

**LEWISTOWN PUBLIC SCHOOLS
BOARD OF TRUSTEES**

Lincoln Board Room

215 7th Avenue South
Lewistown, Montana 59457

MONDAY, February 12, 2024

REGULAR BOARD MEETING

PAGE 1

Meeting ID

meet.google.com/ccw-qomy-djp

Phone Numbers

(US)+1 605-743-0395

PIN: 421 669 826#

CALL TO ORDER (6:00 p.m.)

1. Roll Call
2. Pledge of Allegiance
3. Motion to Set Agenda
4. Recognition – Fergus High School Speech and Debate Team and Coaches
5. Discussion – Bond Update
6. Report—Student Representative
7. Report---LEA
8. Report—Committees of the Board

SUPERINTENDENT'S REPORT

9. Report – 2022-2023 Audit Report
10. Report—Election Information
11. Report—Budget Update
12. Report—Investment
13. Report—Superintendent

PUBLIC PARTICIPATION

14. Recognition of Parents, Patrons, and Others Who Wish to Address the Board on Non-Agenda Items

ACTION ITEMS

MINUTES

15. Minutes of the January 8, 2024, Regular Board Meeting
Minutes of the January 15, 2024, Special Board Meeting

APPROVAL OF CLAIMS

16. Claims

INDIVIDUAL ITEMS

17. Approve First Reading of Policy 3141 – Discretionary Nonresident Student Attendance
18. Approve Building Use Agreement with the Rural Employment Opportunities

**LEWISTOWN PUBLIC SCHOOLS
BOARD OF TRUSTEES**

Lincoln Board Room

215 7th Avenue South
Lewistown, Montana 59457

MONDAY, February 12, 2024

REGULAR BOARD MEETING

PAGE 2

19. Approve Bid for Partial Garfield Roof Replacement to Perfect 10 Roofing
20. Approve Notice of Resolution of Intent to Sell/Dispose of Surplus Property
21. Approve First Semester Claim for Individual Contract Bus Reimbursement
22. Approve First Semester Elementary & High School Claims for Bus Reimbursement
23. Approve Trustee Resolution Calling for a Lewistown Elementary Schools Election
24. Approve Trustee Resolution Calling for a Fergus High School Election
25. Approve Destruction of Records
26. Approve Additions to the Substitute List for the 2023-2024 School Year
27. Approve Personnel Report

ADJOURNMENT

*A hard copy of the complete Agenda is available at the LPS Central Office
or on the Lewistown Public Schools Website:
<http://www.lewistown.k12.mt.us/content/266>*

PUBLIC PARTICIPATION

The Board of Education encourages participation at public School Board meetings. Under normal circumstances it is desirable to allow everyone to address the Board. However, when there are many persons who wish to address the Board, the following rules shall apply to protect the public's right to be heard:

- Speaker must first be recognized by the Chair and identify him/herself.
- Comments may not infringe on the rights to privacy of another.
- Each speaker shall be allowed a presentation not to exceed three (3) minutes at the appropriate time on the Agenda.
- There will be a limit of one presentation per person.
- The Board requests that organizations and groups be represented by a single spokesperson. The spokesperson for each group shall be limited to a presentation of three (3) minutes. To save repetition and time, the Board also requests that persons not speak if a previous speaker has expressed a similar position on the same issue.
- Appropriate comments are welcome but no action is likely to be taken at this time to ensure that others have the opportunity to address the same issue also. Items discussed may, at the discretion of the Board, be placed on a later agenda.
- The Board will accept comments from the public on each agenda item as it is discussed.

By a majority vote of the Board, these rules may be suspended for special reasons at any particular meeting. Further, the Board may reserve the right to adjust the length of time.

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

4

- Minutes/Claims Board of Trustees Superintendent's Report Action - Consent
 Action - Indiv.

ITEM TITLE: RECOGNITION ---FERGUS HIGH SCHOOL SPEECH AND DEBATE TEAM AND COACHES

Requested By: Board of Trustees Prepared By: THOM PECK

SUMMARY:

Lee Stahl and Lisa Screeton, Speech and Drama Coaches, and the Fergus High School Speech and Debate Team will be recognized.

SUGGESTED ACTION: Informational

Additional Information Attached Estimated cost/fund source _____

NOTES:

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

5

- Minutes/Claims Board of Trustees Superintendent's Report Action – Consent
 Action – Indiv.

ITEM TITLE: DISCUSSION ---BOND UPDATE

Requested By: Board of Trustees **Prepared By:** Thom Peck

SUMMARY:

Discussion will take place regarding updates and progress on the elementary bond.

SUGGESTED ACTION: Informational

Additional Information Attached Estimated cost/fund source _____

NOTES:

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

6

Minutes/Claims Board of Trustees Superintendent's Report Action – Consent
 Action – Indiv.

ITEM TITLE: REPORT—STUDENT REPRESENTATIVE

Requested By: Board of Trustees Prepared By: Maggie Fulbright

SUMMARY:

Fergus High School Student Representative to the Board of Trustees will provide a report on upcoming activities at Fergus High School.

SUGGESTED ACTION: Informational

Additional Information Attached

NOTES:

February School Board Report
Maggie Fulbright

Look back at January

- Speech/Drama/Debate traveled to Sidney for Divisionals and Columbia Falls For State
 - Divisional Placers: **Debate**- Rachel Comer- 1st Lincoln Douglas Debate, Julia Kunau- 3rd Lincoln Douglas Debate; **Speech**- Shoei Davis & Tia Setu- 2nd Duo Interpretation, Sofie Ramirez Galdamez & Malikai Aminkeng- 3rd Duo Interpretation, Shoei Davis- 8th Original Oratory, Malikai Aminkeng- 11th Original Oratory, Sofie Ramirez Galdamez- 7th Humorous Oral Interpretation, Tia Setu- 4th Informative Speaking; **Drama**- Olivia Tucker- 8th Dramatic Solo, Olivia Tucker- 9th Pantomime, Amara Manning- 7th Humorous Solo, Kylie Crawford- 8th Humorous Solo, Kylie Crawford & Amarah Manning- 8th Humorous Theatre
 - State Placers: **Debate**- Julia Kunau- 1st Lincoln Douglas Debate; **Drama**- Amarah Manning- 7th Humorous Solo

Looking into February

B & G Bball

Varsity

- 2/2 @ CC
- 2/3 malta @ home
- 2/9 Havre @ there
- 2/10 Glendive @ Home
- 2/13 CC @ home
- 2/15 Havre @ home
- 2/21-24 divisionals

C/JV

- 2/6 Roy/ Winifred

Wrestling

- Divisional Placers: Colt McCord 8th, Preston Johnson 4th, Jake Simac 8th, Wyatt Elam 1st, Quinn Boogman 4th, Jack Pallett 6th
- Grace Hicks 3rd, Cameron Fiskus 1st, Lidia d'Hooge 1st, Kate Maxwell 2nd
- Boys placed 7th as a team
- Girls placed 4th as a team
- State is the week of 2/5-2/10

Cheer

- Junior Cheer Camp 2/3
- Danced and performed at Winter pep assembly
- Prepping for Cheerfest

Band

- 2/12-13 Eastern A Band Festival in Hardin
- Continuing with pep band
- Gearing up for divisionals
- Played at Winter pep assembly

Choir

- 2/4-5 SSAA festival in Bozeman
- Sang at winter pep assembly

FCCLA

- Valentine cookie sales $\frac{2}{5}$ -2/8
- Make cookies FCCLA week 12-16
- Prep for state leadership conference
- Culinary comp team working
- Management comp team working

FFA

- 2/6 Spring Districts
- week of 2/17 FFA week
- Mechanics contest was held in Lewistown at the end of January, no results, was successful

BPA

- Finished regionals, everyone placed to go onto state
- State is 3/10-12
- VP Julia Kunau for state officers
- 2 running for state office

F Club

- Planning a Dodgeball tournament for this spring

Key Club

- Making handmade cards for nursing homes for holidays
- Thinking of doing a taping the VP to wall fundraiser

Spanish Club

- 2/21 World Language Days in Missoula

StuCo

- Juniors are planning Prom, date is set for 4/6, and are waiting to hear back from Central Feed Grilling Co. on location

Unreserved

- Had a meeting with seniors involved
- Planning 3 events to have community involvement

Other School Activities:

- 2/16 group of students are going to Brainfest (a math/science event) @ University of Montana Western
- The music department is putting on an FHS Talent show this month. Auditions are 2/15 after school, and the show will be 2/29 at 7 pm
- 3rd quarter renaissance cards were distributed to students
 - 31 Gold Cards were distributed (4.0 or 1.0 gpa increase)
 - 47 Blue Cards (3.5-3.99 or .75 gpa increase)
 - 18 Gray Cards (3.0-3.49 or .5 gpa increase)
 - 2 Bronze (2.0-2.99 no d or f grade)
 - Students apply for this to show that they put forth effort to earn it
 - There are limitations to who gets it and rewards for those who do
- It is "I Love to Read" Month in Elementary Schools for the duration of this month
 - This encourages students to read and have fun while doing so

Other

Thank you so much for having me on the board, I look forward to the next year with you all!

