benefits	27,732
Change in Net Position - Governmental Activities	<u>\$ 6,956,564</u>

The notes to the financial statements are an integral part of this statement.

Independent School District No. 282  
St. Anthony, Minnesota  
Statement of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Local property tax levies	\$ 5,130,210	\$ 5,130,210	\$ 5,363,165	\$ 232,955
Other local and county revenue				
Interest earned on investments	30,500	30,500	317,621	287,121
Other	299,293	299,293	535,496	236,203
Revenue from state sources	16,140,263	16,140,263	16,096,351	(43,912)
Revenue from federal sources	473,000	473,000	463,599	(9,401)
Total Revenues	<u>22,073,266</u>	<u>22,073,266</u>	<u>22,776,232</u>	<u>702,966</u>
Expenditures				
Current				
Administration	1,303,822	1,303,822	1,415,842	(112,020)
District support services	905,040	905,040	891,590	13,450
Elementary and secondary regular instruction	10,800,495	10,800,495	10,599,569	200,926
Vocational education instruction	-	-	330	(330)
Special education instruction	2,998,161	2,998,161	2,951,548	46,613
Instructional support services	605,192	605,192	565,686	39,506
Pupil support services	1,558,143	1,558,143	1,696,639	(138,496)
Sites, buildings and equipment	2,099,865	2,099,865	2,105,593	(5,728)
Fiscal and other fixed cost programs	245,000	245,000	217,796	27,204
Total current	<u>20,515,718</u>	<u>20,515,718</u>	<u>20,444,593</u>	<u>71,125</u>
Capital outlay				
Administration	2,000	2,000	482	1,518
District support services	49,500	49,500	-	49,500
Elementary and secondary regular instruction	73,334	73,334	39,451	33,883
Vocational education instruction	-	-	2,782	(2,782)
Special education instruction	12,653	12,653	1,345	11,308
Instructional support services	7,210	7,210	6,745	465
Sites, buildings and equipment	1,491,159	1,491,159	1,096,237	394,922
Total capital outlay	<u>1,635,856</u>	<u>1,635,856</u>	<u>1,147,042</u>	<u>488,814</u>
Debt service				
Principal	116,390	116,390	117,962	(1,572)
Interest and other	26,780	26,780	20,719	6,061
Total debt service	<u>143,170</u>	<u>143,170</u>	<u>138,681</u>	<u>4,489</u>
Total Expenditures	<u>22,294,744</u>	<u>22,294,744</u>	<u>21,730,316</u>	<u>564,428</u>
Net Change in Fund Balances	(221,478)	(221,478)	1,045,916	1,267,394
Fund Balances, July 1	<u>7,350,291</u>	<u>7,350,291</u>	<u>7,350,291</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 7,128,813</u>	<u>\$ 7,128,813</u>	<u>\$ 8,396,207</u>	<u>\$ 1,267,394</u>

The notes to the financial statements are an integral part of this statement.

Independent School District No. 282

St. Anthony, Minnesota  
Statement of Net Position  
Proprietary Fund  
June 30, 2019

	Governmental Activities
	Internal Service
Assets	
Cash and temporary investments	\$ 216,204
Net Position	
Unrestricted	\$ 216,204

The notes to the financial statements are an integral part of this statement.

Independent School District No. 282  
 St. Anthony, Minnesota  
 Statement of Revenues, Expenses and Changes in Net Position  
 Proprietary Fund  
 For the Year Ended June 30, 2019

	Governmental Activities
	Internal Service
Operating Revenues	
Charges to other funds	\$ 165,855
Operating Expenses	
District support services	<u>151,357</u>
Operating Income	14,498
Nonoperating Revenues	
Interest earned on investments	<u>4,163</u>
Change in Net Position	18,661
Net Position, July 1	<u>197,543</u>
Net Position, June 30	<u><u>\$ 216,204</u></u>

The notes to the financial statements are an integral part of this statement.

Independent School District No. 282  
 St. Anthony, Minnesota  
 Statement of Cash Flows  
 Proprietary Fund  
 For the Year Ended June 30, 2019

	Governmental Activities
	Internal Service
Cash Flows from Operating Activities	
Receipts from interfund dental premiums	\$ 165,855
Payments to insurance provider	(151,357)
Net Cash Provided by Operating Activities	<u>14,498</u>
Cash Flows from Investing Financing Activities	
Interest received on investments	<u>4,163</u>
Net Increase in Cash and Cash Equivalents	18,661
Cash and Cash Equivalents, July 1	<u>197,543</u>
Cash and Cash Equivalents, June 30	<u><u>\$ 216,204</u></u>
Reconciliation of Operating Income to Net Cash	
Provided by Operating Activities	
Operating income	<u><u>\$ 14,498</u></u>

The notes to the financial statements are an integral part of this statement.

Independent School District No. 282

St. Anthony, Minnesota

Statement of Fiduciary Net Position

Fiduciary Funds

June 30, 2019

	Private-purpose Trusts <u>Scholarships</u>	Irrevocable Trusts <u>OPEB</u>	<u>Agency</u>
<b>Assets</b>			
Accounts receivable	\$ -	\$ -	\$ 40,837
Investments			
Money market	36,873	159,037	208,695
Certificates of deposit	-	1,119,704	-
Total Investments	<u>36,873</u>	<u>1,278,741</u>	<u>208,695</u>
 Total Assets	 <u>36,873</u>	 <u>1,278,741</u>	 <u>249,532</u>
<b>Liabilities</b>			
Payables			
Salaries and wages	-	-	4,899
Accounts	500	-	220,089
Cash overdraft	-	-	21,784
Total Payables	<u>500</u>	<u>-</u>	<u>246,772</u>
 Unearned revenue	 <u>-</u>	 <u>-</u>	 <u>2,760</u>
 Total Liabilities	 <u>500</u>	 <u>-</u>	 <u>249,532</u>
<b>Net Position</b>			
Restricted			
Postemployment benefits other than pensions	-	1,278,741	-
Unrestricted	<u>36,373</u>	<u>-</u>	<u>-</u>
 Total Net Position	 <u>\$ 36,373</u>	 <u>\$ 1,278,741</u>	 <u>\$ -</u>

The notes to the financial statements are an integral part of this statement.



Independent School District No. 282  
St. Anthony, Minnesota  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended June 30, 2019

	Private-purpose Trusts <u>Scholarships</u>	Irrevocable Trusts <u>OPEB</u>
Additions		
Contributions		
Donors	\$ 31,210	\$ -
Employer	-	104,806
Investment income		
Net increase (decrease) in fair value of investments	-	26,868
Interest and dividends	777	11,768
Add: investment adjustment	-	(250)
Net investment income	<u>777</u>	<u>38,386</u>
Total Additions	<u>31,987</u>	<u>143,192</u>
Deductions		
OPEB health insurance benefits	-	104,806
Scholarship awards	<u>35,472</u>	-
Total Deductions	<u>35,472</u>	<u>104,806</u>
Change in Net Position	(3,485)	38,386
Net Position, July 1	<u>39,858</u>	<u>1,240,355</u>
Net Position, June 30	<u><u>\$ 36,373</u></u>	<u><u>\$ 1,278,741</u></u>

The notes to the financial statements are an integral part of this statement.

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## Independent School District No. 282

St. Anthony, Minnesota

Notes to the Financial Statements

June 30, 2019

### Note 1: Summary of Significant Accounting Policies

#### A. Reporting Entity

Independent School District No. 282 (the District), St. Anthony, Minnesota was incorporated under the laws of the State of Minnesota (the State). The District operates under a Board of Education form of government for the purpose of providing educational services to individuals within the area. The District is governed by an elected Board of Education of six members. The District has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The District has no component units that meet the GASB criteria.

#### B. District-wide and Fund Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

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

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

The district-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied, except for amounts advanced, which are recognized in accordance with a statutory "tax shift" described later in these notes. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. State revenue is recognized in the year to which it applies according to Minnesota statutes and accounting principles generally accepted in the United States of America. Minnesota statutes include State aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure was made. Other revenue is considered available if collected within one year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 1: Summary of Significant Accounting Policies (Continued)**

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

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

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are also recorded as unearned revenue.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Description of Funds***

The various District funds have 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***

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

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

The *Building Construction fund* accounts for the resources accumulated and payments made for building construction projects.

***Nonmajor Governmental Funds***

The *Food Service special revenue fund* is used to account for food service revenue and expenditures.

The *Community Service special revenue fund* accounts for services provided to residents in the areas of recreation, civic activities, non-public pupils, adult or early childhood programs, or other similar services.

The *Post-Employment Benefits Debt Service fund* is used to account for levy proceeds and the repayment of the debt service payments on the OPEB bond.

***Proprietary Fund***

The *Internal Service fund* accounts for the District's self-insurance dental plan. Both District and employee insurance premiums are deposited into and paid from this fund.

## Independent School District No. 282

St. Anthony, Minnesota

Notes to the Financial Statements

June 30, 2019

### Note 1: Summary of Significant Accounting Policies (Continued)

*Fiduciary funds* account for assets held by the District in a trustee capacity or as an agent on behalf of others:

The *Private-purpose Trust fund* accounts for the scholarships that are held in trust for the use of awarding scholarships to students.

The *Other Postemployment Benefits Irrevocable Trust fund (Internal Revenue Code 501(c) 9)* accounts for resources set aside and held in an irrevocable trust arrangement to fund post-employment benefits.

The *Agency fund* is custodial in nature and does not present results of operations or have a measurement focus. The District's agency funds are used to account for revenue and expenses that are related to various student activity accounts and to a local fundraising group.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

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

##### ***Deposits and Investments***

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

Cash balances from all funds are pooled and invested to the extent available in certificates of deposits and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

The District may also invest idle funds as authorized by Minnesota statutes, as follows:

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.

## Independent School District No. 282

St. Anthony, Minnesota

Notes to the Financial Statements

June 30, 2019

### Note 1: Summary of Significant Accounting Policies (Continued)

7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

The Minnesota School District Liquid Asset Fund (MSDLAF) investment pool operates in accordance with appropriate Minnesota laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. The MSDLAF is an external investment pool not registered with the Securities and Exchange Commission (SEC); however, it follows the same regulatory rules of the SEC under rule §2a7. Financial statements of the MSDLAF fund can be obtained by contacting PFM Asset Management, LLC at P.O. Box 11760, Harrisburg, PA 17108-11760.

The MN Trust Term Series portfolios are separate portfolios with a fixed investment term and a designated maturity. A Term Series Portfolio consists of investments in certificates of deposit, obligations of the U.S. Government, its agencies and instrumentalities, and municipal obligations. These investments are reported at amortized cost.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's recurring fair value measurements are listed in detail on page 61 and are valued using matrix pricing models (Level 2 inputs).

#### ***Property Taxes***

The Board of Education annually adopts a tax levy and certifies it to the County in December for collection in the following calendar year. The County is responsible for collecting all property taxes for the District. These taxes attach an enforceable lien on taxable property within the District on January 1 and are payable by the property owners in May and October of each year. The taxes are collected by the County Treasurer and tax settlements are made to the District three or four times throughout the year.

Statutory funding formulas determine the majority of the District revenue in the General and special revenue funds. This revenue is divided 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 remaining portion of taxes collectible in 2019 is recorded as deferred inflow of resources, property taxes levied for subsequent year.

Current property taxes receivable is the uncollected portion of the taxes levied in 2018 and collectible in 2019. This levy is offset with a deferred inflow of resources, property taxes levied for subsequent year. Delinquent property taxes receivable is the uncollected portion of the taxes levied prior to 2018 and not yet collected. Delinquent property taxes receivable is offset with a deferred inflow of resources, unavailable revenue delinquent property taxes.

#### ***Receivables and Payables***

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Independent School District No. 282

St. Anthony, Minnesota

Notes to the Financial Statements

June 30, 2019

**Note 1: Summary of Significant Accounting Policies (Continued)**

Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectibles. No allowance for uncollectible has been recorded. The only receivable not expected to be collected within one year are currently property taxes receivable.

***Inventories and Prepaid Items***

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both district-wide and fund financial statements. Prepaid items are accounting for under the purchases method.

***Net Other Postemployment Benefit Asset***

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

***Capital Assets***

Capital assets include property, plant, equipment and infrastructure assets (e.g., roads, parking lots, sidewalks and similar items). Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

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

Assets	Useful Lives in Years
Buildings	15 - 75
Improvements other than Buildings	15 - 30
Equipment and Machinery	3 - 15

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 1: Summary of Significant Accounting Policies (Continued)**

***Deferred Outflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has two items that qualify for reporting in this category. Accordingly, the items, deferred pension resources and deferred other post-employment benefit resources, are reported only in the statement of net position. These items result from actuarial calculations and current year pension and OPEB contributions made subsequent to the measurement date.

***Pensions***

Teachers Retirement Association (TRA)

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

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis and Minneapolis School District. The direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association (DTRFA) in 2015. Additional information can be found in Note 4.

Public Employees Retirement Association (PERA)

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The total pension expense for the GERS and TRA is as follows:

	<u>GERF</u>	<u>TRA</u>	<u>Total Pension Expense</u>
Pension Expense	\$ 69,980	\$ (4,516,121)	\$ (4,446,141)

***Compensated Absences Payable***

Vacation Pay - Vacations taken or estimated to be taken within 60 days after year-end are expensed and included in salaries payable as of June 30, 2019.

Sick Pay - Substantially all District employees are entitled to sick leave at various rates. Employees are not compensated for unused sick leave upon termination of employment.



Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 1: Summary of Significant Accounting Policies (Continued)**

***Deferred Inflows of Resources***

In addition to liabilities, the statement of net position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has three types of items, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, one of the items, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: delinquent property taxes and property taxes levied for subsequent year. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other items are the deferred pension and deferred other post-employment benefit resources reported in the statement of net position of the government-wide statements. These items result from the difference between expected and actual experience, the net difference between projected and actual investments earnings on pension and OPEB plan investments, changes in assumptions and changes in proportion and differences between entity contributions and proportionate share of contributions.

***Long-term Obligations***

In the district-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as an expense in the period incurred.

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources.

Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

***Net Position***

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

- a. Net investment in capital assets - Consists of capital assets, net of accumulated depreciation reduced by any outstanding debt attributable to acquire capital assets.
- b. Restricted net position - Consists of net position balances restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments.
- c. Unrestricted net position - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets".

## Independent School District No. 282

St. Anthony, Minnesota

Notes to the Financial Statements

June 30, 2019

### Note 1: Summary of Significant Accounting Policies (Continued)

#### ***Fund Balance***

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

*Nonspendable* - Amounts that cannot be spent because they are not in spendable form, such as prepaid items and inventory.

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

*Committed* - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the Board of Education, which is the District's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Board of Education modifies or rescinds the commitment by resolution.

*Assigned* - Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General fund, assigned fund balance represents all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the General fund, assigned amounts represent intended uses established by the Board of Education itself or by an official to which the governing body delegates the authority. The Board of Education has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Superintendent or Director of Business Services.

*Unassigned* - The residual classification for the General fund and also negative residual amounts in other funds.

The District considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the District would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The District has formally adopted a fund balance policy for the General fund. The District's policy is to maintain a minimum unassigned fund balance between eight and ten percent of expenditures.

## Independent School District No. 282

St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

### Note 2: Stewardship, Compliance and Accountability

#### A. Budgetary Information

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General fund, special revenue funds and the Debt Service fund. All annual appropriations lapse at fiscal year-end.

Budgets are prepared for the General, special revenue and Debt Service funds on the same basis and using the same accounting practices that are used in accounting and preparing financial statements for the funds.

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

1. Prior to July 1, the budget is prepared by the Business Manager to be adopted by the Board of Education.
2. Budgets for all General, special revenue and Debt Service funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).
3. Budgeted amounts are as amended.
4. Budget appropriations lapse at year-end.
5. The legal level of control is the fund level.
6. The District does not use encumbrance accounting.

#### B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2019, expenditures exceeded appropriations in the following fund:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess of Expenditures Over Appropriations</u>
Nonmajor			
Food Service	\$ 870,007	\$ 886,359	\$ 16,352

The excess of expenditures over appropriations were funded by revenues in excess of budget.

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 3: Detailed Notes on All Funds**

**A. Deposits and Investments**

***Deposits***

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the District's deposits and investments may not be returned or the District will not be able to recover collateral securities in the possession of an outside party. In accordance with Minnesota statutes and as authorized by the Board of Education, the District maintains deposits at those depository banks, all of which are members of the Federal Reserve System.

Minnesota statutes require that all District deposits be protected by insurance, surety bond or collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance, bonds, or irrevocable standby letters of credit from Federal Home Loan Banks.

Authorized collateral in lieu of a corporate surety bond includes:

- United States government Treasury bills, Treasury notes, Treasury bonds;
- Issues of United States government agencies and instrumentalities as quoted by a recognized industry quotation service available to the government entity;
- General obligation securities of any state or local government with taxing powers which is rated "A" or better by a national bond rating service, or revenue obligation securities of any state or local government with taxing powers which is rated "AA" or better by a national bond rating service;
- General obligation securities of a local government with taxing powers may be pledged as collateral against funds deposited by that same local government entity;
- Irrevocable standby letters of credit issued by Federal Home Loan Banks to a municipality accompanied by written evidence that the bank's public debt is rated "AA" or better by Moody's Investors Service, Inc., or Standard & Poor's Corporation; and
- Time deposits that are fully insured by any Federal agency.

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

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 3: Detailed Notes on All Funds (Continued)**

**Investments**

At year end, the District had the following investments that are insured or registered, or securities held by the District's agent in the District's name:

Types of Investments	Credit Quality/ Ratings (1)	Segmented Time Distribution (2)	6/30/2019	Fair Value Measurement Using		
				Level 1	Level 2	Level 3
Pooled Investments at Amortized Costs						
Minnesota School District Liquid Asset Fund	N/A	Less than 6 months	\$ 476,282			
Broker Money Market	N/A	Less than 6 months	6,201,704			
MN Trust TERM Series	N/A	Less than 6 months	4,508,358			
Pooled Investments at Net Asset Value (NAV)						
MN Trust Limited Term Duration Series	N/A	Less than 6 months	1,040,600			
Non-pooled Investments at Fair Value						
Brokered Certificates of Deposit	N/A	1 to 3 years	738,000	\$ -	\$ 738,000	\$ -
Brokered Certificates of Deposit	N/A	Less than 6 months	731,356	-	731,356	-
Brokered Certificates of Deposit	N/A	6 to 12 months	1,413,600	-	1,413,600	-
Brokered Certificates of Deposit	N/A	1 to 3 years	1,496,211	-	1,496,211	-
Total Investments			\$ 16,606,111	\$ -	\$ 4,379,167	\$ -

(1) Ratings are provided by various credit ratings agencies where applicable to indicate association's credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicates not applicable or available.

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

- **Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes limit the District's investments to the list on page 53 of the notes.
- **Custodial Credit Risk.** The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.
- **Concentration of Credit Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.
- **Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The investment in the Minnesota School District Liquid Asset Fund is not subject to the credit risk classifications as noted in paragraph 9 of GASB Statement No. 40.

The District does not currently have an investment policy that addresses the risks described above.

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 3: Detailed Notes on All Funds (Continued)**

The District reports the following investments at the NAV per share, the fair value established by the Pool:

	Net Asset Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible	Redemption Notice Period
MN Trust Limited Term Duration Series	\$ 1,040,600	\$ -	Quarterly	30 days

A reconciliation of cash and temporary investments as shown on the financial statements for the District follows:

Carrying Amount of Investments	<u>\$ 16,606,111</u>
As Reported in the Basic Financial Statements	
Statement of net position	
Cash and temporary investments	\$ 15,103,586
Statement of fiduciary net position	
Cash and temporary investments	<u>1,502,525</u>
Total Cash and Temporary Investments	<u>\$ 16,606,111</u>

**B. Property Taxes**

Current property taxes receivable are recorded for uncollected taxes levied in 2018 and payable in 2019. The total levy is deferred for subsequent years' operations.

Delinquent property taxes receivable represents uncollected taxes from the previous six years' property tax levies.

Taxes receivable is comprised of the following components:

	Major Funds		Other Governmental Funds	Total
	General	Debt Service		
Current Taxes	\$ 2,884,554	\$ 1,144,447	\$ 93,455	\$ 4,122,456
Delinquent Taxes	48,514	19,115	850	68,479
Total Reported Taxes Receivable	<u>\$ 2,933,068</u>	<u>\$ 1,163,562</u>	<u>\$ 94,305</u>	<u>\$ 4,190,935</u>

Independent School District No. 282

St. Anthony, Minnesota

Notes to the Financial Statements

June 30, 2019

**Note 3: Detailed Notes on All Funds (Continued)**

**C. Capital Assets**

Capital asset activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital Assets not Being Depreciated				
Land	\$ 984,510	\$ -	\$ -	\$ 984,510
Construction in progress	5,802,554	7,840,883	(13,590,900)	52,537
Total Capital Assets, not Being Depreciated	6,787,064	7,840,883	(13,590,900)	1,037,047
Capital Assets Being Depreciated				
Buildings and improvements	37,832,232	14,002,449		51,834,681
Equipment	1,161,223	25,547	-	1,186,770
Total Capital Assets Being Depreciated	38,993,455	14,027,996	-	53,021,451
Less Accumulated Depreciation for				
Buildings and improvements	(14,760,385)	(1,427,371)	-	(16,187,756)
Equipment	(646,687)	(87,442)	-	(734,129)
Total Accumulated Depreciation	(15,407,072)	(1,514,813)	-	(16,921,885)
Total Capital Assets Being Depreciated, Net	23,586,383	12,513,183	-	36,099,566
Governmental Activities Capital Assets, Net	<u>\$ 30,373,447</u>	<u>\$ 20,354,066</u>	<u>\$ (13,590,900)</u>	<u>\$ 37,136,613</u>

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

Elementary and Secondary Regular Instruction	\$ 5,678
Pupil Support Services	50,310
Sites and Buildings	1,458,825
Total Depreciation Expense - Governmental Activities	<u>\$ 1,514,813</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 3: Detailed Notes on All Funds (Continued)**

**D. Long-term Liabilities**

Capital Lease Payable

The District has entered into a lease agreement as lessee for financing the acquisition of improvements necessary to make the District's buildings more energy efficient. The lease agreement qualifies as a capital lease for accounting purposes and, therefore has been recorded at the present value of the future minimum lease payments as of the date of its inception.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End	Balance Due Within One Year
GE Public Finance Energy Finance Lease	\$ 1,500,000	4.58 %	05/17/07	06/01/22	<u>\$ 388,038</u>	<u>\$ 123,480</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019, were as follows:

Year Ending June 30,	Total
2020	\$ 138,681
2021	138,682
2022	<u>138,682</u>
Total Minimum Lease Payments	416,045
Less Amount Representing Interest	<u>(28,007)</u>
Present Value of Minimum Lease Payments	<u>\$ 388,038</u>

Assets related to the above outstanding lease obligations are as follows:

Asset	
Energy efficiency	\$ 1,500,000
Less: accumulated depreciation	<u>(600,000)</u>
Total	<u>\$ 900,000</u>



Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 3: Detailed Notes on All Funds (Continued)**

General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund general obligation bond.

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

Description	Authorized and Issued	Interest Rate	Principal Installments to Maturity	Issue Date	Maturity Date	Balance at Year End	Due within One Year
G.O. Alternative Facility Refunding Bonds 2015A	\$ 8,850,000	2.00 - 2.50 %	\$ 710,000 to \$ 910,000	03/01/15	02/01/29	\$ 8,140,000	\$ 730,000
G.O. Alternative Facility Refunding Bonds 2016A	8,755,000	2.00 - 3.00	535,000 to 1,660,000	02/22/16	02/01/31	8,220,000	545,000
G.O. School Building Bonds 2017A	10,000,000	2.00 - 3.00	585,000 to 1,700,000	11/08/17	02/01/38	10,000,000	-
G.O. School Building Bonds 2018A	4,020,000	3.00 - 3.25	80,000 to 260,000	02/01/18	02/01/37	3,845,000	250,000
Total G.O. Bonds						<u>\$30,205,000</u>	<u>\$ 1,525,000</u>

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

Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2020	\$ 1,525,000	\$ 809,988	\$ 2,334,988
2021	1,565,000	771,538	2,336,538
2022	1,445,000	732,038	2,177,038
2023	1,480,000	696,338	2,176,338
2024	1,515,000	659,738	2,174,738
2025 - 2029	8,110,000	2,766,300	10,876,300
2030 - 2034	7,800,000	1,735,713	9,535,713
2035 - 2038	6,765,000	510,900	7,275,900
Total	<u>\$ 30,205,000</u>	<u>\$ 8,682,550</u>	<u>\$ 38,887,550</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 3: Detailed Notes on All Funds (Continued)**

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
General obligation bonds	\$ 31,625,000	\$ -	\$ (1,420,000)	\$ 30,205,000	\$ 1,525,000
Capital lease payable	506,000	-	(117,962)	388,038	123,480
Severance payable	65,333	-	-	65,333	-
Pension liability					
TRA	33,456,000	7,509	(22,708,466)	10,755,043	-
PERA	3,160,047	-	(580,418)	2,579,629	-
Governmental Activity Long-term Liabilities	<u>\$ 68,812,380</u>	<u>\$ 7,509</u>	<u>\$ (24,826,846)</u>	<u>\$ 43,993,043</u>	<u>\$ 1,648,480</u>

The General fund has typically been used to liquidate the capital lease payable, compensated absences payable obligations and pension obligations. The Debt Service fund has typically been used to liquidate the general obligation bonds obligation.

**E. Operating Lease**

The District rents space from the City of St. Anthony, Minnesota for use of the Community Center. The lease was originally approved on September 24, 1996 and was further amended on January 1, 2017. The lease expires December 31, 2026. The amount paid was \$125,000 for the year ended June 30, 2019.

The annual payment requirements to maturity for the operating lease as of June 30, 2019 is as follows:

Year Ending June 30,	Operating Lease Building
2020	\$ 127,296
2021	127,296
2022	127,296
2023	143,514
2024	159,732
2025 - 2026	<u>479,196</u>
Total	<u>\$ 1,164,330</u>

# Independent School District No. 282

St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

## Note 3: Detailed Notes on All Funds (Continued)

### F. Components of Fund Balance

At June 30, 2019, portions of the District's fund balance are not available for appropriation due to not being in spendable form (Nonspendable), legal restrictions (Restricted), Board of Education action (Committed), policy and/or intent (Assigned). The following is a summary of the components of fund balance:

Fund	General	Debt Service	Building Construction	Other Governmental Funds	Total
Nonspendable					
Prepaid items	\$ 16,865	\$ -	\$ -	\$ 2,800	\$ 19,665
Inventories	-	-	-	18,720	18,720
Total Nonspendable	<u>\$ 16,865</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,520</u>	<u>\$ 38,385</u>
Restricted for					
Educational purposes					
Staff development	\$ 443,408	\$ -	\$ -	\$ -	\$ 443,408
Operating capital	610,934	-	-	-	610,934
Long-term facilities maintenance	769,810	-	-	-	769,810
Capital projects levy	359,374	-	-	-	359,374
Athletic trainer	40,000	-	-	-	40,000
Medical assistance	38,687	-	-	-	38,687
Community education	-	-	-	670,781	670,781
School readiness	-	-	-	28,001	28,001
Community service	-	-	-	118,476	118,476
Debt service	-	257,844	-	81,028	338,872
Building construction	-	-	871,760	-	871,760
Food service	-	-	-	120,514	120,514
Total Restricted	<u>\$ 2,262,213</u>	<u>\$ 257,844</u>	<u>\$ 871,760</u>	<u>\$ 1,018,800</u>	<u>\$ 4,410,617</u>
Committed to					
Capital	\$ 581,046	\$ -	\$ -	\$ -	\$ 581,046
Technology and curriculum	166,822	-	-	-	166,822
Total Committed	<u>\$ 747,868</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 747,868</u>
Assigned to					
Severance, vacation, sick and other postemployment benefits payable	\$ 1,002,928	\$ -	\$ -	\$ -	\$ 1,002,928
Special education and Federal programming	850,000	-	-	-	850,000
Integration	227,157	-	-	-	227,157
WMEP for Integration	228,454	-	-	-	228,454
ADSIS programing	300,000	-	-	-	300,000
Legal and litigation	100,000	-	-	-	100,000
District Technology Enhancements	100,000	-	-	-	100,000
Total Assigned	<u>\$ 2,808,539</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,808,539</u>
Unassigned					
General fund	<u>\$ 2,560,722</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,560,722</u>

# Independent School District No. 282

St. Anthony, Minnesota

Notes to the Financial Statements

June 30, 2019

## Note 3: Detailed Notes on All Funds (Continued)

The UFARS fund balance reporting standards are slightly different than the reporting standards under GASB 54 Fund Balance Reporting and Governmental Fund Type Definitions. The following schedule reconciles the fund balance reporting under GASB 54 and UFARS reporting standards for restricted and unassigned balances:

	GASB Balance	Reconciling Items	UFARS Balance
Restricted for			
Staff development	\$ 443,408	\$ -	\$ 443,408
Operating capital	610,934	-	610,934
Long-term facilities maintenance	769,810	-	769,810
Capital projects levy	359,374	-	359,374
Athletic trainer	40,000	-	40,000
Medical assistance	38,687	-	38,687
Community education	670,781	-	670,781
Early childhood family education	-	(47,527)	(47,527)
School readiness	28,001	-	28,001
Community service	118,476	47,527	166,003
Debt service	338,872	-	338,872
Building construction	871,760	-	871,760
Food service	120,514	-	120,514
Total Restricted	<u>\$ 4,410,617</u>	<u>\$ -</u>	<u>\$ 4,410,617</u>
Unassigned	<u>\$ 2,560,722</u>	<u>\$ -</u>	<u>\$ 2,560,722</u>

Restricted for Staff Development - This amount represents unspent staff development revenues set aside from General Education Revenue that was reserved for staff development.

Restricted for Operating Capital - This amount represents available resources dedicated for capital expenditure building projects, equipment purchases, vehicles and computer hardware and software. Revenues are derived from tax levies and State aids and expenditures are for repair and restoration of existing facilities and construction of new facilities, purchase of equipment, computers, software, textbooks and library books.

Restricted for Long-term Facilities Maintenance - This amount represents resources available for maintaining facilities.

Restricted for Capital Projects Levy - This amount represents available resources from the capital projects levy to be used for building construction.

Restricted for Athletic Trainer - This amount represents available resources from a National Football League grant to be used for athletic training costs.

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

## Independent School District No. 282

St. Anthony, Minnesota

Notes to the Financial Statements

June 30, 2019

### **Note 3: Detailed Notes on All Funds (Continued)**

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

Restricted for Early Childhood Family Education (ECFE) - This amount represents available resources for ECFE classes. Revenues are derived from local tax levies and State aids and expenditures are for salaries, benefits and supplies.

Restricted for School Readiness - This amount represents available resources to provide services for learning readiness programs. Related to Finance Code 344, School Readiness, Minnesota statute 124D.16, includes aids, fees, grants and all other revenues received by the District.

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

Restricted for Debt Service - This amount represents available resources dedicated exclusively for debt service payments. Revenues are derived from tax levies and expenditures are for principal, interest and paying agent fees.

Restricted for Building Construction - This amount represents available resources dedicated exclusively for building construction projects. Revenues are derived from the issuance of bonds and expenditures are for building construction costs.

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

### **Note 4: Defined Benefit Pension Plans - Statewide**

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

Disclosures relating to these plans follow:

#### **A. Teacher Retirement Association (TRA)**

##### **1. 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 member, one retired member and three statutory officials.

Educators employed in Minnesota's public elementary and secondary school, 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 Minnesota State's Individual Retirement Account Plan (IRAP) within one year of eligible employment.

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**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

**2. 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 as described:

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

With these provisions:

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

**or**

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

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

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## Note 4: Defined Benefit Pension Plans - Statewide (Continued)

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 or the retiree - no survivor annuity is payable. A retiring member may also choose to provide survivor benefits to a designated beneficiary(ies) by selecting one of the five plans, which have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any member terminating service is also eligible for a refund of their employee contributions plus interest.

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

### 3. Contribution Rate

Per Minnesota statutes, chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year were:

Plan	Ending June 30, 2017		Ending June 30, 2018		Ending June 30, 2019	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic	11.00%	11.50%	11.00%	11.50%	11.00%	11.71%
Coordinated	7.50%	7.50%	7.50%	7.50%	7.50%	7.71%

The District's contributions to TRA for the years ending 2019, 2018 and 2017 were \$747,539, \$704,925 and \$676,778, respectively. The District's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

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

Employer Contributions Reported in TRA's CAFR Statement of Changes in Fiduciary Net Position	\$ 378,728,000
Add Employer Contributions not Related to Future Contribution Efforts	522,000
Deduct TRA's Contributions not Included in Allocation	(471,000)
Total Employer Contributions	378,779,000
Total Non-employer Contributions	35,588,000
Total Contributions Reported in Schedule of Employer and Non-Employer Pension Allocations	<u>\$ 414,367,000</u>

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

Independent School District No. 282  
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June 30, 2019

**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

**4. Actuarial Assumptions**

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Key Methods and Assumptions Used in Valuation of Total Pension Liability

Actuarial Information

Valuation Date	July 1, 2018
Experience Study	June 5, 2015
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Investment Rate of Return	7.50%
Price Inflation	2.50%
Wage Growth Rate	2.85% for ten years and 3.25% thereafter
Projected Salary Increase	2.85% to 8.85% for ten years and 3.5% to 9.25% thereafter
Cost of Living Adjustment	1% for January 2019 through January 2023 then increasing by 0.1% each year up to 1.5% annually

Mortality Assumption

Pre-retirement	RP - 2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP - 2015 scale.
Post-retirement	RP - 2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP - 2015 scale.
Post-disability	RP - 2014 disabled retiree mortality table, without adjustments.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Stocks	36.00 %	5.10 %
International Stocks	17.00	5.30
Alternative Assets (Private Markets)	25.00	5.90
Bonds (Fixed Income)	20.00	0.75
Unallocated Cash	2.00	-
Total	<u>100.00 %</u>	

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2015 is 6.00 years. The "Difference Between Expected and Actual Experience" and "Changes of Assumptions" use the amortization period of 6.00 years in the schedule presented. The amortization period for "Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments" is over a period of 5 years as required by GASB 68.



## Independent School District No. 282

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Notes to the Financial Statements

June 30, 2019

### Note 4: Defined Benefit Pension Plans - Statewide (Continued)

Changes in actuarial assumptions since the 2017 valuation:

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1 % each year until reaching the ultimate rate of 1.5% in January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71 % in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

#### 5. Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. This is an increase from the discount rate at the prior measurement date of 5.12 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2018 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).

#### 6. Net Pension Liability

As of June 30, 2019, the District reported a liability of \$10,755,043 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, 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 0.1712 percent at the end of the measurement period and 0.1676 percent for the beginning of the year.

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

District's Proportionate Share of Net Pension Liability	\$ 10,755,043
State's Proportionate Share of Net Pension Liability Associated with the District	1,010,353

Independent School District No. 282  
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**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

For the year ended June 30, 2019, the District recognized negative pension expense of \$3,810,960. It also recognized (\$705,161) as an increase to pension expense for the support provided by direct aid.

On June 30, 2019, the District had deferred resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 117,074	\$ 216,864
Changes in Actuarial Assumptions	13,900,076	18,337,941
Net Difference Between Projected and Actual Earnings on Plan Investments	-	825,641
Changes in Proportion	347,003	195,253
Contributions to TRA Subsequent to the Measurement Date	747,539	-
Total	<u>\$ 15,111,692</u>	<u>\$ 19,575,699</u>

Deferred outflows of resources totaling \$747,539 related to pensions resulting from the District's contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

2020	\$ 1,029,566
2021	629,420
2022	(10,965)
2023	(3,952,957)
2024	(2,906,610)

**7. Pension Liability Sensitivity**

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

District Proportionate Share of NPL		
1 Percent Decrease (6.50%)	Current (7.50%)	1 Percent Increase (8.50%)
\$ 17,068,210	\$ 10,755,043	\$ 5,546,722

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

**8. Pension Plan Fiduciary Net Position**

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

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**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

**B. Public Employees Retirement Association (PERA)**

**1. Plan Description**

The District participates in the following defined benefit pension plans administered by the Public Employees Retirement Association (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota statutes, chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

General Employees Retirement Plan (GERF)

All full-time and certain part-time employees of the District, other than teachers, are covered by the General Employees Retirement Fund (GERF). GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

**2. Benefits Provided**

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90.0 percent funded for two consecutive years are given 2.5 percent increases. Members in plans that have not exceeded 90.0 percent funded, or have fallen below 80.0 percent, are given 1.0 percent increases.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. 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.