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

7

Minutes/Claims Board of Trustees Superintendent's Report Action - Consent
 Action - Indiv.

ITEM TITLE: REPORT—LEWISTOWN EDUCATION ASSOCIATION (LEA)

Requested By: Board of Trustees Prepared By: LEA Representative

SUMMARY:

The Lewistown Education Association (LEA) would like to update the Board of Trustees on the activities and happenings for their organization.

SUGGESTED ACTION: Informational

Additional Information Attached Estimated cost/fund source _____

NOTES:

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

8

- Minutes/Claims Board of Trustees Superintendent's Report Action - Consent
 Action - Indiv.

ITEM TITLE: REPORT—COMMITTEES OF THE BOARD

Requested By: Board of Trustees Prepared By: Committee

SUMMARY:

The Board of Trustees has the opportunity to provide updates on their various committees. Attached is the list of Standing Committees of the Board for the 2023-2024 School Year.

K-6 Science Curriculum Committee met on February 1st.

SUGGESTED ACTION: Informational

Additional Information Attached Estimated cost/fund source _____

NOTES:

**STANDING COMMITTEES OF THE BOARD
2023-2024 School Year**

Committee	Number on Comm.	CJ Bailey	Kris Birdwell	Whitney Brady	John Carlson	Zane Fulbright	Kevin Hodge	Lisa Koch
Building & Grounds	3	X	X	X				
Insurance Risk Committee	2				X		X	

**OTHER COMMITTEES WITH BOARD REPRESENTATION
2023-2024 School Year**

Committee	Number on Comm.	CJ Bailey	Kris Birdwell	Whitney Brady	John Carlson	Zane Fulbright	Kevin Hodge	Lisa Koch
Activities	3	X	X			X		
Curriculum Committees:								
Science	2			X				X
Health Insurance Program	2			X			X	
School Calendar	1					X		
Vocational Advisory Council	1					X		
Gaining	3		X	X	X			
Policy Review	3				X	X		X
Assessment	2						X	X
Classified Salary/Benefit Review	2	X					X	

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

9

- Minutes/Claims Board of Trustees Superintendent's Report Action – Consent
 Action – Indiv.

ITEM TITLE: REPORT—2022–2023 AUDIT REPORT

Requested By: Superintendent Prepared By: Rebekah Rhoades

SUMMARY:

Paul Strom and Associates completed the audit for FY2022-2023.

Rebekah Rhoades attended the exit interview with Mr. Strom in September and no findings were reported. If the Board has questions, Mr. Strom can be invited to attend an upcoming meeting.

The audit report will be posted in its entirety on the District website as well as a hard copy at the District Business Office for the public to view. A copy of the audit will also be available at the meeting for your convenience.

SUGGESTED ACTION: Informational Report

Additional Information Attached

NOTES:

LEWISTOWN SCHOOL DISTRICT NO. 1

**FERGUS COUNTY
LEWISTOWN, MONTANA**

FINANCIAL AND COMPLIANCE REPORT

Fiscal Year Ended June 30, 2023

Strom & Associates, P. C.
PO BOX 1980
Billings, Montana 59103

LEWISTOWN SCHOOL DISTRICT NO. 1

FERGUS COUNTY
LEWISTOWN, MONTANA 59457

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LEWISTOWN SCHOOL DISTRICT NO. 1

FERGUS COUNTY
LEWISTOWN, MONTANA 59457

ORGANIZATION

BOARD OF TRUSTEES

CJ Bailey Chair
Kris Birdwell Vice Chair
Lisa Koch Trustee
Kevin Hodge Trustee
Whitney Brady Trustee
Zane Fulbright Trustee
John Carlson..... Trustee

OFFICIALS

Thom Peck Superintendent
Rebekah Rhoades School District Clerk
Rhonda Long County Superintendent
Montana School Boards Association School District Attorney

The Business Manager of the Lewistown Public Schools has provided this MD&A to give the reader of these statements an overview of the financial position and activities of the school district for the fiscal year ended June 30, 2023.

Using This Financial Report

The general format of the report is required by Statement No. 34 of the Governmental Accounting Standards Board (GASB). Thus is born the GASB 34 requirement.

Reporting the School District as a Whole

The report includes two district-wide statements that focus on operations of the district as a whole. These statements measure operations using an economic resources measurement focus, and use the accrual basis accounting. Activities that are fiduciary in nature are not included in these statements.

- A. The Statement of Net Position shows “assets” (what is owned), “liabilities” (what is owed), and the “net position” (the resources that would remain if all obligations were settled) of the school district. Some assets are restricted for certain purposes or reserved for emergencies and cash flow purposes. Some assets are invested in “fixed” or “capital” assets, such as buildings, equipment and other long-lived property; and some assets are available to fund budgets of the following year.
- B. The Statement of Activities shows the amounts of program-specific and general school district revenue used to support the school district’s various functions.

The Statement of Net Position and the Statement of Activities divide the activities of the school district into three categories:

Governmental activities – The school functions including instruction, student services, administration, etc. Property taxes, state and federal revenues usually support most of these functions of the district.

Proprietary (business-type) activities – school operations included in this category include IMC, Central Supply Store, and Central Transportation.

Reporting the District’s Most Significant Funds

The fund statements provide detailed information about the funds used by the school district. State law and Generally Accepted Accounting Procedures (GAAP) established the fund structure of school districts. State law generally requires school districts to segregate money generated for certain purposes, like transportation and debt service, in separate fund accounts.

The fund statements report balances and activities of the most significant or “major” funds separately and combine the activities of less significant funds under a single category. Significance of funds is determined based on the proportional size of the funds, the relative importance of the activities of the funds to the school district’s operations, and the existence of legal budget requirements. Internal Service funds are never reported as major funds, but are combined and presented in a separate set of financial statements.

The Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balance are shown for governmental funds such as the general funds, special revenue funds for transportation and school food service, and debt service and capital outlay funds. These funds use the modified accrual basis of accounting and represent the majority of the district’s activities and programs.

Fund statements include a reconciliation of the governmental fund statements to the district-wide statements. Most significant differences result from the use of different presentation basis. The district-wide statements are presented using the accrual basis of accounting and the fund statements for governmental funds use the modified accrual basis. In addition, general capital assets and general long-term debt are reported in the district-wide statements but not in the fund statements.

Reporting the District’s Trust and Fiduciary Responsibilities

The District is the trustee, or fiduciary, for endowments (including Eveline Eccles and Alweis Scholarships) and the student extracurricular funds.

This report includes the activities in a separate Statement of Fiduciary Net Position and Changes in Fiduciary Net Position because the district cannot use these assets to fund its operation.

The District is responsible for ensuring these assets are used for their intended purpose.

Budget-to-Actual Comparisons

The district consistently reconciles its books monthly.

THE DISTRICT AS A WHOLE

Net Position serves over time as a useful indicator of a school district’s financial position. In the Lewistown Public Schools, assets exceeded liabilities by \$6,963,843 as of June 30, 2023. In 2018, the District was required to implement the new OPEB GASB 75 standard for liability accounting of post-employment benefits (non-pension). In 2019, it was required that this be reviewed annually, rather than the every 3 years it was previously. This number, in addition to the required reporting of the TRS and PERS liability that was implemented in 2015, has caused liabilities to appear inflated over the past several years. In 2022, passage of the Elementary Bond and a decrease in the PERS and TRS liability has once again allowed our assets to exceed our liabilities.

**Lewistown Public Schools
 Condensed Statement of Net Position**

Governmental Activities

	<u>FY2022</u>	<u>FY2023</u>
Current and other assets	31,686,441	26,771,421
Capital assets	<u>11,278,592</u>	<u>17,402,632</u>
Total Assets	42,965,033	44,174,053
Current liabilities	89,911	253,313
Non-current liabilities	<u>35,429,723</u>	<u>36,956,897</u>
Total Liabilities	35,519,634	37,210,210
Invested in capital assets, Net of debt	(12,628,216)	(6,118,576)
Restricted	28,678,754	23,536,465
Unrestricted	<u>(14,292,303)</u>	<u>(14,338,121)</u>
Total Net Position	1,758,235	3,079,768

**Lewistown Public Schools
Changes in Net Position**Governmental Activities

GENERAL REVENUES

	<u>FY2022</u>	<u>FY2023</u>
District Levy	4,524,402	6,229,445
State Equalization	3,742,041	3,920,524
Other State Revenue	3,336,716	3,635,056
County	1,288,170	1,273,592
Federal	0	0
Investment Earning	54,955	768,595
Gain on Asset	63,273	12,437
Other	<u>213,411</u>	<u>149,746</u>
Total General Revenue	12,878,681	15,989,395

GOVERNMENT OPERATIONS

Instruction (includes OPEB)	8,657,127	8,343,188
Support - Students	451,895	490,116
Support - Instructional	503,712	446,296
Administration	2,576,083	2,573,618
O & M	1,837,271	2,137,538
Transportation	1,039,087	1,042,153
Extracurricular	781,817	811,528
School Food	849,350	762,144
Other Current Charges	0	0
Community Services	2,312	9,916
Intergovernmental	132,106	54,196
Interest and Other Charges	0	0
Depreciation – unallocated	<u>309,555</u>	<u>310,074</u>
Total Operations	17,140,315	18,136,050

Capital Assets

As of June 30, 2023, the District had invested over \$17 million in capital assets including land and land improvements, buildings and improvements, and machinery and equipment. This is an increase of \$6 million from the previous year, mainly attributed to improvements made through the Elementary Bond (see Appendix 'A' – Elementary Bond Continuing Disclosure). General fixed assets are reported at historical cost. Historical cost was established at the initial booking of fixed assets by determining actual costs or estimating using standard costing procedure. The District's fixed asset policy is set to include items of \$5,000 and a useful life in excess of one year. The following schedule presents capital balances with accumulated depreciation as of June 30th.