GERF Benefits

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 and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year 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. Disability benefits are available for vested members, and are based upon years of service and average high-five salary.

**3. Contributions**

Minnesota statutes chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

GERF Contributions

Plan members were required to contribute 6.50 percent of their annual covered salary and the District was required to contribute 7.50 percent of pay for Coordinated Plan members in fiscal year 2019. The District's contributions to the GERF for the years ending June 30, 2019, 2018 and 2017 were \$247,512, \$232,008 and \$238,802, respectively. The District's contributions were equal to the contractually required contributions for each year as set by Minnesota statute.

Independent School District No. 282  
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June 30, 2019

**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

**4. Pension Costs**

At June 30, 2019, the District reported a liability of \$2,579,629 for its proportionate share of the GERS's net pension liability. The District's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million to the fund in 2018. 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 \$84,748. The net pension liability was measured as of June 30, 2019, 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 received by PERA during the measurement period for employer payroll paid dates from July 1, 2018 through June 30, 2019, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2019, the District's proportionate share was 0.0465 percent which was an increase of 0.003 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, the District recognized pension expense of \$50,217 for its proportionate share of GERS's pension expense. In addition, the District recognized an additional \$19,763 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the GERS.

At June 30, 2019, the District reported its proportionate share of GERS's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 68,351	\$ 72,397
Changes in Actuarial Assumptions	254,402	302,649
Net Difference between Projected and Actual Earnings on Plan Investments	-	264,703
Changes in Proportion	38,507	144,909
Contributions to GERS Subsequent to the Measurement Date.	<u>247,512</u>	<u>-</u>
Total	<u>\$ 608,772</u>	<u>\$ 784,658</u>

Deferred outflows of resources totaling \$247,512 related to pensions resulting from the District's contributions to GERS subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to GERS pensions will be recognized in pension expense as follows:

2020	\$ 72,577
2021	(178,457)
2022	(263,676)
2023	(53,841)
2024	(1)

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**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

**5. Actuarial Assumptions**

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2014 tables for the GERF for males or females, as appropriate, with slight adjustments. Cost of living benefit increases for retirees are assumed to be: 1 percent per year for the GERF through 2044 and then 2.5 percent thereafter.

Actuarial assumptions used in the June 30, 2018 valuation were based on the results of actuarial experience studies. The most recent six-year experience study in the plan was completed in 2015. Economic assumptions were updated in 2017 based on a review of inflation and investment return assumptions.

The following changes in actuarial assumptions occurred in 2018:

GERF

- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Stocks	36.00 %	5.10 %
International Stocks	17.00	5.30
Bonds (Fixed Income)	20.00	0.75
Alternative Assets (Private Markets)	25.00	5.90
Cash	<u>2.00</u>	-
Total	<u><u>100.00 %</u></u>	

Independent School District No. 282  
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June 30, 2019

**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

**6. Discount Rate**

The discount rate used to measure the total pension liability in 2018 was 7.5 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 GERP 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.

**7. Pension Liability Sensitivity**

The following presents the District's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

District Proportionate Share of NPL		
1 Percent Decrease (6.50%)	Current (7.50%)	1 Percent Increase (8.50%)
\$ 4,192,228	\$ 2,579,629	\$ 1,248,475

**8. Pension Plan Fiduciary Net Position**

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

**Note 5: Postemployment Benefits other than Pensions**

**A. Plan Description**

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides lifetime healthcare insurance for eligible retirees and their spouses through the District's group health insurance plan, which covers both active and retired members. The full cost of the benefits is covered by the plan. Benefit provisions are established through negotiations between the District and the union representing District employees and are renegotiated each three-year bargaining period. The Retiree Health Plan does not issue a publicly available financial report.

Employee Groups	Maximum Monthly Contribution	Duration
Principals	\$ 388	7 *
Administrators	388	7 *
Teachers	388	8 *
Clerical	388	7 *
Custodial	388	8 *
Food Service	90-100% **	7 *

\* Maximum years available if certain criteria are met.

\*\* 100 percent for the first year and 90 percent for each subsequent year.

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**Note 5: Postemployment Benefits other than Pensions (Continued)**

At June 30, 2019, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	13
Active Plan Members	219
	<hr/>
Total Plan Members	232
	<hr/> <hr/>

**B. Funding Policy**

Contribution requirements are negotiated between the District and union representatives. The District's employment agreement for certain administrative officials provides for the District to pay the following premium costs for single health and dental coverage. The District has established an Other Postemployment Benefits Trust fund to fund these obligations. For the year ended June 30, 2019, the District's average contribution rate was 0.89 percent of covered-employee payroll.

Eligibility is as follows:

<u>Employee Groups</u>	<u>Eligibility</u>
Principals	Employed prior to July 1, 2018, Age 55
Administrators	Age 55 and 15 years of service
Teachers	Employed prior to April 1, 2000, Age 55 and 15 years of service
Clerical	Employed prior to July 1, 2009, Age 55 and 15 years of service
Custodial	Employed prior to July 1, 2009, Age 55 and 15 years of service
Food Service	Employed prior to July 1, 2009, Age 55 and 15 years of service

During the year ended June 30, 2018, the District had thirteen employees receiving benefits totaling \$104,806.

**C. Investments**

The District's policy in regards to the allocation of invested assets is established and may be amended by the School Board. The following was the District's adopted asset allocation policy as of June 30, 2019:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Income	100.00 %
	<hr/> <hr/>

Information regarding the concentration of investments and other investment policies of the District, can be found in Note 3 of this report.

For the year ended June 30, 2019, the annual money-weighted rate of return on investments, net of investment expense, was 2.00 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

# Independent School District No. 282

St. Anthony, Minnesota

Notes to the Financial Statements

June 30, 2019

## Note 5: Postemployment Benefits other than Pensions (Continued)

### D. Actuarial Methods and Assumptions

The District's net OPEB liability (asset) was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of July 1, 2018. Roll forward procedures were used to roll forward the total OPEB liability to the measurement date and the Plan's fiscal year end.

The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.40%
Expected Long-term Investment Return	2.00%, net of investment expense
20-Year Municipal Bond Yield	3.50%
Inflation Rate	2.50%
Salary Increases	3.00%
Medical Trend Rate	6.5% in 2018 grading to 5% over 6 years

Mortality rates were based on the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale.

The actuarial assumptions used in the July 1, 2018 valuation were based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information as well as for consistency with the other economic assumptions.

The long-term return on assets has been set based on the plan's target investment allocation along with long-term return expectations by asset class. When there is sufficient historical evidence of market outperformance, historical average returns may be considered. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Fixed Income	2.00 %

The discount rate used to measure the total OPEB liability was 2.40 percent. Assets were projected using expected benefit payments and expected asset returns. Expected benefit payments by year were discounted using the expected asset return assumption for years in which the assets were sufficient to pay all benefit payments. Any remaining benefit payments after the trust fund is exhausted are discounted at the 20-year municipal bond rate. The equivalent single rate is the discount rate.

### E. Sensitivity of the Net OPEB Liability (Asset)

The following presents the net OPEB liability (asset) of the School, as well as what the School's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (1.40 percent) or 1-percentage-point higher (3.40 percent) than the current discount rate:

<u>1 Percent Decrease (1.4%)</u>	<u>Current (2.4%)</u>	<u>1 Percent Increase (3.4%)</u>
\$ (87,944)	\$ (138,866)	\$ (189,417)



Independent School District No. 282

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Notes to the Financial Statements

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**Note 5: Postemployment Benefits other than Pensions (Continued)**

The following presents the net OPEB liability (asset) of the School, as well as what the School's net OPEB liability (asset) would be if it were calculated using a Healthcare Cost Trend Rates that is 1-percentage point lower (5.50 percent decreasing to 4.00 percent) or 1-percentage-point higher (7.50 percent decreasing to 6.00 percent) than the current discount rate:

1 Percent Decrease (5.5% Decreasing to 4%)	Healthcare Cost Trend Rates (6.5% Decreasing to 5%)	1 Percent Increase (7.5% Decreasing to 6%)
\$ (212,555)	\$ (138,866)	\$ (52,445)

**F. Changes in the Net OPEB Liability (Asset)**

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at June 30, 2018	\$ 1,121,880	\$ 1,240,355	\$ (118,475)
Changes for the Year:			
Service cost	65,590	-	65,590
Interest cost	31,792	-	31,792
Assumption changes	26,610	-	26,610
Plan changes	(602)	-	(602)
Contributions - employer	-	104,806	(104,806)
Projected investment income	-	24,807	(24,807)
Differences between expected and actual experience	(589)	13,579	(14,168)
Benefit payments	(104,806)	(104,806)	-
Net Changes	17,995	38,386	(20,391)
Balances at June 30, 2019	\$ 1,139,875	\$ 1,278,741	\$ (138,866)

Plan Fiduciary Net Position as a Percentage of the  
Total OPEB Liability

112.18 %

Since the prior measurement date, the following assumptions changed:

- The health care trend rates were changed to better anticipate short term and long term medical increases.
- The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale to the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale.
- The discount rate changed from 2.80% to 2.40%.

Since the prior measurement date, the following benefit terms changed:

- Principals must be hired by July 1, 2018 to be eligible for a post-employment subsidy.

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Financial Statements  
June 30, 2019

**Note 5: Postemployment Benefits other than Pensions (Continued)**

**G. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2019, the District recognized OPEB expense of \$27,732. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Gains	\$ -	\$ 504
Changes in Actuarial Assumptions	22,809	3,067
Investment Losses	228	-
	<hr/>	<hr/>
Total	<u>\$ 23,037</u>	<u>\$ 3,571</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2020	\$ 5,099
2021	5,099
2022	2,054
2023	388
2024	3,109
Thereafter	3,717

**Note 6: Other Information**

**Risk Management**

The District is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The District's management is not aware of any incurred but not reported claims.

REQUIRED SUPPLEMENTARY INFORMATION

INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

# Independent School District No. 282

St. Anthony, Minnesota

Required Supplementary Information

For the Year Ended June 30, 2019

## Schedule of Employer's Share of TRA Net Pension Liability

Fiscal Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the District (b)	Total (a+b)	District's Covered Payroll (c)	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2018	0.1712 %	\$ 10,755,043	\$ 1,010,353	\$ 11,765,396	\$ 9,398,995	125.2 %	78.1 %
6/30/2017	0.1676	33,456,000	3,234,060	36,690,060	9,023,707	406.6	51.6
6/30/2016	0.1697	40,477,499	4,062,157	44,539,656	8,826,693	504.6	44.9
6/30/2015	0.1721	10,646,087	1,305,778	11,951,865	8,605,267	123.7	76.8
6/30/2014	0.1774	8,174,464	575,124	8,749,588	8,096,329	101.0	81.1

Note: This schedule intended to show 10-year trends. Additional years will be reported as they become available.

## Schedule of Employer's TRA Contributions

Fiscal Year	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	District's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
6/30/2019	\$ 747,539	\$ 747,539	\$ -	\$ 9,695,707	7.71 %
6/30/2018	704,925	704,925	-	9,399,000	7.50
6/30/2017	676,778	676,778	-	9,023,707	7.50
6/30/2016	662,002	662,002	-	8,826,693	7.50
6/30/2015	645,395	645,395	-	8,605,267	7.50
6/30/2014	566,743	566,743	-	8,096,329	7.00

Note: This schedule intended to show 10-year trends. Additional years will be reported as they become available.

Independent School District No. 282  
St. Anthony, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended June 30, 2019

**Notes to the Required Supplementary Information - TRA**

Changes in Actuarial Assumptions

2018 - The investment return assumption was changed from 8.50% to 7.50%. The price inflation assumption was lowered from 3.00% to 2.50%. The payroll growth assumption was lowered from 3.50% to 3.00%. The wage inflation assumption (above price inflation) was reduced from 0.75% to 0.35% for the next 10 years, and 0.75% thereafter. The total salary increase assumption was adjusted by the wage inflation change. The amortization date for the funding of the Unfunded Actuarial Accrued Liability (UAAL) was reset to June 30, 2048 (30 years). A mechanism in the law that provided the TRA Board with some authority to set contribution rates was eliminated.

2017 - The Cost of Living Adjustment was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045. Adjustments were made to the combined service annuity loads. The active load was reduced from 1.4% to 0.0%, the vested inactive load increased from 4.0% to 7.0% and the non-vested inactive load increased from 4.0% to 9.0%

2016 - The assumed investment return was changed from 8.0 percent to 4.66 percent using the Single Equivalent Interest Rate calculation. The single discount rate was changed from 8.0 percent to 4.66 percent. The assumed future salary increases, payroll growth and inflation were changed by a 0.25 percent decrease for price inflation, a 0.50 percent increase for wage inflation and a 2.50 percent decrease in maximum salary increases based on years of service. Mortality assumptions were updated using the RP-2014 tables.

2015 - The assumed post-retirement benefit increase rate was changed from 2.0 percent per year through 2034 and 2.5 percent per year thereafter to 2.0 percent per year for all future years. The assumed investment return was changed from 8.25 percent to 8.0 percent. The single discount rate was changed from 8.25 percent to 8.0 percent.

Changes in Plan Provisions

2018 - The 2018 Omnibus Pension Bill contained a number of changes:

- The COLA was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% in January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending June 30, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero percent beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers is reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next 6 years, (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

2015 - On June 30, 2015, the Duluth Teachers Retirement Fund Association was merged into TRA. This also resulted in a state-provided contribution stream of \$14.377 million until the System becomes fully funded.

Independent School District No. 282  
St. Anthony, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended June 30, 2019

**Schedule of Employer's Share of PERA Net Pension Liability**

Fiscal Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the District (b)	Total (a+b)	District's Covered Payroll (c)	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2018	0.0465 %	\$ 2,579,629	\$ 84,748	\$ 2,664,377	\$ 3,093,436	86.13 %	79.5 %
6/30/2017	0.0495	3,160,047	39,764	3,199,811	3,184,027	100.50	75.9
6/30/2016	0.0486	3,946,079	51,501	3,997,580	2,991,733	133.62	68.9
6/30/2015	0.0478	2,477,244	-	2,477,244	2,812,740	88.07	78.2
6/30/2014	0.0478	2,452,094	-	2,452,094	2,738,248	89.55	78.7

*Note: This schedule intended to show 10-year trends. Additional years will be reported as they become available.*

**Schedule of Employer's PERA Contributions**

Fiscal Year	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	District's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
6/30/2019	\$ 247,512	\$ 247,512	\$ -	\$ 3,300,160	7.50 %
6/30/2018	232,008	232,008	-	3,093,440	7.50
6/30/2017	238,802	238,302	-	3,184,027	7.50
6/30/2016	224,380	224,380	-	2,991,733	7.50
6/30/2015	207,380	207,380	-	2,812,740	7.37
6/30/2014	198,523	198,523	-	2,738,248	7.25

*Note: This schedule intended to show 10-year trends. Additional years will be reported as they become available.*

Independent School District No. 282  
St. Anthony, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended June 30, 2019

**Notes to the Required Supplementary Information - PERA**

Changes in Actuarial Assumptions

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 - Assumed salary increases were changed as recommended in the June 20, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members the 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of services. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed for 5.6 percent to 7.5 percent.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2035 and 2.5 percent per year thereafter.

Changes in Plan Provisions

2018 - The State's special funding contribution increased from \$6 million to \$16 million.

2015 - On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

Independent School District No. 282  
St. Anthony, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended June 30, 2019

**Schedule of Changes in the District's Net OPEB Liability (Asset) and Related Ratios**

	2019	2018	2017
Total OPEB Liability			
Service cost	\$ 65,590	\$ 60,087	\$ 59,221
Interest	31,792	31,282	32,353
Changes in benefit terms	-	-	-
Plan changes	(602)	-	-
Differences between expected and actual experience	(589)	-	-
Changes in assumptions	26,610	(4,292)	-
Benefit payments	(104,806)	(126,582)	(137,572)
Net Change in Total OPEB Liability	17,995	(39,505)	(45,998)
Total OPEB Liability - Beginning	1,121,880	1,161,385	1,207,383
	<u>\$ 1,139,875</u>	<u>\$ 1,121,880</u>	<u>\$ 1,161,385</u>
Total OPEB Liability - Ending (a)			
Plan Fiduciary Net Position			
Contributions - employer	\$ 104,806	\$ 130,573	\$ 137,572
Net investment income	38,386	16,141	9,088
Benefit payments	(104,806)	(130,573)	(137,572)
Administrative expense	-	-	(21)
Net Change in Plan Fiduciary Net Position	38,386	16,141	9,067
Total Plan Fiduciary Net Position - Beginning	1,240,355	1,224,214	1,215,147
	<u>\$ 1,278,741</u>	<u>\$ 1,240,355</u>	<u>\$ 1,224,214</u>
Total Plan Fiduciary Net Position - Ending (b)			
District's Net OPEB Liability (Asset) - Ending (a) - (b)	<u>\$ (138,866)</u>	<u>\$ (118,475)</u>	<u>\$ (62,829)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	112.18 %	110.56 %	94.87
Covered - Employee Payroll	\$ 11,748,381	\$ 11,084,167	\$ 10,761,327
District's net OPEB liability (asset) as a percentage of covered employee payroll	1.18 %	1.07 %	0.58

**Benefit Changes:**

In 2019, the following benefit changes occurred:

Principals must be hired by July 1, 2018 to be eligible for a post-employment subsidy.

The number of unused sick days needed for additional years of post-employment subsidy for food service employees was decreased.

None for 2018.

None for 2017.

**Changes in Assumptions:**

In 2019, the following assumption changes:

The health care trend rates were changed to better anticipate short term and long term medical increases.

The mortality tables were updated from the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale to the RP-2014 White Collar Mortality Tables with MP-2017 Generational Improvement Scale.

The discount rate was changed from 2.80% to 2.40%.

In 2018, the following assumptions changes:

The discount rate was changed from 2.70% to 2.80%.

In 2017, the following assumptions changes:

The health care trend rates were changed to better anticipate short term and long term medical increases.

The mortality table was updated from RP 2000 projected to 2014 with Scale BB to the RP-2014 White Collar Mortality Tables with MP-2015 Generational Improvement Scale.

The withdrawal table for all employees and retirement table for only employees eligible to retire with Rule of 90 also were updated.

The discount rate was changed from 3.00% to 2.70%.

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.



Independent School District No. 282  
St. Anthony, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended June 30, 2019

**Schedule of District's Contributions**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually Required Employer Contribution	\$ 104,806	\$ 130,573	\$ 137,572
Contributions in Relation to the Contractually Required Employer Contribution	<u>104,806</u>	<u>130,573</u>	<u>137,572</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered - Employee Payroll	\$ 11,748,381	\$ 11,084,167	\$ 10,761,327
Contributions as a Percentage of Covered Employee Payroll	0.89 %	1.18 %	1.28 %

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.
---

**Schedule of Investment Returns**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	2.00 %	2.00 %	2.00 %

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.
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COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES  
INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **NONMAJOR SPECIAL REVENUE FUNDS**

**Food Service** - This fund was established to record financial activities of the District's Food Service program. Food service includes activities for the purpose of preparation and service of milk, meals and snacks in connection with school and community service activities.

**Community Service** - This fund was established to record all financial activities of the Community Service program. The program includes: Community Education, Early Childhood Family Education, School Readiness and Adult Basic Education. The activity in the fund includes only those activities authorized by Minnesota statute.

### **NONMAJOR DEBT SERVICE FUNDS**

**Other Postemployment Benefits (OPEB) Debt Service** - This fund was established to record the property taxes levied for the repayment of the bonds issued for the funding of the Districts OPEB obligation.

Independent School District No. 282

St. Anthony, Minnesota  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2019

	Special Revenue		Debt Service	
	Food Service	Community Service	OPEB	Total
<b>Assets</b>				
Cash and temporary investments	\$ 254,423	\$ 1,078,886	\$ 81,028	\$ 1,414,337
Receivables				
Taxes receivable	-	94,305	-	94,305
Accounts and interest	2,899	-	-	2,899
Due from Department of Education	-	17,561	-	17,561
Due from other governments	6,512	34,671	-	41,183
Inventories	18,720	-	-	18,720
Prepaid items	-	2,800	-	2,800
<b>Total Assets</b>	<b>\$ 282,554</b>	<b>\$ 1,228,223</b>	<b>\$ 81,028</b>	<b>\$ 1,591,805</b>
<b>Liabilities</b>				
Salaries and wages payable	\$ 93,481	\$ 195,044	\$ -	\$ 288,525
Accounts and other payables	3,239	37,735	-	40,974
Due to other school districts	12,435	-	-	12,435
Due to other governments	-	150	-	150
Unearned revenue	34,165	-	-	34,165
<b>Total Liabilities</b>	<b>143,320</b>	<b>232,929</b>	<b>-</b>	<b>376,249</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - delinquent property taxes	-	374	-	374
Property taxes levied for subsequent year	-	174,862	-	174,862
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>175,236</b>	<b>-</b>	<b>175,236</b>
<b>Fund Balances</b>				
<b>Nonspendable</b>				
Inventories	18,720	-	-	18,720
Prepaid items	-	2,800	-	2,800
<b>Restricted for</b>				
Community education	-	670,781	-	670,781
Debt service	-	-	81,028	81,028
School readiness	-	28,001	-	28,001
Community service	-	118,476	-	118,476
Food service	120,514	-	-	120,514
<b>Total Fund Balances</b>	<b>139,234</b>	<b>820,058</b>	<b>81,028</b>	<b>1,040,320</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 282,554</b>	<b>\$ 1,228,223</b>	<b>\$ 81,028</b>	<b>\$ 1,591,805</b>

Independent School District No. 282  
St. Anthony, Minnesota  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
For the Year Ended June 30, 2019

	Special Revenue		Debt Service	
	Food Service	Community Service	OPEB	Total
Revenues				
Local property tax levies	\$ -	\$ 174,861	\$ -	\$ 174,861
Other local and county revenue				
Interest earned on investments	4,274	20,176	-	24,450
Other	5,558	1,413,756	-	1,419,314
Revenue from state sources	58,335	178,323	-	236,658
Revenue from federal sources	349,186	25,948	-	375,134
Sales and other conversion of assets	498,209	-	-	498,209
Total Revenues	<u>915,562</u>	<u>1,813,064</u>	<u>-</u>	<u>2,728,626</u>
Expenditures				
Current				
Community education and services	-	1,582,956	-	1,582,956
Pupil support services	881,262	11,240	-	892,502
Fiscal and other fixed cost programs	-	66,767	-	66,767
Total current	<u>881,262</u>	<u>1,660,963</u>	<u>-</u>	<u>2,542,225</u>
Capital outlay				
Community education and services	-	8,233	-	8,233
Pupil support services	5,097	-	-	5,097
Total capital outlay	<u>5,097</u>	<u>8,233</u>	<u>-</u>	<u>13,330</u>
Total Expenditures	<u>886,359</u>	<u>1,669,196</u>	<u>-</u>	<u>2,555,555</u>
Net Change in Fund Balances	29,203	143,868	-	173,071
Fund Balances, July 1	<u>110,031</u>	<u>676,190</u>	<u>81,028</u>	<u>867,249</u>
Fund Balances, June 30	<u>\$ 139,234</u>	<u>\$ 820,058</u>	<u>\$ 81,028</u>	<u>\$ 1,040,320</u>

# Independent School District No. 282

St. Anthony, Minnesota

General Fund

Comparative Balance Sheets

June 30, 2019 and 2018

	2019	2018
<b>Assets</b>		
Cash and temporary investments	\$ 11,132,797	\$ 10,007,859
Receivables		
Taxes	2,933,068	2,721,137
Accounts and interest	34,313	73,244
Due from Department of Education	1,774,952	2,080,078
Due from other governments	319,530	391,064
Prepaid items	16,865	25,595
<b>Total Assets</b>	<b>\$ 16,211,525</b>	<b>\$ 15,298,977</b>
<b>Liabilities</b>		
Salaries and wages payable	\$ 2,172,534	\$ 2,708,441
Accounts and other payables	413,080	141,139
Due to other school districts	81,552	42,065
Due to other governments	-	3,906
Unearned revenue	1,725	800
<b>Total Liabilities</b>	<b>2,668,891</b>	<b>2,896,351</b>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue - delinquent property taxes	48,475	34,127
Property taxes levied for subsequent year	5,097,952	5,018,208
<b>Total Deferred Inflows of Resources</b>	<b>5,146,427</b>	<b>5,052,335</b>
<b>Fund Balances</b>		
Nonspendable		
Prepaid items	16,865	25,595
Restricted for		
Staff development	443,408	469,535
Health and safety	-	11,385
Gifted and talented	-	150
Operating capital	610,934	435,428
Long-term facilities maintenance	769,810	555,727
Capital projects levy	359,374	270,136
Athletic trainer	40,000	40,000
Medical assistance	38,687	24,995
Committed for		
Capital	581,046	581,046
Technology and curriculum	166,822	166,822
Assigned for		
Severance, vacation, sick and other postemployment benefits payable	1,002,928	1,002,928
Special education and federal programming	850,000	750,000
Integration	227,157	227,157
BARR	228,454	100,000
ADSIS programing	300,000	200,000
Legal and litigation	100,000	100,000
TIES	100,000	100,000
Unassigned	2,560,722	2,289,387
<b>Total Fund Balances</b>	<b>8,396,207</b>	<b>7,350,291</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 16,211,525</b>	<b>\$ 15,298,977</b>



Independent School District No. 282

St. Anthony, Minnesota

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances -

Budget and Actual (Continued On The Following Pages)

For the Year Ended June 30, 2019

(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	2019				2018
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Revenues					
Local property tax levies	\$ 5,130,210	\$ 5,130,210	\$ 5,363,165	\$ 232,955	\$ 5,055,585
Other local and county revenue					
Interest earned on investments	30,500	30,500	317,621	287,121	123,846
Other	299,293	299,293	535,496	236,203	561,248
Revenue from state sources	16,140,263	16,140,263	16,096,351	(43,912)	16,229,283
Revenue from federal sources	473,000	473,000	463,599	(9,401)	574,465
Total Revenues	<u>22,073,266</u>	<u>22,073,266</u>	<u>22,776,232</u>	<u>702,966</u>	<u>22,544,427</u>
Expenditures					
Current					
Administration					
Salaries	894,019	894,019	985,353	(91,334)	1,065,452
Employee benefits	327,924	327,924	367,349	(39,425)	344,730
Purchased services	33,227	33,227	39,965	(6,738)	36,443
Supplies and materials	16,821	16,821	10,746	6,075	18,220
Other	31,831	31,831	12,429	19,402	40,987
Total administration	<u>1,303,822</u>	<u>1,303,822</u>	<u>1,415,842</u>	<u>(112,020)</u>	<u>1,505,832</u>
District support services					
Salaries	324,792	324,792	336,605	(11,813)	302,390
Employee benefits	68,362	68,362	80,236	(11,874)	67,417
Purchased services	475,091	475,091	371,538	103,553	595,220
Supplies and materials	33,560	33,560	42,869	(9,309)	22,309
Other	3,235	3,235	60,342	(57,107)	36,627
Total district support services	<u>905,040</u>	<u>905,040</u>	<u>891,590</u>	<u>13,450</u>	<u>1,023,963</u>
Elementary and secondary regular instruction					
Salaries	7,589,613	7,589,613	7,409,748	179,865	7,378,082
Employee benefits	2,717,851	2,717,851	2,707,242	10,609	2,603,062
Purchased services	323,547	323,547	335,908	(12,361)	301,772
Supplies and materials	153,072	153,072	138,210	14,862	203,805
Other	16,412	16,412	8,461	7,951	9,788
Total elementary and secondary regular instruction	<u>10,800,495</u>	<u>10,800,495</u>	<u>10,599,569</u>	<u>200,926</u>	<u>10,496,509</u>

Independent School District No. 282  
St. Anthony, Minnesota  
General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Budget and Actual (Continued)  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	2019				2018
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
Vocational education instruction					
Purchased services	\$ -	\$ -	\$ 330	\$ (330)	\$ 1,228
Special education instruction					
Salaries	2,170,955	2,170,955	2,067,274	103,681	2,070,272
Employee benefits	675,856	675,856	691,924	(16,068)	598,049
Purchased services	137,057	137,057	170,319	(33,262)	150,695
Supplies and materials	14,293	14,293	22,031	(7,738)	17,083
Total special education instruction	2,998,161	2,998,161	2,951,548	46,613	2,836,099
Instructional support services					
Salaries	430,129	430,129	371,108	59,021	331,387
Employee benefits	81,454	81,454	106,626	(25,172)	87,589
Purchased services	75,957	75,957	70,211	5,746	110,078
Supplies and materials	17,652	17,652	17,741	(89)	13,856
Other	-	-	-	-	801
Total instructional support services	605,192	605,192	565,686	39,506	543,711
Pupil support services					
Salaries	286,776	286,776	398,304	(111,528)	277,864
Employee benefits	95,457	95,457	157,341	(61,884)	110,241
Purchased services	1,138,579	1,138,579	1,092,301	46,278	1,195,061
Supplies and materials	37,331	37,331	48,693	(11,362)	52,303
Total pupil support services	1,558,143	1,558,143	1,696,639	(138,496)	1,635,469
Sites, buildings and equipment					
Salaries	765,818	765,818	779,344	(13,526)	727,104
Employee benefits	229,089	229,089	229,872	(783)	219,181
Purchased services	857,697	857,697	869,049	(11,352)	753,303
Supplies and materials	242,745	242,745	223,836	18,909	237,035
Other	4,516	4,516	3,492	1,024	7,439
Total sites, buildings and equipment	2,099,865	2,099,865	2,105,593	(5,728)	1,944,062

Independent School District No. 282  
St. Anthony, Minnesota  
General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances -  
Budget and Actual (Continued)  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	2019				2018
	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final	Amounts	Final Budget	Amounts
Expenditures (Continued)					
Current (continued)					
Fiscal and other fixed cost programs					
Employee benefits	\$ 130,000	\$ 130,000	\$ 27,137	\$ 102,863	\$ 108,041
Purchased services	115,000	115,000	190,659	(75,659)	126,934
Total fiscal and other fixed cost programs	245,000	245,000	217,796	27,204	234,975
Total current	20,515,718	20,515,718	20,444,593	71,125	20,221,848
Capital outlay					
Administration	2,000	2,000	482	1,518	-
District support services	49,500	49,500	-	49,500	-
Elementary and secondary regular instruction	73,334	73,334	39,451	33,883	120,464
Vocational education instruction	-	-	2,782	(2,782)	-
Special education instruction	12,653	12,653	1,345	11,308	1,597
Instructional support services	7,210	7,210	6,745	465	5,461
Sites, buildings and equipment	1,491,159	1,491,159	1,096,237	394,922	994,841
Total capital outlay	1,635,856	1,635,856	1,147,042	488,814	1,122,363
Debt service					
Principal	116,390	116,390	117,962	(1,572)	112,691
Interest and other	26,780	26,780	20,719	6,061	25,990
Total debt service	143,170	143,170	138,681	4,489	138,681
Total Expenditures	22,294,744	22,294,744	21,730,316	564,428	21,482,892
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(221,478)	(221,478)	1,045,916	1,267,394	1,061,535
Other Financing Source					
Sale of capital assets	-	-	-	-	750
Net Change in Fund Balances	(221,478)	(221,478)	1,045,916	1,267,394	1,062,285
Fund Balances, July 1	7,350,291	7,350,291	7,350,291	-	6,288,006
Fund Balances, June 30	\$ 7,128,813	\$ 7,128,813	\$ 8,396,207	\$ 1,267,394	\$ 7,350,291

Independent School District No. 282  
St. Anthony, Minnesota  
Food Service Special Revenue Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	2019				2018
	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final	Amounts	Final Budget	Amounts
Revenues					
Local revenue					
Interest earned on investments	\$ -	\$ -	\$ 4,274	\$ 4,274	\$ 2,611
Other	2,800	2,800	5,558	2,758	420
Revenue from state sources	50,400	50,400	58,335	7,935	57,125
Revenue from federal sources	329,000	329,000	349,186	20,186	320,116
Sales and other conversion of assets	491,400	491,400	498,209	6,809	445,787
Total Revenues	<u>873,600</u>	<u>873,600</u>	<u>915,562</u>	<u>41,962</u>	<u>826,059</u>
Expenditures					
Current					
Pupil support services					
Salaries	357,841	357,841	311,155	46,686	297,959
Employee benefits	125,947	125,947	136,297	(10,350)	124,826
Purchased services	8,840	8,840	54,546	(45,706)	42,633
Supplies and materials	372,518	372,518	377,553	(5,035)	363,240
Other	3,851	3,851	1,711	2,140	1,935
Total current	<u>868,997</u>	<u>868,997</u>	<u>881,262</u>	<u>(12,265)</u>	<u>830,593</u>
Capital outlay					
Pupil support services	<u>1,010</u>	<u>1,010</u>	<u>5,097</u>	<u>(4,087)</u>	<u>2,139</u>
Total Expenditures	<u>870,007</u>	<u>870,007</u>	<u>886,359</u>	<u>(16,352)</u>	<u>832,732</u>
Net Change in Fund Balances	3,593	3,593	29,203	25,610	(6,673)
Fund Balances, July 1	<u>110,031</u>	<u>110,031</u>	<u>110,031</u>	<u>-</u>	<u>116,704</u>
Fund Balances, June 30	<u>\$ 113,624</u>	<u>\$ 113,624</u>	<u>\$ 139,234</u>	<u>\$ 25,610</u>	<u>\$ 110,031</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Community Service Special Revenue Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	2019				2018
	Budgeted Amounts		Actual	Variance with	Actual
	Original	Final	Amounts	Final Budget	Amounts
Revenues					
Local property tax levies	\$ 177,757	\$ 177,757	\$ 174,861	\$ (2,896)	\$ 178,888
Other local and county revenue					
Interest earned on investments	1,000	1,000	20,176	19,176	8,432
Other	1,397,768	1,397,768	1,413,756	15,988	1,265,934
Revenue from state sources	91,297	91,297	178,323	87,026	168,755
Revenue from federal sources	16,000	16,000	25,948	9,948	19,532
Total Revenues	<u>1,683,822</u>	<u>1,683,822</u>	<u>1,813,064</u>	<u>129,242</u>	<u>1,641,541</u>
Expenditures					
Current					
Community education and services					
Salaries	856,234	856,234	855,477	757	811,487
Employee benefits	370,406	370,406	318,539	51,867	268,415
Purchased services	290,861	290,861	268,372	22,489	256,456
Supplies and materials	93,110	93,110	137,064	(43,954)	104,302
Other	6,400	6,400	3,504	2,896	5,992
Total community education and services	<u>1,617,011</u>	<u>1,617,011</u>	<u>1,582,956</u>	<u>34,055</u>	<u>1,446,652</u>
Pupil support services					
Purchased services	-	-	11,240	(11,240)	10,478
Fiscal and other fixed cost programs					
Salaries	51,404	51,404	58,310	(6,906)	58,127
Employee benefits	4,672	4,672	6,425	(1,753)	6,192
Purchased services	2,100	2,100	-	2,100	-
Supplies and materials	2,330	2,330	2,032	298	3,031
Total fiscal and other fixed cost programs	<u>60,506</u>	<u>60,506</u>	<u>66,767</u>	<u>(6,261)</u>	<u>67,350</u>
Total current	1,677,517	1,677,517	1,660,963	16,554	1,524,480
Capital outlay					
Community education and services	2,600	2,600	8,233	(5,633)	1,230
Total Expenditures	<u>1,680,117</u>	<u>1,680,117</u>	<u>1,669,196</u>	<u>10,921</u>	<u>1,525,710</u>
Net Change in Fund Balances	3,705	3,705	143,868	140,163	115,831
Fund Balances, July 1	<u>676,190</u>	<u>676,190</u>	<u>676,190</u>	-	<u>560,359</u>
Fund Balances, June 30	<u>\$ 679,895</u>	<u>\$ 679,895</u>	<u>\$ 820,058</u>	<u>\$ 140,163</u>	<u>\$ 676,190</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Debt Service Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
For the Year Ended June 30, 2019  
(With Comparative Actual Amounts for the Year Ended June 30, 2018)