LEWISTOWN SCHOOL DISTRICT NO. 1

MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)
For the year ended June 30, 2023

	<u>FY2022</u>	<u>FY2023</u>
Land and Improvements	2,205,484	2,205,484
Accumulated Depreciation	<u>(1,133,137)</u>	<u>(1,171,379)</u>
	1,072,347	1,034,105
Buildings and Improvements	16,874,221	16,882,021
Construction in Progress	446,317	7,386,723
Accumulated Depreciation	<u>(9,322,776)</u>	<u>(9,864,361)</u>
	7,997,762	14,404,383
Machinery and Equipment	5,485,674	5,624,121
Accumulated Depreciation	<u>(3,277,190)</u>	<u>(3,659,974)</u>
	2,208,484	1,964,147

The District’s Future

State law enables districts to use a three-year average or current year enrollment (whichever is higher) when calculating budgets. Over the past five years, enrollment increased slightly in the elementary, but a decrease occurred in October 2023. In the high school district, we saw a decrease in enrollment until 2021 where enrollment has now been increasing and is back to levels seen in 2016. Due to the recent increase in the high school, we will be utilizing the current year ANB for budget calculations. In the elementary, however, we will likely be using the 3 year average.

There continues to be a growing need for services for special needs students, and for the first time in years, Legislature provide a slight increase in assistance from the State. Legislature has allowed a permissive levy for high needs students, but this puts more stress on the local taxpayers so must be used thoughtfully. The current Lewistown Collective Bargaining Agreement extends through FY26, so we will be better able to predict our certified salary expenses in advance. In addition, much work was made to improve the classified salary matrix implemented for the first time in FY24. While we hope that the new matrices help us with recruitment and retention, we must also be prepared for the budgetary challenges that could come as a result. Over the past several years, we have had several retirements in the elementary, causing the demographics of the District to change to a younger population. On the other hand, the High School hosts several veteran staff members likely looking toward retirement in the very near future. The 2021-22 school year saw the most hiring we have ever seen at the start of a school year with difficulty in filling some positions. We have continued this trend for the past two years and likely will in the future.

The district also faces other challenges and decisions including:

- The Lewistown Board of Trustees ran an Elementary and High School Bond Election in November 2021. While the Elementary Bond Election passed, the High School Bond Levy failed. Trustees will need to consider how to address safety/security, mechanical, roofing and other concerns in the high school district and the possibility of placing another High School Bond Election in front of the voters.
- The Lewistown Board of Trustees chose to run an Elementary Levy in both May of 2022 and 2023 that ultimately failed. While this may have come as a result of the Bond Election passing in November and the current economic climate, the District is no longer able to operate at 100% of its allowed budget. The Board will need to consider running a levy election in May of 2024, with much thought being given as to how to present the need to the community. In addition, Legislative decisions within the past 6 years have “shifted” some of the costs of education to the local

taxpayers in the form of non-voted levies. The intent to increase these levies is now required to be posted and advertised to the public each year in March. The Board will need to continue to be diligent in their consideration of both voted and non-voted levies in the future.

- The District estimates that general building repairs and maintenance in excess of \$10 million will be necessary over the next several years. Both an Elementary and High School Building Reserve Levy passed in May 2016, helping to support the needs of upkeep of the District's facilities. In 2017, Legislature added the ability to "permissively" levy in the Building Reserve Fund. Since 2020, the Board has used this new authority and is taking advantage of the matching State dollars. That being said, these funds may also be used for safety (see next bullet point). As mentioned above, the Elementary District passed a Bond election in November 2021 to address facility needs in the district.
- Safety has become top priority in many Districts, ours being no exception. In the 2019 Legislature, the "permissive" Building Reserve Fund Levy was expanded to include the ability to use those funds for building safety, School Resource Officers and Counselors. With these funds being open to both Facility and Safety purposes, the Board may have to choose which takes higher priority. The District currently uses these funds to pay for salaries for Counselors in both the elementary and high school, as well as the School Resource Officer. There is also the ability to run a voted Safety Levy, but the Board has yet to consider that option.
- The ever-increasing use of technology in the classrooms has put a financial dilemma upon the District. Currently, both the Elementary and High School have permanent levies in place. The Elementary yearly levy is \$61,498 and the High School's is \$54,165, not enough to keep all technology within the District up-to-date. Due to changes in state law, if additional funds are requested of voters, the levy may not exceed 10 years. The Board will need to determine if non-permanent Technology Levy requests will need to be presented to voters in the future. Due to the Coronavirus Pandemic, we were given additional funds in FY20-FY24 that will allow us to purchase technology equipment and take some immediate pressure off of the Technology Levy.
- The Coronavirus Pandemic that closed schools in March 2020 created its own unique challenges. As of June 30, 2023, the District spent both the Governor's Coronavirus Relief Funds, ESSER I Funds (total of \$778,049) and ESSER II (total of \$1,079,317) in response to the pandemic. In addition, \$979,158 in ESSER III Funds have been expended. As a District, it is important that we use the funds we are given wisely and consider how to use those funds to assist us in the future, not just in the moment.

In the end, all of the District's finances come down to how effectively we are educating our children with the resources that we have. We must continue to keep our focus on our students' education and allocate our resources in the manner that best serves them. The pandemic has increased the challenges we face in determining how to meet the needs of students with a limited budget, increased difficulty in staffing and rising inflation.

Contact for Additional Information

If you have questions about this report or need additional information, contact the Business Manager at the Lewistown Public Schools, 215 7th Avenue South, Lewistown, MT 59457, (406)-535-8777 x1116.



STROM & ASSOCIATES, P.C.

Certified Public Accountants

3203 3rd Ave N. Suite 208
PO Box 1980
Billings, MT 59103

Phone: 406-252-2765
E-mail: audit@stromcpa.net

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Lewistown School District No. 1
Fergus County
Lewistown, Montana 59457

Report on the Audit of Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lewistown School District No. 1 (School District) as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 School District as of June 30, 2023, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the School District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information (RSI)

GAAP requires that the Management's Discussion and Analysis (pages 8-10), the Schedule of Funding Progress - Postemployment Benefits Other than Pensions (page 45), the Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions to Montana Retirement Systems (pages 46-51), and the Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (pages 52-55) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB 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 GAAS, which consisted of inquiries of management about consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information (SI)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The accompanying Schedule of Revenues, Expenses, and Balances - Student Activity Funds (pages 56-57), the Schedule of Reported Enrollment (page 58), and the Schedule of Expenditures of Federal Awards (pages 59-60) 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* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Revenues, Expenses, and Balances - Student Activity Funds, and the Schedule of Reported Enrollment, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Other Information for General Obligation Bonds (pages 61) but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance hereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2024 on our consideration of the School 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 School 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 School District's internal control over financial reporting and compliance.

Strom & Associates, P.C.