	2019			2018
	Budgeted Amounts		Actual	Actual
	Original	Final	Amounts	Amounts
Revenues				
Local property tax levies	\$ 2,336,880	\$ 2,336,880	\$ 2,126,016	\$ (210,864)
Other local and county revenue				
Interest earned on investments	2,600	2,600	23,965	21,365
Revenue from state sources	-	-	303,273	303,273
Total Revenues	<u>2,339,480</u>	<u>2,339,480</u>	<u>2,453,254</u>	<u>113,774</u>
Expenditures				
Debt service				
Principal	1,420,000	1,420,000	1,420,000	-
Interest and other	917,680	917,680	915,425	2,255
Total Expenditures	<u>2,337,680</u>	<u>2,337,680</u>	<u>2,335,425</u>	<u>2,255</u>
Net Change in Fund Balances	1,800	1,800	117,829	116,029
Fund Balances, July 1	<u>140,015</u>	<u>140,015</u>	<u>140,015</u>	<u>-</u>
Fund Balances, June 30	<u>\$ 141,815</u>	<u>\$ 141,815</u>	<u>\$ 257,844</u>	<u>\$ 116,029</u>
				<u>\$ 140,015</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Schedule of the Components of the General Fund  
Balance Sheet  
June 30, 2019

	Components of the General Fund			Total General Fund
	General	Pupil Transportation	Capital Expenditure	
<b>Assets</b>				
Cash and temporary investments	\$ 9,202,597	\$ 360,411	\$ 1,569,789	\$ 11,132,797
Receivables				
Taxes	2,933,068	-	-	2,933,068
Accounts and interest	10,783	23,530	-	34,313
Due from Department of Education	1,412,783	2,041	360,128	1,774,952
Due from other governments	319,530	-	-	319,530
Prepaid items	2,745	2,563	11,557	16,865
<b>Total Assets</b>	<b>\$ 13,881,506</b>	<b>\$ 388,545</b>	<b>\$ 1,941,474</b>	<b>\$ 16,211,525</b>
<b>Liabilities</b>				
Salaries and wages payable	\$ 2,175,704	\$ 7,509	\$ (10,679)	\$ 2,172,534
Accounts payable and other payables	172,958	39,644	200,478	413,080
Due to other school districts	81,552	-	-	81,552
Unearned revenue	-	1,725	-	1,725
<b>Total Liabilities</b>	<b>2,430,214</b>	<b>48,878</b>	<b>189,799</b>	<b>2,668,891</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - delinquent property taxes	48,475	-	-	48,475
Property taxes levied for subsequent year	5,097,952	-	-	5,097,952
<b>Total Deferred Inflows of Resources</b>	<b>5,146,427</b>	<b>-</b>	<b>-</b>	<b>5,146,427</b>
<b>Fund Balances</b>				
<b>Nonspendable</b>				
Prepaid items	2,745	2,563	11,557	16,865
<b>Restricted for</b>				
Staff development	443,408	-	-	443,408
Operating capital	-	-	610,934	610,934
Long-term facilities maintenance	-	-	769,810	769,810
Capital projects levy	-	-	359,374	359,374
Athletic trainer	40,000	-	-	40,000
Medical assistance	38,687	-	-	38,687
<b>Committed for</b>				
Capital	581,046	-	-	581,046
Technology and curriculum	166,822	-	-	166,822
<b>Assigned for</b>				
Severance, vacation, sick and other postemployment benefits payable	1,002,928	-	-	1,002,928
Special education and federal programming	850,000	-	-	850,000
Integration	227,157	-	-	227,157
WMEP for Integration	228,454	-	-	228,454
ADSSIS programing	300,000	-	-	300,000
Legal and litigation	100,000	-	-	100,000
District Technology Enhancements	100,000	-	-	100,000
<b>Unassigned</b>	<b>2,223,618</b>	<b>337,104</b>	<b>-</b>	<b>2,560,722</b>
<b>Total Fund Balances</b>	<b>6,304,865</b>	<b>339,667</b>	<b>1,751,675</b>	<b>8,396,207</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 13,881,506</b>	<b>\$ 388,545</b>	<b>\$ 1,941,474</b>	<b>\$ 16,211,525</b>

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Independent School District No. 282  
St. Anthony, Minnesota  
Schedule of the Components of the General Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances (Continued on the Following Pages)  
For the Year Ended June 30, 2019

	Components of the General Fund			Total General Fund
	General	Pupil Transportation	Capital Expenditure	
Revenues				
Local property tax levies	\$ 3,530,199	\$ -	\$ 1,832,966	\$ 5,363,165
Other local and county revenue				
Interest earned on investments	317,621	-	-	317,621
Other	479,055	40,959	15,482	535,496
Revenue from state sources	14,558,322	1,173,339	364,690	16,096,351
Revenue from federal sources	463,599	-	-	463,599
Total Revenues	<u>19,348,796</u>	<u>1,214,298</u>	<u>2,213,138</u>	<u>22,776,232</u>
Expenditures				
Current				
Administration				
Salaries	985,353	-	-	985,353
Employee benefits	367,349	-	-	367,349
Purchased services	39,965	-	-	39,965
Supplies and materials	10,746	-	-	10,746
Other	12,429	-	-	12,429
Total administration	<u>1,415,842</u>	<u>-</u>	<u>-</u>	<u>1,415,842</u>
District support services				
Salaries	336,605	-	-	336,605
Employee benefits	80,236	-	-	80,236
Purchased services	358,529	-	13,009	371,538
Supplies and materials	42,869	-	-	42,869
Other	60,342	-	-	60,342
Total district support services	<u>878,581</u>	<u>-</u>	<u>13,009</u>	<u>891,590</u>
Elementary and secondary regular instruction				
Salaries	7,409,748	-	-	7,409,748
Employee benefits	2,707,242	-	-	2,707,242
Purchased services	296,056	-	39,852	335,908
Supplies and materials	125,608	-	12,602	138,210
Other	8,461	-	-	8,461
Total elementary and secondary regular instruction	<u>10,547,115</u>	<u>-</u>	<u>52,454</u>	<u>10,599,569</u>
Vocational education instruction				
Purchased services	<u>330</u>	<u>-</u>	<u>-</u>	<u>330</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Schedule of the Components of the General Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances (Continued)  
For the Year Ended June 30, 2019

	Components of the General Fund			Total General Fund
	General	Pupil Transportation	Capital Expenditure	
Expenditures (Continued)				
Current (continued)				
Special education instruction				
Salaries	\$ 2,067,274	\$ -	\$ -	\$ 2,067,274
Employee benefits	691,924	-	-	691,924
Purchased services	170,319	-	-	170,319
Supplies and materials	22,031	-	-	22,031
Total special education instruction	<u>2,951,548</u>	<u>-</u>	<u>-</u>	<u>2,951,548</u>
Instructional support services				
Salaries	371,108	-	-	371,108
Employee benefits	106,626	-	-	106,626
Purchased services	70,211	-	-	70,211
Supplies and materials	13,611	-	4,130	17,741
Total instructional support services	<u>561,556</u>	<u>-</u>	<u>4,130</u>	<u>565,686</u>
Pupil support services				
Salaries	325,811	72,493	-	398,304
Employee benefits	137,365	19,976	-	157,341
Purchased services	21,756	1,070,545	-	1,092,301
Supplies and materials	47,351	1,342	-	48,693
Total pupil support services	<u>532,283</u>	<u>1,164,356</u>	<u>-</u>	<u>1,696,639</u>
Sites, buildings and equipment				
Salaries	778,519	-	825	779,344
Employee benefits	229,729	-	143	229,872
Purchased services	482,235	-	386,814	869,049
Supplies and materials	214,274	-	9,562	223,836
Other	3,492	-	-	3,492
Total sites, buildings and equipment	<u>1,708,249</u>	<u>-</u>	<u>397,344</u>	<u>2,105,593</u>
Fiscal and other fixed cost programs				
Employee benefits	27,137	-	-	27,137
Purchased services	190,659	-	-	190,659
Total fiscal and other fixed cost programs	<u>217,796</u>	<u>-</u>	<u>-</u>	<u>217,796</u>
Total current	<u>18,813,300</u>	<u>1,164,356</u>	<u>466,937</u>	<u>20,444,593</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Schedule of the Components of the General Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances (Continued)  
For the Year Ended June 30, 2019

	Components of the General Fund			Total General Fund
	General	Pupil Transportation	Capital Expenditure	
Expenditures (Continued)				
Capital outlay				
Administration	\$ -	\$ -	\$ 482	\$ 482
Elementary and secondary regular instruction	-	-	39,451	39,451
Vocational education instruction	2,782	-	-	2,782
Special education instruction	1,345	-	-	1,345
Instructional support services	-	-	6,745	6,745
Sites, buildings and equipment	2,837	-	1,093,400	1,096,237
Total capital outlay	<u>6,964</u>	<u>-</u>	<u>1,140,078</u>	<u>1,147,042</u>
Debt service				
Principal	-	-	117,962	117,962
Interest and other	-	-	20,719	20,719
Total debt service	<u>-</u>	<u>-</u>	<u>138,681</u>	<u>138,681</u>
Total Expenditures	<u>18,820,264</u>	<u>1,164,356</u>	<u>1,745,696</u>	<u>21,730,316</u>
Net Change in Fund Balances	528,532	49,942	467,442	1,045,916
Fund Balances, July 1	<u>5,776,333</u>	<u>289,725</u>	<u>1,284,233</u>	<u>7,350,291</u>
Fund Balances, June 30	<u>\$ 6,304,865</u>	<u>\$ 339,667</u>	<u>\$ 1,751,675</u>	<u>\$ 8,396,207</u>

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Independent School District No. 282  
St. Anthony, Minnesota  
Agency Funds  
Combining Statement of Changes in Assets and Liabilities  
For the Year Ended June 30, 2019

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
<b>Student Activities</b>				
Assets				
Cash and temporary investments	\$ 177,478	\$ 379,749	\$ 348,532	\$ 208,695
Liabilities				
Accounts payable	\$ 177,478	\$ 379,749	\$ 348,532	\$ 208,695
<b>Sanbe/Patriots</b>				
Assets				
Accounts receivable	\$ 33,994	\$ 33,993	\$ 27,150	\$ 40,837
Liabilities				
Salaries and wages payable	\$ 12,181	\$ 33,790	\$ 41,072	\$ 4,899
Accounts payable	2,836	40,498	31,940	11,394
Cash overdraft	\$ 16,217	\$ 7,110	1,543	\$ 21,784
Unearned revenue	2,760	-	-	2,760
Total Liabilities	\$ 33,994	\$ 81,398	\$ 74,555	\$ 40,837
<b>Total Agency Funds</b>				
Assets				
Cash and temporary investments	\$ 177,478	\$ 379,749	\$ 348,532	\$ 208,695
Accounts receivable	33,994	33,993	27,150	40,837
Total Assets	\$ 211,472	\$ 413,742	\$ 375,682	\$ 249,532
Liabilities				
Salaries and wages payable	\$ 12,181	\$ 33,790	\$ 41,072	\$ 4,899
Accounts payable	180,314	420,247	380,472	220,089
Cash overdraft	16,217	7,110	1,543	21,784
Unearned revenue	2,760	-	-	2,760
Total Liabilities	\$ 211,472	\$ 461,147	\$ 423,087	\$ 249,532



## Fiscal Compliance

## Fiscal Compliance Report - 6/30/2019

### District: ST. ANTHONY-NEW BRIGHTON (282-1)

	Audit	UFARS	Audit - UFARS
<b>01 GENERAL FUND</b>			
Total Revenue	\$22,776,232	<u>\$22,776,231</u>	\$1
Total Expenditures	\$21,730,316	<u>\$21,730,314</u>	\$2
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$16,865	<u>\$16,865</u>	\$0
<i>Restricted / Reserved:</i>			
4.03 Staff Development	\$443,408	<u>\$443,410</u>	(\$2)
4.06 Health and Safety	\$0	<u>\$0</u>	\$0
4.07 Capital Projects Levy	\$359,374	<u>\$359,375</u>	(\$1)
4.08 Cooperative Revenue	\$0	<u>\$0</u>	\$0
4.13 Project Funded by COP	\$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
4.24 Operating Capital	\$610,934	<u>\$610,932</u>	\$2
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
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	\$0
4.41 Basic Skills Programs	\$0	<u>\$0</u>	\$0
4.48 Achievement and Integration	\$0	<u>\$0</u>	\$0
4.49 Safe School Crime - Crime Levy	\$0	<u>\$0</u>	\$0
4.50 Pre-Kindergarten	\$0	<u>\$0</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 & Retirement Levy	\$0	<u>\$0</u>	\$0
4.59 Basic Skills Extended Time	\$0	<u>\$0</u>	\$0
4.67 LTFM	\$769,810	<u>\$769,810</u>	\$0
4.72 Medical Assistance	\$38,687	<u>\$38,688</u>	(\$1)
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$40,000	<u>\$40,000</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	\$747,868	<u>\$747,868</u>	\$0
<i>Assigned:</i>			
4.62 Assigned Fund Balance	\$2,808,539	<u>\$2,808,538</u>	\$1
<i>Unassigned:</i>			
4.22 Unassigned Fund Balance	\$2,560,722	<u>\$2,560,722</u>	\$0

**02 FOOD SERVICES**

Total Revenue	\$915,562	<u>\$915,565</u>	(\$3)
Total Expenditures	\$886,359	<u>\$886,361</u>	(\$2)
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$18,720	<u>\$18,721</u>	(\$1)
<i>Restricted / Reserved:</i>			
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$120,514	<u>\$120,514</u>	\$0

**06 BUILDING CONSTRUCTION**

Total Revenue	\$192,288	<u>\$192,287</u>	\$1
Total Expenditures	\$7,768,940	<u>\$7,768,939</u>	\$1
<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 Project Funded by COP	\$0	<u>\$0</u>	\$0
4.67 LTFM	\$0	<u>\$0</u>	\$0
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$871,760	<u>\$871,759</u>	\$1
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0

**07 DEBT SERVICE**

Total Revenue	\$2,453,254	<u>\$2,453,254</u>	\$0
Total Expenditures	\$2,335,425	<u>\$2,335,425</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	\$257,844	<u>\$257,845</u>	(\$1)
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0

**08 TRUST**

Total Revenue	\$31,987	<u>\$31,986</u>	\$1
Total Expenditures	\$35,472	<u>\$35,472</u>	\$0
4.22 Unassigned Fund Balance (Net Assets)	\$36,373	<u>\$36,372</u>	\$1

**20 INTERNAL SERVICE**

Total Revenue	\$170,018	<u>\$170,019</u>	(\$1)
Total Expenditures	\$151,357	<u>\$151,357</u>	\$0
4.22 Unassigned Fund Balance (Net Assets)	\$216,204	<u>\$216,205</u>	(\$1)

**25 OPEB REVOCABLE TRUST**

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

**45 OPEB IRREVOCABLE TRUST**

Total Revenue	\$143,442	<u>\$143,442</u>	\$0
Total Expenditures	\$105,056	<u>\$105,056</u>	\$0
4.22 Unassigned Fund Balance (Net Assets)	\$1,278,741	<u>\$1,278,742</u>	(\$1)

**47 OPEB DEBT SERVICE**

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

Minnesota Department of Education

*Unassigned:*

4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
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**04 COMMUNITY SERVICE**

Total Revenue	\$1,813,064	<u>\$1,813,064</u>	<u>\$0</u>
Total Expenditures	\$1,669,196	<u>\$1,669,197</u>	<u>(\$1)</u>

*Non Spendable:*

4.60 Non Spendable Fund Balance	\$2,800	<u>\$2,800</u>	<u>\$0</u>
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*Restricted / Reserved:*

4.26 \$25 Taconite	\$0	<u>\$0</u>	<u>\$0</u>
4.31 Community Education	\$670,781	<u>\$670,779</u>	<u>\$2</u>
4.32 E.C.F.E	(\$47,526)	<u>(\$47,527)</u>	<u>\$1</u>
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	<u>\$0</u>
4.44 School Readiness	\$28,001	<u>\$28,002</u>	<u>(\$1)</u>
4.47 Adult Basic Education	\$0	<u>\$0</u>	<u>\$0</u>
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$166,002	<u>\$166,000</u>	<u>\$2</u>
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

*Non Spendable:*

4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
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*Restricted:*

4.25 Bond Refundings	\$0	<u>\$0</u>	<u>\$0</u>
4.64 Restricted Fund Balance	\$81,028	<u>\$81,028</u>	<u>\$0</u>

*Unassigned:*

4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
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STATISTICAL SECTION (UNAUDITED)  
INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

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## STATISTICAL SECTION (UNAUDITED)

This part of the Independent School District No. 282's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

### Financial Trends

*These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.*

### Revenue Capacity

*These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.*

### Debt Capacity

*These schedules present information to help the reader assess the affordability of the government's current levels of out-standing debt and the government's ability to issue additional debt in the future.*

### Demographic and Economic Information

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.*

### Operating Information

*These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

*Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.*

## Independent School District No. 282

Table 1

St. Anthony, Minnesota  
 Net Position by Component  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
Governmental Activities				
Net investment in capital assets	\$ 1,530,016	\$ 5,816,631	\$ 5,777,232	\$ 5,715,753
Restricted	1,778,443	1,043,561	1,038,354	1,017,339
Unrestricted	<u>5,555,200</u>	<u>3,772,438</u>	<u>5,166,504</u>	<u>5,672,350</u>
Total Governmental Activities Net Position	<u>\$ 8,863,659</u>	<u>\$ 10,632,630</u>	<u>\$ 11,982,090</u>	<u>\$ 12,405,442</u>

Note: GASB Statement No. 68 was implemented for the year ended June 30, 2015 and required a \$12,436,884 restatement of beginning net position. Prior year amounts have not been restated.

Note: GASB Statement No. 75 was implemented for the year ended June 30, 2017 and required a \$284,893 restatement of beginning net position. Prior year amounts have not been restated.

Table 1

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 5,767,883	\$ 6,023,235	\$ 6,030,560	\$ 6,557,573	\$ 6,690,859	\$ 7,415,335
894,274	854,085	1,322,561	1,864,915	2,594,722	3,240,891
<u>5,370,274</u>	<u>(7,773,667)</u>	<u>(7,143,668)</u>	<u>(12,515,205)</u>	<u>(17,068,812)</u>	<u>(11,482,893)</u>
<u>\$ 12,032,431</u>	<u>\$ (896,347)</u>	<u>\$ 209,453</u>	<u>\$ (4,092,717)</u>	<u>\$ (7,783,231)</u>	<u>\$ (826,667)</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

**Table 2**

	Fiscal Year			
	2010	2011	2012	2013
<b>Expenses</b>				
Governmental activities				
Administration	\$ 1,258,877	\$ 1,223,408	\$ 1,257,551	\$ 1,287,137
District support services	729,722	820,127	762,003	758,359
Elementary and secondary regular instruction	8,288,796	8,724,192	8,775,775	9,125,708
Vocational education instruction	2,286	2,738	3,777	2,645
Special education instruction	1,919,091	2,147,300	2,331,619	2,089,180
Community education and services	1,013,168	1,012,093	1,121,039	1,177,718
Instructional support services	466,189	439,257	406,820	440,687
Pupil support services	1,609,063	1,859,480	1,890,103	1,858,091
Sites and buildings	2,594,464	2,543,022	3,036,545	3,212,203
Fiscal and other fixed cost programs	-	-	201,870	271,847
Interest on long-term debt	1,229,706	1,178,071	1,135,504	1,078,321
Total Expenses	<u>19,111,362</u>	<u>19,949,688</u>	<u>20,922,606</u>	<u>21,301,896</u>
<b>Program Revenues</b>				
Governmental activities				
Charges for services				
Elementary and secondary regular instruction	123,852	164,789	152,831	157,330
Community education and services	895,391	901,876	983,135	965,839
Pupil support services	540,354	547,749	538,833	545,302
Operating grants and contributions	3,594,848	2,545,862	2,959,355	2,426,443
Capital grants and contributions	569,247	249,132	392,404	400,788
Total Program Revenues	<u>5,723,692</u>	<u>4,409,408</u>	<u>5,026,558</u>	<u>4,495,702</u>
<b>Net (Expense) Revenues</b>	<u>(13,387,670)</u>	<u>(15,540,280)</u>	<u>(15,896,048)</u>	<u>(16,806,194)</u>
<b>General Revenues</b>				
Governmental activities				
Taxes				
Property taxes, levied for general purpose	2,384,533	4,011,380	2,701,579	2,745,195
Property taxes, levied for capital expenditures	1,102,115	1,055,425	650,561	547,460
Property taxes, levied for community service	181,715	261,835	170,962	170,213
Property taxes, levied for debt service	1,560,730	1,676,317	2,236,433	2,395,281
State aids	10,270,158	10,052,957	11,421,277	11,447,835
Unrestricted investment earnings	53,542	220,817	57,950	55,004
Other general revenues	103,378	30,520	6,746	10,169
Total General Revenues	<u>15,656,171</u>	<u>17,309,251</u>	<u>17,245,508</u>	<u>17,371,157</u>
<b>Change in Net Position</b>	<u>\$ 2,268,501</u>	<u>\$ 1,768,971</u>	<u>\$ 1,349,460</u>	<u>\$ 564,963</u>

Table 2

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 1,375,229	\$ 1,380,391	\$ 1,305,394	\$ 1,683,055	\$ 1,790,852	\$ 1,029,633
788,130	778,876	894,127	834,758	1,030,179	849,164
9,486,466	9,917,023	10,107,100	14,793,276	14,437,089	6,637,949
2,837	702	-	-	1,228	3,112
2,312,860	2,475,714	2,692,989	3,356,634	3,387,343	2,420,493
1,336,824	1,155,325	1,259,721	1,522,500	1,564,666	1,408,793
462,134	469,728	470,170	645,253	687,549	408,976
1,876,761	2,125,726	2,187,649	2,443,238	2,617,823	2,525,724
3,114,486	3,243,362	3,026,338	3,117,371	3,464,158	4,115,635
266,543	260,075	270,675	282,121	302,325	284,563
1,044,530	1,068,678	897,777	1,317,186	1,343,029	862,304
<u>22,066,800</u>	<u>22,875,600</u>	<u>23,111,940</u>	<u>29,995,392</u>	<u>30,626,241</u>	<u>20,546,346</u>
147,753	147,547	138,586	165,943	149,927	147,290
1,097,832	987,408	1,088,503	1,155,200	1,227,832	1,386,560
490,848	489,855	492,589	489,973	446,207	503,767
3,383,510	3,286,278	4,075,037	4,078,635	4,605,975	3,779,437
-	-	-	-	245,913	-
<u>5,119,943</u>	<u>4,911,088</u>	<u>5,794,715</u>	<u>5,889,751</u>	<u>6,675,854</u>	<u>5,817,054</u>
<u>(16,946,857)</u>	<u>(17,964,512)</u>	<u>(17,317,225)</u>	<u>(24,105,641)</u>	<u>(23,950,387)</u>	<u>(14,729,292)</u>
1,644,007	3,283,768	3,462,750	3,588,815	3,637,547	3,713,059
514,673	426,442	598,534	1,244,789	1,530,726	1,832,966
88,960	89,022	166,616	175,215	178,888	174,861
2,162,109	1,920,350	1,832,144	1,762,426	1,705,523	2,126,016
12,090,843	11,644,353	11,854,932	12,442,700	12,723,099	13,021,736
54,838	94,990	388,484	682,267	124,967	354,731
18,416	13,693	119,565	192,152	359,123	462,487
<u>16,573,846</u>	<u>17,472,618</u>	<u>18,423,025</u>	<u>20,088,364</u>	<u>20,259,873</u>	<u>21,685,856</u>
<u>\$ (373,011)</u>	<u>\$ (491,894)</u>	<u>\$ 1,105,800</u>	<u>\$ (4,017,277)</u>	<u>\$ (3,690,514)</u>	<u>\$ 6,956,564</u>

## Independent School District No. 282

Table 3

St. Anthony, Minnesota  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

	Fiscal Year			
	2010	2011	2012	2013
General Fund				
Reserved	\$ 408,826	\$ -	\$ -	\$ -
Unreserved	3,781,535	-	-	-
Total General Fund	<u>\$ 4,190,361</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
All Other Governmental Funds				
Reserved	\$ 1,604,660	\$ -	\$ -	\$ -
Unreserved, reported in				
Special revenue funds	234,932	-	-	-
Capital project funds	2,580,877	-	-	-
Total All Other Governmental Funds	<u>\$ 4,420,469</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
General Fund				
Nonspendable	\$ -	\$ 14,858	\$ 1,721	\$ 640
Restricted	-	569,391	460,677	400,736
Committed	-	1,850,000	1,820,568	1,702,198
Assigned	-	1,323,782	1,782,335	1,865,280
Unassigned	-	1,471,169	1,783,648	1,912,630
Total General Fund	<u>\$ -</u>	<u>\$ 5,229,200</u>	<u>\$ 5,848,949</u>	<u>\$ 5,881,484</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ 11,354	\$ 11,254	\$ 18,320
Restricted	-	708,462	886,321	989,556
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>\$ -</u>	<u>\$ 719,816</u>	<u>\$ 897,575</u>	<u>\$ 1,007,876</u>

Note: GASB 54 was implemented prospectively beginning in fiscal year 2011.



Table 3

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 42,415	\$ 69,164	\$ 87,627	\$ 70,925	\$ 25,595	\$ 16,865
272,743	265,121	569,559	1,185,658	1,807,356	2,262,213
1,466,969	891,802	839,658	541,262	747,868	747,868
1,936,933	1,929,681	2,074,725	2,397,753	2,480,085	2,808,539
1,461,374	1,183,758	1,623,383	2,092,408	2,289,387	2,560,722
<u>\$ 5,180,434</u>	<u>\$ 4,339,526</u>	<u>\$ 5,194,952</u>	<u>\$ 6,288,006</u>	<u>\$ 7,350,291</u>	<u>\$ 8,396,207</u>
\$ 11,470	\$ 13,644	\$ 18,808	\$ 8,749	\$ 21,949	\$ 21,520
999,097	9,855,979	18,860,626	18,569,160	9,433,727	2,148,404
(22,221)	-	-	-	-	-
<u>\$ 988,346</u>	<u>\$ 9,869,623</u>	<u>\$ 18,879,434</u>	<u>\$ 18,577,909</u>	<u>\$ 9,455,676</u>	<u>\$ 2,169,924</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

**Table 4**

	Fiscal Year			
	2010	2011	2012	2013
<b>Revenues</b>				
Local property tax levies	\$ 5,112,918	\$ 6,817,037	\$ 5,596,426	\$ 5,753,307
Other local and county revenue				
Interest on investments	53,278	29,995	6,510	9,887
Other	1,514,166	1,341,594	1,382,370	1,353,069
Revenue from state sources	12,296,870	11,829,903	13,991,895	13,449,084
Revenue from federal sources	1,900,778	1,094,642	739,086	759,362
Sales and other conversion of assets	536,845	546,885	538,306	544,385
<b>Total Revenues</b>	<b>21,414,855</b>	<b>21,660,056</b>	<b>22,254,593</b>	<b>21,869,094</b>
<b>Expenditures</b>				
Administration	1,280,386	1,255,103	1,284,362	1,324,419
District support services	729,722	820,127	762,003	758,359
Elementary and secondary regular instruction	9,132,591	8,794,169	9,004,572	9,229,881
Vocational education instruction	2,286	2,738	3,777	2,645
Special education instruction	1,919,091	2,147,300	2,331,619	2,089,180
Community education and services	1,013,168	1,012,093	1,121,039	1,177,718
Instructional support services	466,189	439,257	406,820	440,687
Pupil support services	1,608,434	1,798,917	1,875,938	1,838,287
Sites, buildings and equipment	13,932,024	6,175,075	2,080,258	2,165,697
Fiscal and other fixed cost programs	146,881	142,958	201,870	271,847
Debt service				
Principal	472,643	625,000	1,250,659	1,334,666
Interest and other	1,148,086	1,109,133	1,134,168	1,092,872
Bond issuance costs	-	-	-	-
<b>Total Expenditures</b>	<b>31,851,501</b>	<b>24,321,870</b>	<b>21,457,085</b>	<b>21,726,258</b>
<b>Excess (Deficiency) of Revenues</b>				
<b>Over (Under) Expenditures</b>	<b>(10,436,646)</b>	<b>(2,661,814)</b>	<b>797,508</b>	<b>142,836</b>
<b>Other Financing Sources</b>				
Bonds issued	-	-	-	-
Refunding bonds issued	-	-	-	-
Sale of capital assets	-	-	-	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ (10,436,646)</b>	<b>\$ (2,661,814)</b>	<b>\$ 797,508</b>	<b>\$ 142,836</b>
<b>Debt Service as a Percentage of</b>				
<b>Noncapital Expenditures</b>	<b>5.4%</b>	<b>7.3%</b>	<b>11.3%</b>	<b>11.4%</b>

Table 4

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 4,282,630	\$ 5,588,795	\$ 5,945,715	\$ 6,646,960	\$ 6,939,996	\$ 7,664,042
18,049	13,452	118,976	191,243	357,279	458,324
1,352,783	1,254,022	1,682,121	1,508,582	1,827,602	1,954,810
14,892,302	14,294,180	15,086,845	15,685,628	16,455,163	16,736,282
654,870	692,647	894,857	896,093	914,113	838,733
490,056	488,334	491,539	489,200	445,787	498,209
21,690,690	22,331,430	24,220,053	25,417,706	26,939,940	28,150,400
1,414,371	1,309,798	1,301,757	1,312,728	1,505,832	1,416,324
788,130	782,201	898,852	823,923	1,023,963	891,590
9,468,588	10,037,107	10,117,338	10,337,610	10,616,973	10,639,020
2,837	701	-	-	1,228	3,112
2,312,860	2,512,495	2,688,486	2,732,709	2,837,696	2,952,893
1,336,824	1,158,802	1,255,023	1,408,979	1,447,882	1,591,189
462,134	472,815	471,387	501,395	549,172	572,431
1,862,596	2,118,664	2,172,999	2,331,843	2,478,679	2,594,238
2,246,180	2,501,871	1,991,008	2,474,049	8,400,363	10,970,770
266,543	260,075	270,475	277,136	302,325	284,563
1,203,860	1,023,250	1,057,846	1,102,656	18,397,691	1,537,962
1,046,347	963,282	769,186	1,323,149	1,292,295	936,144
-	-	115,459	-	166,539	-
22,411,270	23,141,061	23,109,816	24,626,177	49,020,638	34,390,236
(720,580)	(809,631)	1,110,237	791,529	(22,080,698)	(6,239,836)
-	-	-	-	14,020,000	-
-	8,850,000	8,755,000	-	-	-
-	-	-	-	750	-
-	8,850,000	8,755,000	-	14,020,750	-
\$ (720,580)	\$ 8,040,369	\$ 9,865,237	\$ 791,529	\$ (8,059,948)	\$ (6,239,836)
10.3%	8.9%	8.1%	10.1%	46.2%	9.7%

## Independent School District No. 282

Table 5

St. Anthony, Minnesota

Tax Capacity, Market Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

(Shown by Year of Tax Collectability)

	2010	2011	2012	2013
<b>Taxable Market Value</b>				
Hennepin County				
Personal property	\$ 2,424,200	\$ 2,661,600	\$ 2,717,500	\$ 3,067,000
Real estate	530,894,500	498,475,600	460,140,293	427,973,057
Ramsey County				
Personal property	3,426,200	3,721,300	3,930,800	4,258,600
Real estate	417,840,200	394,395,600	353,600,000	336,793,000
<b>Total Taxable Market Value</b>	<b>\$ 954,585,100</b>	<b>\$ 899,254,100</b>	<b>\$ 820,388,593</b>	<b>\$ 772,091,657</b>
<b>Estimated actual value of taxable property</b>				
Hennepin County	\$ 534,972,400	\$ 502,696,400	\$ 496,202,800	\$ 466,252,500
Ramsey County	422,489,600	399,516,900	380,640,600	364,510,100
<b>Total Estimated Market Value</b>	<b>\$ 957,462,000</b>	<b>\$ 902,213,300</b>	<b>\$ 876,843,400</b>	<b>\$ 830,762,600</b>
<b>Taxable Market Value as a Percentage of Estimated Actual Value</b>	<b>99.70 %</b>	<b>99.67 %</b>	<b>93.56 %</b>	<b>92.94 %</b>
<b>Net Tax Capacity</b>				
Hennepin County				
Personal property	\$ 47,294	\$ 52,025	\$ 53,130	\$ 60,125
Real estate	5,849,048	5,488,478	5,099,620	4,733,416
Ramsey County				
Personal property	67,774	73,676	77,617	84,182
Real estate	5,183,673	4,885,657	4,530,951	4,262,392
<b>Subtotal</b>	<b>11,147,789</b>	<b>10,499,836</b>	<b>9,761,318</b>	<b>9,140,115</b>
<b>Adjustments (1)</b>	<b>(848,189)</b>	<b>(674,339)</b>	<b>(726,078)</b>	<b>(603,640)</b>
<b>Adjusted Taxable Net Tax Capacity</b>	<b>\$ 10,299,600</b>	<b>\$ 9,825,497</b>	<b>\$ 9,035,240</b>	<b>\$ 8,536,475</b>
<b>Tax levies</b>				
General	\$ 3,648,126	\$ 3,377,558	\$ 3,037,715	\$ 3,324,255
Community service	185,533	182,181	174,886	173,074
Debt service - general	1,773,135	1,807,558	1,884,890	1,874,676
Debt service - OPEB	-	525,090	522,895	287,433
<b>Total</b>	<b>\$ 5,606,794</b>	<b>\$ 5,892,387</b>	<b>\$ 5,620,386</b>	<b>\$ 5,659,438</b>

Source: Hennepin &amp; Ramsey County Auditor/Treasurer Departments

(1) Adjustments to the net tax capacity are for contributions to fiscal disparities pools, tax increment financing districts and receipts from fiscal disparities pools.

Table 5

2014	2015	2016	2017	2018	2019
\$ 2,848,900 457,090,130	\$ 2,925,100 458,590,506	\$ 3,398,300 528,488,537	\$ 3,742,800 547,736,905	\$ 3,751,800 606,556,100	\$ 4,341,300 647,063,100
4,271,500 330,939,100	4,625,500 354,739,500	4,860,300 416,261,300	5,827,300 452,703,000	6,153,900 476,743,600	5,260,500 515,041,300
<u>\$ 795,149,630</u>	<u>\$ 820,880,606</u>	<u>\$ 953,008,437</u>	<u>\$ 1,010,010,005</u>	<u>\$ 1,093,205,400</u>	<u>\$ 1,171,706,200</u>
\$ 464,733,400 358,643,800	\$ 494,630,600 381,544,300	\$ 557,017,500 421,121,600	\$ 575,606,600 458,530,300	\$ 606,556,100 482,897,500	\$ 647,063,100 520,301,800
<u>\$ 823,377,200</u>	<u>\$ 876,174,900</u>	<u>\$ 978,139,100</u>	<u>\$ 1,034,136,900</u>	<u>\$ 1,089,453,600</u>	<u>\$ 1,167,364,900</u>
<u>96.57 %</u>	<u>93.69 %</u>	<u>97.43 %</u>	<u>97.67 %</u>	<u>100.34 %</u>	<u>100.37 %</u>
\$ 55,748 4,742,214	\$ 57,257 5,075,416	\$ 65,206 5,777,661	\$ 71,856 5,991,006	\$ 72,786 6,368,951	\$ 84,576 6,839,475
84,443 4,197,139	91,010 4,537,381	95,706 4,798,167	115,796 5,181,687	122,328 5,484,477	104,460 5,914,408
9,079,544 (583,554)	9,761,064 (436,197)	10,736,740 (505,585)	11,360,345 (553,009)	12,048,542 (635,194)	12,942,919 (793,569)
<u>\$ 8,495,990</u>	<u>\$ 9,324,867</u>	<u>\$ 10,231,155</u>	<u>\$ 10,807,336</u>	<u>\$ 11,413,348</u>	<u>\$ 12,149,350</u>
\$ 3,566,001 89,022 1,920,350 -	\$ 4,170,557 168,423 1,832,144 -	\$ 4,784,398 173,037 1,740,206 -	\$ 4,468,224 151,668 1,443,088 -	\$ 5,287,477 177,814 2,085,399 -	\$ 5,397,239 174,862 2,141,355 -
<u>\$ 5,575,373</u>	<u>\$ 6,171,124</u>	<u>\$ 6,697,641</u>	<u>\$ 6,062,980</u>	<u>\$ 7,550,690</u>	<u>\$ 7,713,456</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Property Tax Capacity Rates - Direct and Overlapping Governments  
Last Ten Fiscal Years  
(Per \$1,000 of Tax Capacity)