STROM & ASSOCIATES, PC
Billings, Montana
January 10, 2024

STATEMENT OF NET POSITION
 June 30, 2023

	<u>Governmental</u> <u>Activities</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 26,314,962
Taxes Receivable	165,486
Due from Other Governments	153,738
Other Current Assets	4,548
Inventories	35,816
Prepaid Expenses	1,117
Lease Related Receivable	<u>95,754</u>
Total Current Assets	<u>26,771,421</u>
Noncurrent Assets:	
Capital Assets:	
Land	590,530
Construction in Progress	7,386,722
Net Depreciable Assets	<u>9,425,380</u>
Total Noncurrent Assets	<u>17,402,632</u>
Total Assets	<u>44,174,053</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Employer Pension Plan Related	1,736,463
Other Postemployment Benefits Related	<u>21,931</u>
Total Deferred Outflows of Resources	<u>1,758,394</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 45,932,447</u>
LIABILITIES:	
Current Liabilities:	
Unearned Revenue	\$ 20,151
Current Portion of Compensated Absences	58,602
Current Portion of Premium on General Obligation Bonds	<u>174,560</u>
Total Current Liabilities	<u>253,313</u>
Noncurrent Liabilities:	
Compensated Absences	447,957
Net Pension Accrual	10,450,168
Other Postemployment Benefits	2,712,124
Capital Debt Obligations	20,030,000
Premium on General Obligation Bonds	<u>3,316,648</u>
Total Noncurrent Liabilities	<u>36,956,897</u>
Total Liabilities	<u>37,210,210</u>
DEFERRED INFLOWS OF RESOURCES:	
Employer Pension Plan Related	1,172,725
Other Postemployment Benefits Related	4,373,990
Lease Related	<u>95,754</u>
Total Deferred Inflows of Resources	<u>5,642,469</u>
NET POSITION:	
Net Investment in Capital Assets	(6,118,576)
Restricted	23,536,465
Unrestricted (Deficit)	<u>(14,338,121)</u>
Total Net Position	<u>3,079,768</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 45,932,447</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2023

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charge for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Governmental Activities
GOVERNMENT OPERATIONS:					
Instructional Services	\$ 8,343,188	\$ 19,905	\$ 1,173,740	\$ 202,122	\$ (6,947,421)
Support Services - Students	490,116	37,531	71,652	-	(380,933)
Support Services - Instructional	446,296	-	75,583	-	(370,713)
General Administrative Services	2,573,618	209,457	141,400	-	(2,222,761)
Operation and Maintenance Services	2,137,538	17,850	276,779	-	(1,842,909)
Transportation Services	1,042,153	-	130,310	-	(911,843)
School Food Services	762,144	281,093	360,068	-	(120,983)
Extracurricular	811,528	458,648	-	-	(352,880)
Community Services	9,916	12,050	-	-	2,134
Debt Service:					
Interest and Other Charges	1,155,283	-	-	-	(1,155,283)
Intergovernmental	54,196	-	-	-	(54,196)
Unallocated Depreciation Expense *	310,074	-	-	-	(310,074)
Total Governmental Operations	<u>18,136,050</u>	<u>1,036,534</u>	<u>2,229,532</u>	<u>202,122</u>	<u>(14,667,862)</u>
GENERAL REVENUES:					
District Levies					6,229,445
State Equalization					3,920,524
Other State Revenues					3,635,056
County					1,273,592
Interest					768,595
Other					149,746
Sale or Compensation for Loss of Assets					12,437
Total General Revenues					<u>15,989,395</u>
Change in Net Position					1,321,533
NET POSITION:					
Beginning of the Year					<u>1,758,235</u>
End of the Year					<u>\$ 3,079,768</u>

* Excludes depreciation included in direct expenses of the various functions

BALANCE SHEET
 GOVERNMENTAL FUNDS
 June 30, 2023

	MAJOR				
	General	Debt Service (Elem)	Building (Elem)	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Current Assets:					
Cash and Cash Equivalents	\$ 3,170,454	\$ 53,557	\$ 17,472,378	\$ 5,509,033	\$ 26,205,422
Taxes Receivable	80,549	38,942	-	45,995	165,486
Due from Other Governments	-	-	-	153,738	153,738
Other Current Assets	4,543	-	-	5	4,548
Inventories	-	-	-	35,816	35,816
Prepaid Expenses	-	-	-	1,117	1,117
Lease Related Receivable	63,344	-	-	32,410	95,754
Total Assets	<u>3,318,890</u>	<u>92,499</u>	<u>17,472,378</u>	<u>5,778,114</u>	<u>26,661,881</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Total Deferred Outflows of Resources	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 3,318,890</u>	<u>\$ 92,499</u>	<u>\$ 17,472,378</u>	<u>\$ 5,778,114</u>	<u>\$ 26,661,881</u>
LIABILITIES:					
Current Liabilities:					
Unearned Revenue	\$ -	\$ -	\$ -	\$ 20,151	\$ 20,151
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,151</u>	<u>20,151</u>
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Property Taxes Receivable	80,549	38,942	-	45,995	165,486
Lease Related	63,344	-	-	32,410	95,754
Total Deferred Inflows of Resources	<u>143,893</u>	<u>38,942</u>	<u>-</u>	<u>78,405</u>	<u>261,240</u>
FUND BALANCE (DEFICITS):					
Nonspendable	-	-	-	36,933	36,933
Restricted	246,035	53,557	17,472,378	5,642,625	23,414,595
Unassigned	2,928,962	-	-	-	2,928,962
Total Fund Balance	<u>3,174,997</u>	<u>53,557</u>	<u>17,472,378</u>	<u>5,679,558</u>	<u>26,380,490</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,318,890</u>	<u>\$ 92,499</u>	<u>\$ 17,472,378</u>	<u>\$ 5,778,114</u>	<u>\$ 26,661,881</u>

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balance Reported Above	\$ 26,380,490
Internal Service Fund Net Position	109,540
Unavailable Property Taxes Receivable	165,486
Governmental Capital Assets	17,402,632
Employer Pension Plan Related	1,736,463
Other Postemployment Benefits Related	21,931
Liabilities:	
Compensated Absences	(506,559)
Net Pension Accrual	(10,450,168)
Other Postemployment Benefits	(2,712,124)
Capital Debt Obligations	(20,030,000)
Premium on General Obligation Bonds	(3,491,208)
Employer Pension Plan Related	(1,172,725)
Other Postemployment Benefits Related	(4,373,990)
Net Position of Governmental Activities	<u>\$ 3,079,768</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2023

	MAJOR				
	General	Debt Service (Elem)	Building (Elem)	Other Governmental Funds	Total Governmental Funds
REVENUES:					
District Levies	\$ 2,947,312	\$ 1,488,904	\$ -	\$ 1,746,606	\$ 6,182,822
Interest	16,568	1,021	728,213	22,793	768,595
Charges for Services	221,507	-	-	797,496	1,019,003
Other	3,600	-	-	146,146	149,746
County	-	-	-	1,338,007	1,338,007
State	7,510,123	88,865	-	320,665	7,919,653
Federal	-	-	-	1,569,291	1,569,291
Total Revenues	<u>10,699,110</u>	<u>1,578,790</u>	<u>728,213</u>	<u>5,941,004</u>	<u>18,947,117</u>
EXPENDITURES:					
Current:					
Instructional Services	5,828,902	-	-	2,023,742	7,852,644
Support Services - Students	284,733	-	-	204,915	489,648
Support Services - Instructional	286,680	-	-	150,437	437,117
General Administrative Services	2,048,508	-	-	448,114	2,496,622
Operation and Maintenance Services	1,444,463	-	-	246,170	1,690,633
Transportation Services	33,628	-	-	731,672	765,300
School Food Services	123,144	-	-	627,363	750,507
Extracurricular	277,384	-	-	491,503	768,887
Community Services	1,973	-	-	7,943	9,916
Debt Service:					
Principal	-	370,000	-	-	370,000
Interest and Other Charges	-	1,155,233	50	-	1,155,283
Capital Outlay	46,839	-	6,738,284	301,529	7,086,652
Intergovernmental	54,196	-	-	-	54,196
Total Expenditures	<u>10,430,450</u>	<u>1,525,233</u>	<u>6,738,334</u>	<u>5,233,388</u>	<u>23,927,405</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>268,660</u>	<u>53,557</u>	<u>(6,010,121)</u>	<u>707,616</u>	<u>(4,980,288)</u>
OTHER FINANCING SOURCES (USES):					
Sale or Compensation for Loss of Assets	-	-	3,000	9,437	12,437
Total Other Financial Sources (Uses)	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>9,437</u>	<u>12,437</u>
Net Change in Fund Balance	<u>268,660</u>	<u>53,557</u>	<u>(6,007,121)</u>	<u>717,053</u>	<u>(4,967,851)</u>
FUND BALANCE:					
Beginning of the Year	2,906,337	-	23,479,499	4,962,505	31,348,341
End of the Year	<u>\$ 3,174,997</u>	<u>\$ 53,557</u>	<u>\$ 17,472,378</u>	<u>\$ 5,679,558</u>	<u>\$ 26,380,490</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

Lewistown School District No. 1
 Fergus County
 Lewistown, Montana 59457

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2023

Net Changes in Fund Balance		\$ (4,967,851)
Change in Net Position from Internal Service Funds		5,510
Revenues on the Statement of Activities not Included in Governmental Funds Statement:		
Increase (Decrease) in Taxes Receivable	46,623	
State Pension Aid	<u>451,406</u>	498,029
Revenues Reported in the Governmental Funds Statement not Included in the Statement of Activities		
Sale of Capital Assets		(12,437)
Expenses on the Statement of Activities not Included in the Governmental Funds Statement:		
Depreciation Expense	(962,612)	
Actuarial Pension Expense	(421,505)	
(Increase) Decrease in Other Postemployment Benefits	(237,844)	
(Increase) Decrease in Compensated Absence Liability	<u>(64,446)</u>	(1,686,407)
Expenditures Reported in the Governmental Funds Statement not Included in the Statement of Activities		
Capital Outlays	7,086,652	
Gain (Loss) on Sale of Assets	12,437	
Principal Payments on Debt	<u>385,600</u>	<u>7,484,689</u>
Change in net Position Reported on the Statement of Activities		<u>\$ 1,321,533</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 June 30, 2023

	<u>Governmental</u> <u>Activities -</u> <u>Internal Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 109,540
Total Current Assets	<u>109,540</u>
Net Depreciable Assets	<u>-</u>
Total Noncurrent Assets	<u>-</u>
Total Assets	<u>109,540</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Total Deferred Outflows of Resources	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 109,540</u>
LIABILITIES:	
Current Liabilities:	
Total Current Liabilities	<u>\$ -</u>
Noncurrent Liabilities:	
Total Noncurrent Liabilities	<u>-</u>
Total Liabilities	<u>-</u>
DEFERRED INFLOWS OF RESOURCES:	
Total Deferred Inflows of Resources	<u>-</u>
NET POSITION:	
Net Investment in Capital Assets	<u>-</u>
Unrestricted (Deficit)	<u>109,540</u>
Total Net Position	<u>109,540</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 109,540</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

Lewistown School District No. 1
Fergus County
Lewistown, Montana 59457

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2023

	<u>Governmental Activities - Internal Service</u>
OPERATING REVENUES:	
Charges for Services	\$ 146,283
Total Operating Revenues	<u>146,283</u>
OPERATING EXPENSES:	
Personal Services	<u>140,773</u>
Total Operating Expense	<u>140,773</u>
Operating Income (Loss)	<u>5,510</u>
Change in Net Position	5,510
NET POSITION:	
Beginning of the Year	<u>104,030</u>
End of the Year	<u>\$ 109,540</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended June 30, 2023

	<u>Governmental Activities - Internal Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 146,283
Payments to Employees	<u>(140,773)</u>
Net Cash Provided (Used) by Operating Activities	<u>5,510</u>
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Net Cash Provided (Used) by Non-capital Financing Activities	<u>-</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>-</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Net Cash Provided (Used) by Investing Activities	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>5,510</u>
 BALANCE:	
Beginning of the Year	<u>104,030</u>
End of the Year	<u>\$ 109,540</u>
 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating Income (Loss)	\$ 5,510
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,510</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended June 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. a. REPORTING ENTITY

The basic financial statements of the Lewistown School District No. 1 (School District) have been prepared on a prescribed basis of accounting that demonstrates compliance with the accounting and budget laws of the State of Montana (Montana), which conforms to Generally Accepted Accounting Principles (GAAP), as applied to governmental units. The School District applies all relevant Governmental Accounting Standards Board (GASB) pronouncements, which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

At the end of fiscal year 2023, the School District adopted the following GASB Statements:

- GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*. This Statement establishes standards of accounting and financial reporting for subscription based information technology arrangements by a government end user (a government). At the commencement of the subscription term, a government should recognize a subscription liability and an intangible right-to-use asset (a capital asset hereinafter referred to as the subscription asset). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The School District plans to implement this Statement once it has identified how it affects the School District and has reviewed the Q&A on this Statement.
- GASB Statement No. 99 – *OMNIBUS 2022*. This Statement provided for the following, which *have not* been implemented:
 - Classification and reporting of derivative instruments within the scope of Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, which do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
 - The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The School District plans to implement this Statement once it has identified how it affects the School District and has reviewed the Q&A on this Statement.
 - Clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
 - Clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership term and (b) recognition and measurement of installment payments and the transfer of the underlying public-private and public-public partnership asset.
 - Clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
 - The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. The School District plans to implement this Statement once it has identified how it affects the School District and has reviewed the Q&A on this Statement.

The following is a listing of GASB Statements which have been issued and the School District’s assessment of effects to the financial statements when implemented.

- GASB Statement No. 100 – *Accounting Changes And Error Corrections – An Amendment Of GASB Statement NO. 62*. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this Statement are effective for fiscal years beginning after June 15, 2023. The School District plans to implement this Statement once it has identified how it affects the School District and has reviewed the Q&A on this Statement.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

- GASB Statement No. 101 – *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The School District plans to implement this Statement once it has identified how it affects the School District and has reviewed the Q&A on this Statement.

Services Provided: The School District consists of two legally separate entities: an Elementary District which provides education for kindergarten through eighth grade and a High School District which provides education for ninth through twelfth grade. For financial reporting purposes, the two school districts are combined because they are controlled by the same central Board of Trustees and managed by the same administration. The Board of Trustees is elected by the public and has the authority to make decisions, appoint administrators and managers, and significantly influence operations. GAAP requires only one general fund for each reporting entity, so the elementary and high school General funds are combined in the accompanying financial statements.

Incorporation: The School District was incorporated under the laws of Montana and, as required by GAAP, the financial statements of the reporting entity include those of the School District (the primary government) and any component units. The criteria for including organizations as component units within the School District’s reporting entity are set forth in Section 2100 of the *GASB Codification of Government Accounting and Financial Reporting Standards*. The basic criteria include appointing a voting majority of an organization’s governing body, as well as the School District’s ability to impose its will on that organization, or the potential for the organization to provide specific financial benefit to, or impose specific financial burdens on, the School District. Based on those criteria, the School District has no material component units.

1. b. BASIS OF PRESENTATION AND ACCOUNTING

1. b. 1. GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements include the *Statement of Net Position* and the *Statement of Activities*. The governmental activities column incorporates data from governmental funds and internal service funds (primary government). Separate financial statements are provided for governmental funds and proprietary funds.

The government-wide financial statements report using the economic resource measurement focus and the accrual basis of accounting and generally include the elimination of internal activity between or within funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

The *Statement of Activities* reports the direct expenses of a given governmental function offset by program revenues directly connected with the functional program. Direct expenses are those that are specifically associated with a function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and
- Operating and Capital grants that are restricted to a particular function.

Property taxes, investment earnings, state entitlement payments, and other revenue sources not properly included with program revenue are reported as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-supporting or drawing from general revenues.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

1. b. 2. FUND ACCOUNTING

The fund financial statements provide information about the government's funds. 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 School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Separate statements for each fund category – governmental and proprietary– are presented. The emphasis of fund financial statements is on major governmental funds. All remaining governmental funds are aggregated and reported as non-major funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities, and fund balance are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets. Revenues are recorded when they are both measurable and available. Available means collectible within the current period – collections that occur after June 30 are generally not material. Unavailable income is recorded in governmental funds for delinquent taxes. Expenditures are recorded when the related fund liability is incurred, except for compensated absence payments which are recognized when due. Capital assets are functional expenditures in governmental funds, and proceeds from long-term debt or capital leases are reported as other financing sources.

Revenues from local sources consist primarily of property taxes. Property tax revenue and revenues received from Montana are recognized when susceptible to accrual. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Cost reimbursement grant funds are considered to be both measurable and available to the extent the related expenditures were made under the provisions of the grant. When such funds are received before the expenditure was incurred, they are recorded as unearned grant revenues. All other revenue items are considered to be measurable and available only when cash is received by the School District.

Proprietary fund financial statements use the economic resources measurement focus and are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

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. The principal operating revenues of the dental self-insurance internal service fund are charges to employees and the School District for services. Operating expenses for internal service funds include the cost of dental care services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Major fund determination – GASB Statement No. 34 requires the General fund be reported as a major fund and that only one General fund be reported. As such, the elementary and high school General funds have been combined and are reported as one major fund. Other individual governmental funds should be reported in separate columns as major funds based on these criteria:

- Total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10% of the corresponding total (assets, liabilities, etc.) for all funds of that category or type (e.g., total governmental funds)

The School District reports the following major governmental funds:

- General Fund – The General fund is the general operating fund of the School District and accounts for all revenues and expenditures of the School District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund. In the governmental fund financial statements, the General fund also includes the activities of the following funds since the restrictions on those funds are similar to the General fund:
 - Elementary and high school Flexibility funds,
 - High school Interlocal Agreement fund, and
 - Elementary and high school Metal Mines Tax Reserve funds.
- Elementary Debt Service Fund – This fund is a debt revenue fund established to account for the financing needs of the School District to pay interest and principal on outstanding bonds and Special Improvement District assessments.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

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- Elementary Building Fund – This fund is a capital projects fund established to account for the proceeds of bonds sold for the purposes of building, altering, repairing, buying, furnishing, equipping, purchasing lands for, or obtaining a water supply for a school, teacherage, dormitory, gymnasium, other building, or combination of buildings for school purposes. The fund is also used to account for insurance proceeds for damaged property or the sale or rental of property.