**Table 6**

Year Taxes Payable	Independent School District No. 282		Overlapping Rates - Hennepin County					
	Tax Capacity Rate	Market Value Rate	Hennepin County	City of St. Anthony Village	Metro Taxing Districts	Special Taxing Districts	Watershed District 5	Watershed District 6
2010	32.717 %	20.168 %	42.640 %	55.661 %	2.620 %	5.518 %	1.511 %	1.938 %
2011	36.478	22.658	45.840	59.885	2.949	6.223	1.543	2.351
2012	38.315	21.367	48.231	68.854	3.084	6.439	2.297	2.471
2013	38.872	24.789	49.461	75.461	3.242	6.847	2.360	2.411
2014	33.093	28.672	49.959	77.161	3.335	7.226	2.371	2.430
2015	29.953	32.234	46.398	72.931	3.006	6.779	2.105	2.191
2016	33.130	29.446	45.356	66.064	2.899	3.531	1.802	1.962
2017	33.428	28.719	44.087	67.876	2.821	3.595	2.087	1.799
2018	37.557	26.469	42.808	70.015	2.683	3.557	1.830	1.679
2019	36.014	24.771	41.861	70.220	2.542	3.436	1.833	1.523

Year Taxes Payable	Independent School District No. 282		Overlapping Rates - Ramsey County				
	Tax Capacity Rate	Market Value Rate	Ramsey County	City of New Brighton	Metro Taxing Districts	Special Taxing Districts	Rice Creek Watershed District
2010	32.717 %	20.168 %	46.598 %	35.586	2.741	3.700	1.511 %
2011	36.478	22.658	50.801	35.586	2.816	3.921	1.618
2012	38.315	21.367	56.944	41.416	3.277	4.330	2.348
2013	38.872	24.789	60.638	41.968	3.349	4.528	2.322
2014	33.093	28.672	59.105	38.354	3.283	4.196	2.346
2015	29.953	32.234	54.462	36.193	3.035	3.938	2.206
2016	33.130	29.446	54.012	33.130	2.379	4.091	2.108
2017	33.428	28.719	51.173	33.428	2.243	3.875	1.985
2018	37.557	26.469	49.473	32.900	2.153	3.830	1.826
2019	36.014	24.771	48.565	34.478	2.098	3.886	1.858

Source: Hennepin & Ramsey County Auditor/Treasurer Departments

Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners (e.g. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

Independent School District No. 282  
St. Anthony, Minnesota  
Principal Taxpayers  
Current Year and Seven Years Ago (1)

**Table 7**

Taxpayer	2019			2012		
	Tax Capacity	Rank	Percent of Net Tax Capacity	Tax Capacity	Rank	Percent of Net Tax Capacity
Inland Silver Lake Village LLC	\$ 700,330	1	5.76 %	\$ -		- %
St. Anthony Leased Housing Association	529,814	2	4.36	315,158	3	3.69
Autumn Woods Partners	266,338	3	2.19	188,225	4	2.20
Equinox Properties LLC	260,974	4	2.15	-		-
Northern States Power Company	164,344	5	1.35	110,572	6	1.30
St. Anthony Shopping Ctr	163,330	6	1.34	-		-
St. Anthony Leased Housing Association	162,910	7	1.34	105,009	7	1.23
Autumn Woods III LLC	127,850	8	1.05	176,890	5	2.07
Windsor South Apts LP	127,575	9	1.05	-		-
Bigos Helena	126,831	10	1.04	95,250	9	1.12
St. Anothony Retail Development	-		-	438,388	1	5.14
Walmart Stores, Inc.	-		-	292,306	2	3.42
Northern Gopher Enterprises	-		-	97,852	8	1.15
LG Anderson, LLC	-		-	84,750	10	0.99
Totals	<u>\$ 2,630,296</u>		<u>21.65 %</u>	<u>\$ 1,904,400</u>		<u>22.31 %</u>

Source: Hennepin & Ramsey County Auditor/Treasurer Departments and Northland Securities, Inc.

(1) Principal Employer information for fiscal year 2010 was not available. Therefore the next available fiscal year of information was used, which was year 2012.

# Independent School District No. 282

**Table 8**

St. Anthony, Minnesota  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year	(1) Total Levy	Collection of Current Year's Levy	Percentage of Levy Collected	Collection in Subsequent Years	Total Collections	Percent of Total Collections to Levy
2010	\$ 5,606,794	\$ 5,528,837	98.61 %	\$ 77,957	\$ 5,606,794	100.00 %
2011	5,892,387	5,834,156	99.01	58,231	5,892,387	100.00
2012	5,620,386	5,542,109	98.61	74,641	5,616,750	99.94
2013	5,659,438	5,577,964	98.56	78,337	5,656,301	99.94
2014	5,575,373	5,524,004	99.08	47,000	5,571,004	99.92
2015	6,171,124	6,092,539	98.73	71,597	6,164,136	99.89
2016	6,697,641	6,646,613	99.24	42,624	6,689,237	99.87
2017	6,062,980	6,042,133	99.66	7,363	6,049,496	99.78
2018	7,550,690	7,394,411	97.93	127,040	7,521,451	99.61
2019	7,713,456	3,591,000	46.56	-	3,591,000	46.56

Source: Hennepin & Ramsey County Auditor/Treasurer Departments

(1) Only a portion of the calendar year 2019 taxes are collectible as of June 30, 2019.



## Independent School District No. 282

Table 9

St. Anthony, Minnesota  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Capital Leases	Total	Percentage of Personal Income	Per Capita
2010	\$ 25,305,000	\$ 1,278,460	\$ 26,583,460	30.80 %	\$ 896
2011	24,680,000	1,196,628	25,876,628	29.11	867
2012	23,515,000	1,110,969	24,625,969	26.89	810
2013	22,270,000	1,021,303	23,291,303	23.98	760
2014	21,160,000	927,443	22,087,443	22.74	717
2015	29,085,000	829,193	29,914,193	29.90	963
2016	36,885,000	726,347	37,611,347	36.49	1,205
2017	35,890,000	618,691	36,508,691	34.39	1,164
2018	31,625,000	506,000	32,131,000	29.39	1,022
2019	30,205,000	388,038	30,593,038	27.17	968

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.  
See the Demographic and Economic Statistics table on page 134 for personal income and population data.

Independent School District No. 282  
St. Anthony, Minnesota  
Ratios of General Bonded Debt Outstanding  
Last Ten Fiscal Years

**Table 10**

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Funds	Net Bonded Debt	Percentage of Estimated Actual Value of Taxable Property	Per Capita
2010	\$ 25,305,000	\$ 195,608	\$ 25,109,392	2.62 %	\$ 846
2011	24,680,000	243,613	24,436,387	2.71	819
2012	23,515,000	286,543	23,228,457	2.65	764
2013	22,270,000	363,579	21,906,421	2.64	715
2014	21,160,000	403,109	20,756,891	2.52	674
2015	29,085,000	9,409,994	19,675,006	2.25	634
2016	36,885,000	18,204,303	18,680,697	1.91	599
2017	35,890,000	17,819,818	18,070,182	1.75	576
2018	31,625,000	140,015	31,484,985	2.89	1,001
2019	30,205,000	257,844	29,947,156	2.57	947

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

See the Demographic and Economic Statistics table on page 134 for personal income and population data.

See the Tax Capacity, Market Value and Estimated Actual Value of Taxable Property table on page 124 for property value data.

Independent School District No. 282  
St. Anthony, Minnesota  
Computation of Direct and Overlapping Debt  
June 30, 2019

**Table 11**

	Gross Bonded Debt Used For Net Debt Calculation	Percentage Applicable to District	Amount of Net Debt Applicable to District
Direct Debt			
Independent School District No. 282	<u>\$ 30,205,000</u>	<u>100.00 %</u>	<u>\$ 30,205,000</u>
Overlapping Debt			
Hennepin County	894,650,000	0.37	3,324,058
Ramsey County	143,020,000	0.77	1,095,841
City of St. Anthony Village	16,355,000	58.6	9,587,222
City of New Brighton	1,205,000	6.75	81,377
Three Rivers Park District	58,595,000	0.53	309,388
Hennepin Regional Railroad Authority	29,865,000	0.37	110,963
Metropolitan Council	1,200,000	0.19	2,334
Metropolitan Transit	<u>145,085,000</u>	<u>0.28</u>	<u>404,192</u>
Total Overlapping Debt	<u>1,289,975,000</u>	<u>0.01</u>	<u>14,915,375</u>
Total Direct and Overlapping Debt	<u><u>\$ 1,320,180,000</u></u>	<u><u>0.03 %</u></u>	<u><u>\$ 45,120,375</u></u>

Source: Hennepin & Ramsey County Auditor/Treasurer Departments

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognized that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Independent School District No. 282

Table 12

St. Anthony, Minnesota  
Legal Debt Margin Information  
Last Ten Fiscal Years

	Fiscal Year			
	2010	2011	2012	2013
Debt Limit	\$ 143,619,300	\$ 135,331,995	\$ 131,526,510	\$ 124,614,390
Total Net Debt Applicable to Limit	<u>25,109,392</u>	<u>24,436,387</u>	<u>23,228,457</u>	<u>21,906,421</u>
Legal Debt Margin	<u>\$ 118,509,908</u>	<u>\$ 110,895,608</u>	<u>\$ 108,298,053</u>	<u>\$ 102,707,969</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>17.5%</u>	<u>18.1%</u>	<u>17.7%</u>	<u>17.6%</u>

Note: Under State law, the District's net general obligation debt should not exceed 15 percent of the market value of taxable property.

Table 12

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 123,506,580	\$ 131,426,235	\$ 146,720,865	\$ 155,120,535	\$ 163,418,040	\$ 175,104,735
20,756,891	19,675,006	18,680,697	18,070,182	31,484,985	29,947,156
<u>\$ 102,749,689</u>	<u>\$ 111,751,229</u>	<u>\$ 128,040,168</u>	<u>\$ 137,050,353</u>	<u>\$ 131,933,055</u>	<u>\$ 145,157,579</u>
<u>16.8%</u>	<u>15.0%</u>	<u>12.7%</u>	<u>11.6%</u>	<u>19.3%</u>	<u>17.1%</u>

## Legal Debt Margin Calculation for Fiscal Year 2019

Taxable Market Value	<u>\$ 1,167,364,900</u>
Debt Limit (15% of Market Value)	\$ 175,104,735
Debt Applicable to Limit	
General obligation bonds	30,205,000
Less: amount available in	
debt service funds	(257,844)
Total Net Debt Applicable to Limit	<u>29,947,156</u>
Legal Debt Margin	<u>\$ 145,157,579</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Demographic and Economic Statistics  
Last Ten Fiscal Years

**Table 13**

Fiscal Year	City of New Brighton - Ramsey County				City of St. Anthony Village - Hennepin County			
	Population (1)	Per Capita Personal Income (2)	Total Personal Income (3)	Unemployment Rate (4)	Population (1)	Per Capita Personal Income (2)	Total Personal Income (3)	Unemployment Rate (4)
2010	21,456	\$ 44,962.00	\$ 22,897,395	7.3 %	8,226	\$ 56,597	\$ 63,414,896	6.9 %
2011	21,496	46,311.00	23,584,317	5.5	8,333	58,295	65,317,343	5.2
2012	21,996	47,700.00	24,291,846	6.4	8,417	61,846	67,276,863	5.8
2013	22,123	50,605.00	25,771,220	5.5	8,516	61,846	71,374,024	5.1
2014	22,234	50,605.00	25,771,220	4.8	8,559	63,901	71,374,024	4.5
2015	22,084	47,019.00	26,544,356	3.0	8,965	65,818	73,515,245	3.3
2016	22,194	48,429.57	27,340,687	3.0	9,010	67,793	75,720,702	3.1
2017	22,305	49,882.46	28,160,908	3.2	9,055	69,826	77,992,323	3.0
2018	22,417	51,378.93	29,005,735	3.2	9,037	71,921	80,332,093	3.0
2019	22,529	52,920.30	29,875,907	3.2	9,082	74,079	82,742,056	3.1

Data Sources:

- (1) Minnesota Office of the State Demographer (2009-2018); Estimated (2019)
- (2) US Department of Commerce - Bureau of Economic Analysis (2009-2011); Estimated (2012-2019)
- (3) US Department of Commerce - Bureau of Economic Analysis (2009-2011); Estimated (2012-2019)
- (4) United States Department of Labor - Bureau of Labor Statistics

Independent School District No. 282  
St. Anthony, Minnesota  
Principal Employers  
Current Year and Nine Years Ago (1)

**Table 14**

Employer	2019			2013		
	(1) Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Medtox Laboratory, Inc.	600	1	19.93 %	592	1	19.62 %
Donatelle Plastics, Inc.	400	2	13.29	450	2	14.92
City of New Brighton	300	3	9.97	300	3	9.94
St. Anthony Health Center/Chandler Place	300	4	9.97	300	4	9.94
Independent School District No. 282	276	5	9.17	227	7	7.52
Johnson Screens, Inc.	270	6	8.97	248	6	8.22
Pentair	250	7	8.31	-		-
Benedictine Health Center	226	8	7.51	226	8	7.49
Mission Foods Corporation	218	9	7.24	218	9	7.23
Cub Foods	170	10	6	-		-
Hypro Corporation	-		-	251	5	8.32
Wal - Mart	-		-	205	10	6.79
Total	<u>3,010</u>		<u>100.00 %</u>	<u>3,017</u>		<u>100.00 %</u>

Source: Northland Securities, Inc.

(1) Principal Employer information for fiscal year 2010 was not available. Therefore the next available fiscal year of information was used, which was year 2013.

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Independent School District No. 282  
St. Anthony, Minnesota  
Full-time Equivalent Employees  
Last Ten Fiscal Years

Table 15

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>TRA Eligible (Licensed)</b>										
District wide										
Administrators	2.13	3.00	2.50	3.00	3.00	3.00	3.00	3.00	3.50	4.00
Support services	-	1	1.00	1.17	1.00	1.00	1.00	1.00	1.00	1.00
Others	0.83	0.90	0.77	3.13	2.16	3.00	3.00	3.00	2.00	1.00
Teachers	0.93	0.83	1.00	0.96	0.96	1.00	1.25	1.00	3.00	5.00
Senior High School										
Administrators	2.80	2.80	2.80	2.80	2.80	3.00	2.00	2.00	2.00	2.00
Support services	1.33	1.06	0.83	0.86	0.86	3.00	2.20	3.00	2.00	3.50
Others	0.97	1.64	1.17	0.40	0.00	0.00	0.00	1.00	0.00	0.00
Teachers	34.28	34.04	33.85	34.40	37.54	42.00	34.90	42.00	43.00	37.00
Middle School										
Administrators	2.00	2.00	0.97	2.00	2.00	2.00	3.00	2.00	2.00	2.00
Support services	1.13	0.53	0.83	1.03	1.03	1.00	0.40	1.00	1.00	3.30
Others	0.87	1.37	0.80	-	0.00	0.00	0.00	0.00	0.00	1.00
Teachers	25.90	27.57	26.26	25.31	29.37	33.00	27.72	33.00	33.00	29.16
Wilshire Park Elementary										
Administrators	1.80	1.20	3.00	3.00	3.00	1.00	1.00	3.00	1.00	2.00
Support services	4.13	4.10	4.33	2.93	2.93	2.00	3.50	4.00	3.00	1.74
Others	0.37	2.17	1.20	-	0.00	0.00	0.00	0.00	1.00	1.00
Teachers	38.87	41.30	41.38	40.82	39.19	50.00	42.96	50.00	53.00	52.00
<b>PERA Eligible</b>										
District wide	22.77	19.29	19.69	19.97	27.23	7.00	21.43	21.30	22.00	23.96
Senior High School	13.96	15.19	15.07	15.12	18.24	57.00	26.43	16.00	16.00	31.13
Middle School	15.99	17.97	18.15	20.06	8.97	11.00	8.24	10.00	11.00	9.04
Wilshire Park Elementary	18.03	19.84	19.97	18.94	16.23	29.00	24.53	26.50	26.50	22.19
<b>Total</b>	<b>189.09</b>	<b>197.80</b>	<b>195.57</b>	<b>195.90</b>	<b>196.51</b>	<b>249.00</b>	<b>206.55</b>	<b>222.80</b>	<b>226.00</b>	<b>232.01</b>
<b>Staff Education</b>										
Bachelors degree	46.70	48.08	47.46	51.98	41.99	40.49	37.77	35.97	37.00	47.00
Masters degree	64.09	62.70	68.57	66.14	73.44	74.59	76.23	79.98	80.00	96.34
Doctorate degree	-	-	1	1.00	-	-	2	1.70	3.00	4.00
<b>Total</b>	<b>110.79</b>	<b>110.78</b>	<b>117.03</b>	<b>119.12</b>	<b>115.43</b>	<b>115.08</b>	<b>115.80</b>	<b>117.65</b>	<b>120.00</b>	<b>147.34</b>

Source: Independent School District No. 282

## Independent School District No. 282

Table 16

St. Anthony, Minnesota

Operating Indicators

Last Ten Fiscal Years

Function	2010	2011	2012	2013
<b>Student Information</b>				
Actual enrollment				
Senior High School	675	686	674	665
Middle School	423	415	411	413
Wilshire Park Elementary	695	706	688	656
Open enrolled students	841	821	718	721
Special education students	151	N/A	167	165
Average daily membership (used by DOE)	1,775.25	1,795.67	1,756.00	1,729.00
High school graduates	132	139	160	160
Gender and ethnicity information				
Male students	52%	N/A	51%	53%
Female students	48%	N/A	49%	47%
Non-white students	22%	N/A	23%	20%
<b>Food Service Information</b>				
Site information				
Serving breakfast	2	2	2	2
Serving lunch	3	3	3	3
Number of days serving students	173	173	174	174
Lunches served				
Free	30,263	32,203	35,284	38,272
Reduced	19,477	19,575	18,686	12,435
Paid in full	134,293	131,523	125,806	121,385
Adults	4,419	4,270	4,496	4,189
Breakfasts served				
Free	4,917	5,999	5,662	5,288
Reduced	3,680	4,467	3,539	2,102
Paid in full	2,842	3,658	3,871	2,810

Source: Independent School District No. 282

Note: Some information is not available for every fiscal year. This table will be updated on a go-forward basis.