1. b. 3. OTHER FUND TYPES

Proprietary Fund Types

- Internal Service Funds – These funds account for the financing of goods or services provided by one department to other departments of the School District, on a cost reimbursement basis. The fund includes a self-insured dental insurance fund. Because all of the services predominately benefit governmental rather than business type functions, they are included with governmental activities in the government-wide financial statements.

1. c. ASSETS, LIABILITIES AND NET POSITION (FUND BALANCE)

1. c. 1 CASH AND INVESTMENTS

Allowable Depositories – Cash includes amounts in demand deposits, as well as short-term investments as authorized by Montana statutes. Montana Code Annotated (MCA) allows Montana local governments to invest public money not necessary for immediate use in:

- United States government treasury bills, notes, or bonds.
- Certain United States treasury obligations.
- United States government security money market fund, if investments consist of those listed above.
- Time or savings deposits with a bank or credit union which is Federal Deposit Insurance Corporation (FDIC) or National Credit Union Association insured.
- Repurchase agreements as authorized by MCA.
- State of Montana Short-Term Investment Pool (STIP).

Interest earned on the pooled investments is distributed to each contributing entity and fund on a pro rata basis. Investments are recorded at fair market value.

Clearing Funds – Warrants written but not redeemed are reported in the School District’s payroll and claims clearing funds. However, for financial reporting purposes, these are treated as cash reconciling items. Cash in the accounting system is held for warrants which were written but have not been paid by the Fergus County (County) Treasurer. A warrant is an order by which the drawer (the person with authority to make the order) directs the School District trustee to pay a particular sum of money to a payee (person or entity) from funds in the School District treasury which are or may become available.

County Investment Pool Collateral – Information regarding the collateral and security for cash held by the County is not available to the School District. However, Montana statutes require United States government securities be held as collateral to secure deposits of public funds in excess of FDIC insurance. The external investment pool is audited as part of the County’s financial statements. This investment pool is not registered with or monitored by the Securities and Exchange Commission (SEC).

Statement of Cash Flows – For purposes of the Statement of Cash Flows, the School District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

1. c. 2. TAXES

Property Tax Levies – Property tax levies are set in connection with the budget process and are based on taxable values listed as of January 1 for all property located in the School District. Taxable values are established by the Montana Department of Revenue based on market values. A revaluation of all property is required to be completed on a periodic basis. Taxable value is defined by Montana statute as a fixed percentage of market value.

Collections – Property taxes are collected by the County Treasurer, who credits to the School District funds its respective share of the collections. Tax levies are collectible in two installments, which become delinquent after November 30 and May 31. After a period of three years, the County may begin foreclosure proceedings and sell the property at auction.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

Delinquency – Unpaid property taxes are liens on the property being taxed. Taxes that become delinquent are charged interest at the rate of 5/6 of 1% per month plus a penalty of 2%. After a period of three years, the County may begin foreclosure proceedings and sell real property at auction. In the case of personal property, the property may be seized and sold after the taxes become delinquent. The School District receives its share of the sale proceeds of any such auction.

1. c. 3. RECEIVABLES

Accounts receivable represent amounts the School District expects to receive for providing goods or services delivered or used but not yet paid for by customers or amounts due from governmental agencies for costs incurred but not yet reimbursed. All receivables are current and therefore due within one year.

1. c. 4. INVENTORIES

Materials, food inventory, and supplies inventory are carried in an inventory account at average cost and are subsequently charged to expenditures when consumed (using the consumption method) rather than when purchased.

1. c. 5. CAPITAL ASSETS

The School District’s property, plant, and equipment are stated at historical cost and comprehensively reported in the government wide financial statements. Historical cost was established when the capital assets were initially recorded by determining the actual cost or estimating the cost using standard costing procedures. The School District considers capital assets to be items with a historical cost in excess of \$5,000 and with a useful life in excess of one year. The costs of normal maintenance and repair are not capitalized. Depreciation on capital assets is provided over their estimated useful lives on the straight-line method. Land and construction in progress are not depreciated. The useful life of depreciable assets has been estimated as follows:

Capital Asset Classes	Useful Life
Buildings	7 – 50 years
Improvements Other than Buildings	20 years
Machinery and Equipment	5 – 25 years

1. c. 6. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the Statement of Financial Position reports a separate section for Deferred Outflows of Resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and, as such, will not be recognized as an outflow of resources (e.g., expense/expenditure) until that time.

In addition to liabilities, the Statement of Financial Position reports a separate section for Deferred Inflows of Resources. This separate financial statement element represents an increase to net position that applies to a future period(s) and, as such, will not be recognized as an inflow of resources (e.g., revenue) until that time.

Pension Liability – Deferred Outflows and Inflows – The School District recognizes a net pension liability for each qualified pension plan in which it participates. Changes in the net pension liability during the fiscal year are recorded as pension expense, deferred inflows of resources, or deferred outflows of resources depending on the nature of the change and the period incurred. Those changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and recorded as a component of pension expense beginning with the period in which they are incurred. Projected earnings on qualified pension plan investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense.

Other Postemployment Benefits Liability – Deferred Outflows and Inflows – The School District recognizes a net pension liability for each OPEB liability plan participant. Changes in OPEB relate to differences between estimated and actual investment earnings, changes in actuarial assumptions, and other OPEB related changes.

Property Taxes– Deferred Inflows – The School District reports deferred inflows under the modified accrual basis of accounting in the governmental funds for property taxes. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. In the governmental fund Balance Sheet, they are reported as unavailable from property taxes receivable.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

Lease Related – Deferred Inflows – The School District recognizes a lease related receivable and a deferred inflow when the right to use the underlying nonfinancial asset is transferred to a lessee upon execution of a long-term lease.

1. c. 7. LEASE RELATED ACTIVITIES

In accordance with stipulations set out in GASB No. 87, the School District considers leases that meet certain criteria as an exchange of the right to use an underlying nonfinancial asset (e.g., vehicle, building, land, office space). For such qualifying leases, when material, at commencement of the lease term:

- School District as Lessor – The School District recognizes a lease receivable and a deferred inflow of resources on its government-wide financial statements. The School District initially measures these elements at the present value of the payments expected to be made during the lease term. The receivable is amortized and the deferred inflow is recognized as the lease payments are made over the lease term.
 - The lessor retains ownership of the underlying asset and continues to report it as a capital asset net of accumulated depreciation in the School District’s financial statement during the lease term.
- School District as Lessee – The School District recognizes an intangible right-to-use lease asset and a lease liability on its government-wide financial statements and a capital outlay and other revenue on its governmental funds financial statements. The School District measures these items at the commencement of the lease at the present value of the payments expected to be made during the lease term. The lease liability is amortized over the lease term and the right-to-use lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

1. c. 8. VACATION AND SICK LEAVE

Vacation Leave – Classified School District employees accumulate vacation and sick leave for later use or for payment upon termination, death, or retirement. Classified School District employees earn vacation leave at the rate of 15 days per year during the first 10 years of employment and at increasing rates thereafter to a maximum of 24 days per year after 20 years of employment. There is no requirement that vacation leave be taken, but the maximum permissible accumulation is the amount earned in the most recent two-year period. Excess vacation time is not forfeited if taken within 90 calendar days from the last day of the calendar year in which the excess was accrued, unless management ensures the employee will use the excess vacation leave before the end of the calendar year in which the leave would have been forfeited. At termination, employees are paid for any accumulated vacation leave at the current rate of pay.

Sick Leave – Classified School District employees earn sick leave at the rate of one day per month. There is no limit on the accumulation of unused sick leave. At termination, 25% of accumulated sick leave is paid at the employee’s current rate of pay.

Certified Employee Staff – Certified School District employees accrue 10 days of discretionary leave at the beginning of each year. Unused discretionary leave is accruable to 160 days per employee. After eight consecutive years of employment with the School District, certified employees who terminate employment shall be paid a lump sum of 30% of their accumulated discretionary leave at their current rate of pay.

Reporting – Liabilities incurred because of unused vacation and sick leave are reflected in the financial statements. Expenditures for unused leave are recorded when paid in governmental funds. Expenses are accrued when earned on the *Statement of Activities*. At June 30, 2023, the amount expected to be paid within one year related to governmental activities amounted to \$58,602 and is generally paid out of the General fund.

1. c. 9. NET POSITION AND FUND BALANCE

The *Statement of Net Position* includes the following:

- Net Investment in Capital Assets – This component of net position is comprised of the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt that is directly attributable to the acquisition, construction, or improvement of these capital assets.
- Restricted – This component of net position is restricted externally by creditors (e.g., debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

- **Unrestricted** – This component of net position is the difference between assets and liabilities that are not reported in the other components of net position.

Governmental fund financial statements include the following fund balances:

- **Nonspendable** – This balance includes amounts that cannot be spent either because they are not in a spendable form or because of legal or contractual constraints.
- **Restricted** – This balance includes amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.
- **Unassigned** – This balance includes amounts that are available for any purpose. These amounts are reported only in the General fund.

At June 30, 2023, fund balance components other than unassigned fund balance were as follows:

Purpose	Nonspendable	Restricted
Instructional and Support Services	\$ 0	\$ 214,611
Operations and Maintenance	0	55,322
Student Transportation	0	299,218
Extracurricular	0	189,401
School Food	35,816	250,831
Third Party Grantor Restrictions	1,117	1,045,596
Employer Retirement Benefits	0	362,851
Future Technology	0	538,287
Future Capital Costs	0	20,404,921
Debt Service		53,557
Totals	\$ 36,933	\$ 23,414,595

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the School District considers restricted funds to have been spent first. When expenditures are incurred and assigned or unassigned fund balances are available, the School District considers amounts to have been spent first out of assigned and then unassigned funds as needed, unless the Board of Trustees has provided otherwise.

1. d. OTHER

1. d. 1. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

1. d. 2. COUNTY PROVIDED SERVICES

The School District is provided various financial services by the County. The County also serves as cashier and treasurer for the School District for tax and assessment collections and other revenues received by the County which are subject to distribution to the various taxing jurisdictions located in the County. The collections made by the County on behalf of the School District are accounted for in a fiduciary fund in the School District’s name. No service charges have been recorded by the School District or the County.

NOTE 2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

At June 30, 2023, cash and cash equivalents for governmental activities were as follows:

	Governmental Activities
Cash and Cash Equivalents	\$ 26,314,962

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

The carrying amounts of cash on hand, deposits, and investments at June 30, 2023 were as follows:

<u>Account Type</u>	<u>Amount</u>
Demand Accounts	\$ 298,940
County Investment Pool	<u>26,016,022</u>
Total	<u>\$ 26,314,962</u>

County Investment Pool – Cash resources of the School District are held and managed by the County Treasurer pursuant to Montana law. They are combined with cash resources of other governmental entities within the County to form a pool of cash and cash equivalents. Investments of pooled cash consist primarily of STIP, repurchase agreements, money market accounts, and certificates of deposit and are carried at fair value. The School District’s exposure to credit risk is not available to the School District. Risk in the event of loss is unclear in the state law, but appears to be the liability of the County government. Because of the custodial involvement of the County government, and the commingling of cash in County deposits in the name of the County Treasurer, full risk classifications are available in the County’s annual report. There is no known maturity and credit rating of the County investment pool.

Custodial Credit Risk – Deposits – The cash of the extracurricular funds and the dental self-insurance fund is held separately by the School District and, consequently, the deposits may be subject to custodial credit risk. Custodial credit risk is the risk that, in the event of a bank failure, the School District’s deposits may not be returned. The School District does not have a deposit policy for custodial credit risk. At June 30, 2023, the deposits in the extracurricular fund and the dental self-insurance fund were covered by FDIC insurance.

NOTE 3. TAXES RECEIVABLE

The School District is permitted by Montana statutes to levy taxes up to certain fixed limits for various purposes. The assessed value of the roll as of January 1, 2022, upon which the levy for the 2023 fiscal year was based, amounted to \$14,456,661 for the Elementary School District and \$15,742,002 for the High School District. The tax rates assessed for the year ended June 30, 2023 to finance School District operations and applicable taxes receivable for the elementary and high schools were as follows:

<u>Fund</u>	<u>Mill Levies</u>	<u>Taxes Receivable</u>
<u>Elementary</u>		
General *	127.85	\$ 52,806
Transportation	29.42	11,760
Bus Depreciation	13.62	5,235
Tuition	12.67	4,907
Technology	4.25	1,768
Debt Service *	101.40	38,942
Building Reserve	9.30	3,772
<u>High School</u>		
General *	65.80	27,743
Transportation	13.78	5,591
Bus Depreciation	12.71	5,217
Tuition	8.01	3,017
Adult Education	0.00	166
Technology	3.44	1,467
Building Reserve	<u>7.37</u>	<u>3,095</u>
Total	<u>409.62</u>	<u>\$ 165,486</u>

* Denotes Major Fund

Property taxes assessed may be paid under protest and held by the County Treasurer until the action is finally determined to be in favor of or against the governmental entity levying the tax. Money paid under protest is accounted for by the County in a protested tax fiduciary fund until the final determination. The amount reported above includes \$1,068 of taxes paid under protest.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

NOTE 4. OTHER ASSETS

4. a. DUE FROM OTHER GOVERNMENTS

Due from other governments represent amounts due to the School District for costs incurred but not reimbursed by third party governments. The amounts due from other governments as of June 30, 2023 were as follows:

Fund	Amount	Due From	Reason
<u>Elementary</u>			
Miscellaneous Programs	\$ 3,595	Montana	Revenue earned - American Rescue Plan Act - Homeless
Miscellaneous Programs	9,319	Montana	Revenue earned - Elementary and Secondary School Emergency Relief (ESSER)
Miscellaneous Programs	36,381	Montana	Revenue earned - ESSER III
Miscellaneous Programs	5,616	Montana	Revenue earned - Multi-Tiered Systems of Support
Miscellaneous Programs	86,981	Montana	Revenue earned - Title I School Wide
<u>High School</u>			
Miscellaneous Programs	3,221	Montana	Revenue earned - Career and Technical Education - Basic Grants to States
Traffic Education	<u>8,625</u>	Montana	Revenue earned - per pupil reimbursement
Total	<u>\$ 153,738</u>		

4. b. LEASE RELATED RECEIVABLE

The School District engaged in lease related activities during the year.

The School District expects to renew its leases for the foreseeable future which results in a rolling lease term, where a new year is added to the lease term while an existing year elapses. Accordingly, the book value of the Lease Related Receivable and Lease Related Deferred Inflow included in the accompanying financial statements were simultaneously decreased and increased to reflect the usage for the current year and the additional year appended to the lease term. The School District considered such decreases and increases in the book values to be equivalent to one another and, as such, any differences that may have occurred were considered to be immaterial to the financial statements. Accordingly, the School District did not reflect any changes in the related book values of the lease elements in the accompanying *Statement of Net Position*. The implicit interest rate ranged from 0.00-4.00%.

The School District reported lease related receivables and deferred inflows of resources as follows:

Description	Inception Date	Term	Rate	Book Value at June 30, 2023		Fiscal Year 2023 Lease Revenue
				Lease Related Receivable	Lease Related Deferred Inflow	
Office Space	-	Ongoing	4.00%	\$ 32,409	\$ 32,409	\$ 7,000
Office Space	7/1/2019	7 years	4.00%	58,723	58,723	9,600
Office Space	12/1/2019	5 years	4.00%	<u>4,622</u>	<u>4,622</u>	<u>2,400</u>
Totals				<u>\$ 95,754</u>	<u>\$ 95,754</u>	<u>\$ 19,000</u>

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

NOTE 5. CAPITAL ASSETS, DEPRECIATION, AND NET CAPITAL ASSETS

The schedule of changes in general capital assets for the year ended June 30, 2023 follows:

Governmental Activities	Balance July 1, 2022	Additions	Balance June 30, 2023
Non-depreciable Assets:			
Land	\$ 590,530	\$ 0	\$ 590,530
Construction in Progress	<u>446,317</u>	<u>6,940,405</u>	<u>7,386,722</u>
Total Non-depreciable Assets	1,036,847	6,940,405	7,977,252
Depreciable Assets:			
Buildings	16,874,221	7,800	16,882,021
Improvements Other than Buildings	1,614,953	0	1,614,953
Machinery and Equipment	<u>5,485,674</u>	<u>138,447</u>	<u>5,624,121</u>
Total Depreciable Assets	23,974,848	146,247	24,121,095
Accumulated Depreciation:			
Buildings	(9,322,776)	(541,585)	(9,864,361)
Improvements Other than Buildings	(1,133,137)	(38,241)	(1,171,378)
Machinery and Equipment	<u>(3,277,190)</u>	<u>(382,786)</u>	<u>(3,659,976)</u>
Total Accumulated Depreciation	<u>(13,733,103)</u>	<u>(962,612)</u>	<u>(14,695,715)</u>
Net Depreciable Assets	<u>10,241,745</u>	<u>(816,365)</u>	<u>9,425,380</u>
Net General Capital Assets	<u>\$ 11,278,592</u>	<u>\$ 6,124,040</u>	<u>\$ 17,402,632</u>

Depreciation expense charged to governmental functions was as follows:

Function	Amount
Instructional Services	\$ 19,461
Educational Media Services	8,375
General Administrative Services	9,341
Operation and Maintenance Services	285,803
Transportation Services	274,617
School Food Services	9,045
Extracurricular	45,896
Unallocated	<u>310,074</u>
Total Depreciation Expense	<u>\$ 962,612</u>

NOTE 6. CURRENT LIABILITIES

Current liabilities represent amounts due to creditors, suppliers, or others within a period of time less than one year.