Table 16

2014	2015	2016	2017	2018	2019
658	292	670	687	704	676
416	246	427	426	434	434
636	586	708	712	693	733
688	667	662	511	467	461
157	157	148	154	160	177
1,703.00	1,791.00	2,467.00	1,826.00	1,839.00	1,816.00
156	150	154	162	N/A	175
49%	49%	50%	50%	51%	51%
51%	51%	50%	50%	49%	50%
27%	28%	30%	32%	33%	34%
3	3	3	3	3	3
3	3	3	3	3	3
174	174	174	174	174	169
37,951	40,649	43,532	40,697	36,681	39,215
12,760	15,929	16,745	18,609	19,840	18,679
111,735	111,667	113,461	119,248	115,867	114,192
4,976	5,120	2,771	2,306	2,279	1,930
5,304	13,808	13,436	12,746	15,967	20,780
1,864	5,445	4,924	5,907	6,812	8,128
2,441	16,926	19,776	24,646	28,430	34,015

## Independent School District No. 282

Table 17

St. Anthony, Minnesota  
Capital Asset Statistics  
Last Ten Fiscal Years (1)

Classifications	2013	2014	2015	2016	2017	2018	2019
<b>Buildings</b>							
Wilshire Park Elementary							
Original construction	1,967	1,967	1,967	1,967	1,967	1,967	1,967
Square feet	65,906	65,906	65,906	65,906	65,906	65,906	65,906
Classrooms	23	23	23	23	23	23	23
Building addition	1,996	1,996	1,996	1,996	1,996	1,996	1,996
Additional square feet	16,670	16,670	16,670	16,670	16,670	16,670	16,670
Additional classrooms	4	4	4	4	4	4	4
Computer lab addition	2,009	2,009	2,009	2,009	2,009	2,009	2,009
Additional square feet	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Senior High School / Middle School							
Original construction	1,960	1,960	1,960	1,960	1,960	1,960	1,960
Square feet	202,285	202,285	202,285	202,285	202,285	202,285	202,285
Classrooms	55	55	55	55	55	55	55
Media center addition	1,996	1,996	1,996	1,996	1,996	1,996	1,996
Additional square feet	4,400	4,400	4,400	4,400	4,400	4,400	4,400
Commons addition	2,010	2,010	210	210	210	210	210
Additional square feet	8,700	8,700	8,700	8,700	8,700	8,700	8,700
<b>Equipment</b>							
Computers	800	810	820	1,210	1,210	1,740	1,950
Interwrite boards	99	99	99	98	98	70	93
Ipads	76	86	106	148	148	215	216
Smart boards	-	-	-	-	-	-	15

Source: Independent School District No. 282

(1) Information not available prior to 2011. This table will be updated on a go-forward basis.

OTHER REPORTS

INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

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## INDEPENDENT AUDITOR'S REPORT ON MINNESOTA LEGAL COMPLIANCE

Members of the Board of Education  
Independent School District No. 282  
St. Anthony, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Independent School District No. 282 (the District), St. Anthony, Minnesota as of and for the year ended June 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated November 25, 2019.

The *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards for school districts. Our audit considered all of the listed categories.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for School Districts*. 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.

This report is intended solely for the information and use of those charged with governance and management of the City and the State Auditor and is not intended to be and should not be used by anyone other than these specified parties.

ABDO, EICK & MEYERS, LLP  
Minneapolis, Minnesota  
November 25, 2019

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

Members of the Board of Education  
Independent School District No. 282  
St. Anthony, 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. 282 (the District), St. Anthony, Minnesota, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 25, 2019.

**Internal Control Over Financial Reporting**

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

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

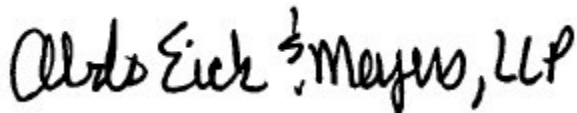


## Compliance and Other Matters

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

## Purpose of this Report

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



ABDO, EICK & MEYERS, LLP  
Minneapolis, Minnesota  
November 25, 2019

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STUDENT ACTIVITY ACCOUNTS  
INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

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## INDEPENDENT AUDITOR'S REPORT

Members of the Board of Education, Advisors and Students  
Independent School District No. 282  
St. Anthony, Minnesota

### Report on the Financial Statements

We have audited the accompanying statement of changes in assets and liabilities of the student activity accounts of Independent School District No. 282 (the District), St. Anthony, Minnesota, as of and for the year ended June 30, 2019.

### Management's Responsibilities for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement.

An audit also includes assessing the accounting principles used as well as evaluating the overall financial statement presentation.

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

### Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the changes in assets and liabilities of the District's student activity accounts for the year ended June 30, 2019, and the balances at that date in conformity with accounting principles generally accepted in the United States of America.

ABDO, EICK & MEYERS, LLP  
Minneapolis, Minnesota  
November 25, 2019

Independent School District No. 282  
St. Anthony, Minnesota  
Student Activity Accounts  
Statement of Changes in Assets and Liabilities  
For the Year Ended June 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Assets				
Cash and temporary investments				
Senior high school				
Baseball	\$ 2,500	\$ 953	\$ 1,268	\$ 2,185
Basketball - Girls	217	2,060	2,055	222
Basketball - Boys	<b>348</b>	<b>2,751</b>	<b>2,946</b>	153
Boy's tennis	326	559	-	885
Boy's soccer	1,487	3,992	3,941	1,538
Boy's swimming	204	6	-	210
Cheerleading	203	5,136	5,076	263
Class of 2018	3,311	40	3,311	40
Class of 2016	1	373	-	374
Class of 2019	1,579	3,145	3,155	1,569
Class of 2020	-	12,035	8,873	3,162
Class of 2021	-	655	622	33
Class of 2022	-	669	-	669
Choir	5,089	3,013	6,367	1,735
Connection crew	495	12	-	507
Cross country	871	12,121	9,051	3,941
Dance team	258	6	-	264
Dare 2 be real	485	159	55	589
Drama	16,710	4,753	5,997	15,466
Football club	64	7,451	7,234	281
French club	95	2	-	97
Golf - Boys	1,169	1,668	1,691	1,146
Golf - Girls	-	2,625	978	1,647
Girl's soccer	830	3,453	2,157	2,126
Girl's tennis	665	25	277	413
GSA	-	516	412	104
Gymnastics	735	17	85	667
HS green team	-	332	-	332
HS student council	3,736	6,149	5,982	3,903
Key club	636	1,310	779	1,167
Lego league	870	264	-	1,134
Letterwinners club	6,100	2,030	2,455	5,675
Literary arts	385	9	-	394
Marching band	92,262	223,730	205,807	110,185
MS campus club magazine	4,047	12,131	7,521	8,657
MS danceline (Huskettes)	270	7	-	277
Mathletes	-	300	294	6
MS drama	956	1,692	1,213	1,435
MS student council	6,222	598	1,945	4,875
MS spanish trip	2	-	-	2
MS track	188	365	360	193
MS knowledge bowl	27	1,790	1,416	401
National honor society	2,867	4,986	5,462	2,391
Robo huskie	3,016	12,240	13,706	1,550
SADD	368	9	-	377
HS student fundraising	-	6,734	2,187	4,547
Science bowl	297	635	-	932
Science olympiad	348	9	-	357
School store	2,857	162	284	2,735
Softball club	1,535	2,843	3,931	447
Spanish club	119	3	-	122
Speech	4,153	3,811	1,045	6,919
Super high mileage	78	2	-	80
Swimming	691	5,074	4,485	1,280
Volleyball club	4,513	3,465	4,460	3,518
Yearbook	1,222	1,574	-	2,796
Total senior high school	<u>175,407</u>	<u>360,449</u>	<u>328,883</u>	<u>206,973</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Student Activity Accounts  
Statement of Changes in Assets and Liabilities (Continued)  
For the Year Ended June 30, 2019

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019
Assets (Continued)				
Cash and temporary investments (continued)				
Elementary school				
Panda club	\$ 741	\$ -	\$ 251	\$ 490
Picture sales	4	2,600	2,604	-
Special Olympics	165	-	-	165
Field trips	962	16,700	16,794	868
Destination imagine	191	-	-	191
K-Kids	8	-	-	8
Total elementary school	<u>2,071</u>	<u>19,300</u>	<u>19,649</u>	<u>1,722</u>
Total Assets	<u>\$ 177,478</u>	<u>\$ 379,749</u>	<u>\$ 348,532</u>	<u>\$ 208,695</u>
Liabilities				
Student activity accounts payable	<u>\$ 177,478</u>	<u>\$ 379,749</u>	<u>\$ 348,532</u>	<u>\$ 208,695</u>

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Student Activity Account Financial Statements  
For the Year Ended June 30, 2019

Student activity fund transactions are defined as extracurricular programs conducted for the motivation and enjoyment of students attending Independent School District No. 282, St. Anthony, Minnesota. These programs and activities are not offered for school credits nor required for graduation. Activities are generally conducted outside of school hours. The content of the activities is determined primarily by the students, under the guidance of a staff member or an adult.

Student activities are to be self-sustaining with all expenses paid by dues, admissions, or other student fundraising events.

The accounts of the Student Activity Funds are maintained, and the accompanying financial statements have been prepared on the accrual basis of accounting as discussed in Note 1C of the District's financial statements.





## INDEPENDENT AUDITOR'S REPORT ON STUDENT ACTIVITY COMPLIANCE

Members of the Board of Education, Advisors and Students  
Independent School District No. 282  
St. Anthony, Minnesota

We have audited the statement of changes in assets and liabilities of the extracurricular student activity accounts of Independent School District No. 282 (the District), St. Anthony, Minnesota as of and for the year ended June 30, 2019, and have issued our report thereon dated November 25, 2019.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and provisions of the *Manual of Instruction for Uniform Student Activities Accounting for Minnesota School Districts and Area Vocational-Technical Colleges*, issued by the Minnesota Department of Education, pursuant to Minnesota statutes, section 123.38.

The *Manual of Instruction for Uniform Student Activities Accounting for Minnesota School Districts and Area Vocational-Technical Colleges* provides uniform financial accounting and reporting standards for student activities. Compliance with this manual is the responsibility of the District's management. We have performed auditing procedures to test compliance with the provisions of this manual. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicate that, with respect to the items tested, the District complied, in all material respects, with the provisions referred to in the preceding paragraph, except as described in Schedule of Findings, Responses and Questioned Costs as finding 2019-001.

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings, Responses and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

The purpose of this report is solely to describe the scope of our testing of compliance with certain provisions of the *Manual of Instruction for Uniform Student Activities Accounting for Minnesota School Districts and Area Vocational-Technical Colleges*, and the result of that testing, and not to provide an opinion on the Districts compliance with those provisions. Accordingly, this report is not suitable for any other purpose.

ABDO, EICK & MEYERS, LLP  
Minneapolis, Minnesota  
November 25, 2019

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FEDERAL FINANCIAL AWARD PROGRAMS  
INDEPENDENT SCHOOL DISTRICT NO. 282  
ST. ANTHONY, MINNESOTA

FOR THE YEAR ENDED  
JUNE 30, 2019

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Members of the Board of Education  
Independent School District No. 282  
St. Anthony, Minnesota

**Report on Compliance for Each Major Federal Program**

We have audited Independent School District No. 282, St. Anthony, Minnesota (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2019. The District's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses and Questioned Costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

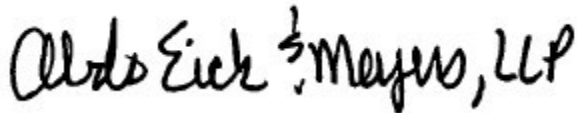
## Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



ABDO, EICK & MEYERS, LLP  
Minneapolis, Minnesota  
November 25, 2019

Independent School District No. 282  
St. Anthony, Minnesota  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2019

Administering Department	Grant Name	Federal Domestic Assistance Number	Federal Program Clusters	Federal Expenditures
U.S. Department of Education				
MN Department of Education	Special Education	84.027 <sup>(1)</sup>	\$ 286,130	
MN Department of Education	Special Education Preschool Grants	84.173 <sup>(1)</sup>	<u>16,835</u>	
	Total Special Education			\$ 302,965
MN Department of Education	ECIA, Chapter 1	84.010	<u>112,486</u>	
	Total Chapter 1			112,486
MN Department of Education	Training/Retraining Teachers	84.367		29,766
MN Department of Education	English Language Acquisition State Grants	84.365		<u>16,363</u>
Total U.S. Department of Education				<u>461,580</u>
U.S. Department of Agriculture				
MN Department of Agriculture	Child and Adult Care Food Program	10.558	25,948	
MN Department of Agriculture	School Breakfast Program	10.553 <sup>(2)</sup>	52,067	
MN Department of Agriculture	National School Lunch Program	10.555 <sup>(2)</sup>	<u>297,119</u>	
	Total School Lunch			<u>375,134</u>
Total U.S. Department of Agriculture				<u>375,134</u>
Total				<u>\$ 836,714</u>

(1) - Denotes Special Education Cluster

(2) - Denotes Child Nutrition Cluster

Independent School District No. 282  
St. Anthony, Minnesota  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2019

**Note 1: Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of Independent School District No. 282, St. Anthony, Minnesota (the District). The District's reporting entity is defined in Note 1A to the District's financial statements. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). All federal awards received directly from Federal agencies as well as Federal awards passed through other government agencies are included on the schedule.

**Note 2: Summary of Significant Accounting Policies for Expenditures**

Expenditures reported on this schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-122, Cost Principles for Non-Profit-Organizations, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 3: Pass-through Entity Identifying Numbers**

Pass-through entity identifying numbers are presented where available.

**Note 4: Sub recipients**

No federal expenditures presented in this schedule were provided to sub recipients.

**Note 5: Indirect Cost Rate**

During the year ended June 30, 2019, the District did not elect to use the 10 percent de Minimis indirect cost rate.

Independent School District No. 282  
St. Anthony, Minnesota  
Schedule of Findings, Responses and Questioned Costs  
For the Year Ended June 30, 2019

**Section I - Summary of Auditor's Results**

***Financial Statements***

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	No
Noncompliance material to financial statements noted?	No

***Federal Awards***

Internal control over major programs	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 516(a) of Uniform Guidance?	No

***Identification of Major Programs/Projects***

	<u><b>CFDA No.</b></u>
Department of Agriculture - Child Nutrition Cluster	
National School Lunch Program	10.555
School Breakfast Program	10.553
Dollar threshold used to distinguish between Type A and Type B Programs	\$ 750,000
Auditee qualified as low-risk auditee?	Yes

**Section II - Financial Statement Findings**

There are no significant deficiencies, material weaknesses, or instances of noncompliance that are required to be reported.

**Section III - Major Federal Award Findings and Questioned Costs**

There are no significant deficiencies, material weaknesses, or instances of noncompliance including questioned costs that are required to be reported in accordance with Uniform Guidance.



Independent School District No. 282  
St. Anthony, Minnesota  
Schedule of Findings, Responses and Questioned Costs (Continued)  
For the Year Ended June 30, 2019

<u>Finding</u>	<u>Description</u>
<b>2019-001</b>	<b>Lack of Student Activity Disbursement Approval</b>
<i>Condition:</i>	Auditing for legal compliance requires a review of the district's student activity account disbursements. During our testing of a sample of high school student activity account disbursements, it was noted that 10 of the 25 disbursements tested did not have proper signatures noting approval by the activity advisor and or treasurer.
<i>Criteria:</i>	Manual of Instruction for Uniform Student Activities Accounting for Minnesota School Districts and Area Vocational Technical Colleges (MAFA) has established requirements for the operations of an activity fund including documentation of proper approval by the activity advisor and treasurer.
<i>Cause:</i>	High school activity account disbursements were not approved due to lack of communication between the responsible parties and a lack of understanding of the MAFA established requirements.
<i>Effect:</i>	The District did not meet the requirements of the activity fund under MAFA.
<i>Recommendation:</i>	We recommended that all student activity disbursements be properly reviewed and approved by both the activity advisor and treasurer.

*Management Response:*

There is no disagreement with the audit finding. The District is in agreement to have all student activity disbursements properly reviewed and signed off on.

**Findings and Questioned Costs - Major Federal Award Programs Audit**

	<u>CFDA</u>
Department of Agriculture - Child Nutrition Center	
National School Lunch Program	10.555
School Breakfast Program	10.553
<b>None</b>	



Following is our response to findings in the audit as of June 30, 2019:

**FINDING 2019-001:**

Auditing for legal compliance requires a review of the district's student activity accounts. Our study indicated multiple instances of non-compliance which we believe is required to be remedied related to unauthorized student activity accounts.

**CORRECTIVE ACTION PLAN (CAP):**

1. Explanation of Disagreement with Audit Findings:

There is no disagreement with the audit finding.

2. Action Planned in Response to Finding:

The District is aware of the issue and ensure correct authorization procedures are followed.

3. Official Responsible for Ensuring CAP:

Dr. Renee Corneille would be responsible for establishing procedures.

4. Planned Completion Date for CAP:

On-going

5. Plan to Monitor Completion of CAP:

On-going

Sincerely,

A handwritten signature in blue ink, appearing to read "Renee Corneille".

Dr. Renee Corneille  
Superintendent  
Independent School District No. 282  
St. Anthony, Minnesota

Independent School District No. 282  
St. Anthony, Minnesota  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2019

The following is a schedule of our prior audit findings:

**2018-001                      Limited Segregation of Duties**

*Condition:*                      During our audit, we reviewed procedures within each of the District's major transaction cycles and found the District to have limited segregation of duties in those transaction cycles.

*Criteria:*                        There are four general categories of duties: authorization, custody, record keeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities

*Cause:*                            The District has a limited number of staff to properly segregate duties in each of the major transaction cycles.

*Effect:*                            The effectiveness of the internal control system relies on enforcement by management. The effect of deficiencies in segregation of duties and internal controls can result in undetected errors or misappropriation of assets of the District.

*Recommendation:*           We recommend the District continue to review and analyze its internal controls, at a minimum annually, and implement any changes and compensating controls considered necessary.

*Management Response:*

There is no disagreement with the audit finding. The District reviews and makes improvements to its internal control structure on an ongoing basis and attempts to maximize the segregation of duties in all areas with the limits of the staff available. However, the District does not consider it cost beneficial at this time to increase the size of its staff in order to further segregate accounting functions.

**Current Status:**

During 2019, the District implemented various changes to strengthen their internal control structure. The finding has been removed for 2019.