6. a. **UNEARNED REVENUES**

Unearned revenue, sometimes referred to as deferred revenue, is payment received by the School District from a nonexchange transaction for which not all applicable eligibility requirements have been met. Once the eligibility criteria have been met, the revenues and expenditure/expenses will be recognized.

Fund	Amount	Purpose
Elementary		
School Food Services	\$ 20,151	Prepaid meals

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

NOTE 7. LONG-TERM DEBT

The schedule of changes in general long-term debt for the year ended June 30, 2023 follows:

Governmental Activities	Balance July 1, 2022	New Debt and Other Additions	Principal Payments and Other Reductions	Balance June 30, 2023	Due within One Year
Bonds and Notes Payable:					
General Obligation (GO) Bonds	\$ 20,400,000	\$ 0	\$ (370,000)	\$ 20,030,000	\$ 0
Premium on GO Bonds	<u>3,491,208</u>	<u>0</u>	<u>0</u>	<u>3,491,208</u>	<u>174,560</u>
Total Bonds and Notes Payable	23,891,208	0	(370,000)	23,521,208	174,560
Other Liabilities:					
Compensated Absences	442,113	64,446	0	506,559	58,602
Accrued Pension	8,676,980	1,773,188	0	10,450,168	0
Retirement Incentive	15,600	0	(15,600)	0	0
Other Postemployment Benefits	<u>2,474,280</u>	<u>237,844</u>	<u>0</u>	<u>2,712,124</u>	<u>0</u>
Total Other Liabilities	<u>11,608,973</u>	<u>2,075,478</u>	<u>(15,600)</u>	<u>13,668,851</u>	<u>58,602</u>
Total Governmental Activities - Long-term Debt	<u>\$ 35,500,181</u>	<u>\$ 2,075,478</u>	<u>\$ (385,600)</u>	<u>\$ 37,190,059</u>	<u>\$ 233,162</u>

7. a. GENERAL OBLIGATION BONDS

The School District issued GO bonds in prior years for the acquisition and construction of capital facilities. GO bonds are direct obligations of and pledge the full faith and credit of the School District. These bonds were issued for the terms and payment schedules as follows:

Description	Issue Date	Interest Rate	Term	Maturity Date	Amount Issued	Outstanding June 30, 2023
Elementary GO Bonds Series 2022	2/3/2022	3.00-5.00%	20 years	7/1/2042	\$ 20,400,000	\$ 20,030,000
Elementary GO Bond Premium	2/3/2022	-	20 years	7/1/2042	<u>3,491,208</u>	<u>3,491,208</u>
					<u>\$ 23,891,208</u>	<u>\$ 23,521,208</u>

Debt service requirements to maturity for principal and interest for all bonded long-term obligations were as follows:

For the year ended June 30:	Elementary		Reoffering Premium Amortization *
	Principal	Interest	
2024	0	401,775	174,560
2025	725,000	789,050	174,560
2026	750,000	759,550	174,561
2027	780,000	732,850	174,560
2028	805,000	702,275	174,561
2029-2033	4,590,000	2,947,850	872,802
2034-2039	5,585,000	1,934,900	872,802
2040-2043	<u>6,795,000</u>	<u>700,900</u>	<u>872,802</u>
Totals	<u>\$20,030,000</u>	<u>\$ 8,969,150</u>	<u>\$ 3,491,208</u>

*The School District GO bonds were issued with a reoffering premium. The reoffering premium is a part of the cost of issuing GO bonds and will be amortized in equal installments over the life of the GO bonds.

7. b. RETIREMENT INCENTIVE

The School District offered certified teachers a one-time incentive to retire in prior years that amounted to \$650 per month to each teacher who participated. The terms of the retirement incentive liability were as follows:

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NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

Description	Issue Date	Term	Maturity Date	Amount Issued	Outstanding June 30, 2023
Retirement Incentive	7/2021	1½ years	6/30/2023	\$ 35,100	\$ 0

NOTE 8. DEFERRED INFLOWS OF RESOURCES

The School District reported deferred property taxes at June 30, 2023 as follows:

Fund	Amount	Reason
<u>Elementary</u>		
General *	\$ 52,806	Taxes Receivable
Transportation	11,760	Taxes Receivable
Bus Depreciation	5,235	Taxes Receivable
Tuition	4,907	Taxes Receivable
Technology	1,768	Taxes Receivable
Debt Service *	38,942	Taxes Receivable
Building Reserve	3,772	Taxes Receivable
<u>High School</u>		
General *	27,743	Taxes Receivable
Transportation	5,591	Taxes Receivable
Bus Depreciation	5,217	Taxes Receivable
Tuition	3,017	Taxes Receivable
Adult Education	166	Taxes Receivable
Technology	1,467	Taxes Receivable
Building Reserve	3,095	Taxes Receivable
Total	<u>\$ 165,486</u>	

* Denotes Major Fund

NOTE 9. INTERFUND OPERATING TRANSFERS

The School District recorded interfund transfers during the year ended June 30, 2023 as follows:

Operating Fund - In	Amount	Operating Fund - Out	Purpose
<u>High School</u>		<u>Elementary</u>	
Interlocal Agreement *	\$ 96,607	General *	To Fund Interlocal Agreement
<u>High School</u>		<u>High School</u>	
Interlocal Agreement *	38,795	General *	To Fund Interlocal Agreement
Total	<u>\$ 135,402</u>		
Less Internal Transactions **	<u>(135,402)</u>		
Total	<u>\$ 0</u>		

* Denotes Major Fund

** The elementary and high school General funds, the Interlocal Agreement fund, and Flexibility funds are consolidated for financial reporting purposes. As such, the internal transactions described above were eliminated for consolidation.

NOTE 10. OTHER POSTEMPLOYMENT BENEFITS

10. a. PLAN DESCRIPTION

The School District provides its retiring employees with at least five years of service and who are at least 50 years of age, along with their eligible spouses and dependents, the option to continue participating in the School District group health insurance plan until the retiree becomes eligible for Medicare coverage. This option creates a defined benefit OPEB plan.

10. b. FUNDING POLICY

The School District pays OPEB liabilities on a pay as you go basis. A trust fund for future liabilities has not been established.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

10. c. BENEFITS PROVIDED

The School District provides healthcare benefits for retirees and their dependents. The School District provides the same health care plan to all of its members. Retirees are required to pay 100% of the health insurance premium to retain the healthcare benefits. The School District covers 100% of the premiums for active employees.

10. d. EMPLOYEES COVERED BY BENEFIT TERMS

At as of June 30, 2022, the measurement date, the following employees were covered by the benefit terms:

Active employees	153
Inactive employees (may include spouses)	52

10. e. TOTAL OPEB LIABILITY

The School District's total OPEB liability amounted to \$2,712,124 at June 30, 2023. The liability was measured as of June 30, 2022 and was determined by an actuarial valuation as of that date.

10. f. ASSUMPTIONS AND OTHER INPUTS

The School District obtained an Actuarial valuation to determine the OPEB liability.

Valuations involve estimates of the reported amounts and assumptions about the probability of events far into the future and estimated amounts are subject to continued revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for the plan are based on types of benefits provided under the current plan. The valuation assumed that 40% of plan participants would elect to continue coverage after retirement.

The total OPEB liability at June 30, 2023 was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Average salary increases	3.25%
Discount rate	4.02%
Retiree's share of benefit related costs	100.00%
Healthcare cost trend rate	3.80% up to 8.80%

10. g. CHANGES IN THE TOTAL OPEB LIABILITY

Balance July 1, 2022	\$ 2,474,280
Changes for the Year: *	
Service Cost (OPEB Expense)	173,849
Interest	105,626
Benefit Payments	<u>(41,631)</u>
Net Changes	<u>237,844</u>
Balance June 30, 2023	<u>\$ 2,712,124</u>

* GASB No. 75 requires an actuarial valuation or calculation of the total OPEB liability to be performed at least once every two years and roll forward procedures on the off years. Accordingly, the School District did not perform a valuation of their total OPEB liability as of June 30, 2023 and the liability displayed is based on the measurement date of June 30, 2022 with changes based on roll forward procedures. The roll forward procedures add the annual normal costs and subtract the benefits payments.

10. h. SENSITIVITY ANALYSIS

The following illustrates the estimated effect on the School District's OPEB liability if the *discount rate* and *healthcare cost trend rate* were 1% lower or 1% higher than the current discount rate and healthcare cost trend rate:

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

	Discount Rate <i>(4.02%)</i>		
	1.0% Decrease	Current	1.0% Increase
Total OPEB Liability	\$ 3,346,449	\$ 2,712,124	\$ 2,228,653

	Healthcare Cost Trend Rate <i>(3.80% up to 8.80%)</i>		
	1.0% Decrease	Current	1.0% Increase
Total OPEB Liability	\$ 2,164,618	\$ 2,712,124	\$ 3,453,480

10. i. OPEB EXPENSE AND DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES

For the year ended June 30, 2023, the School District reported \$237,844 in expense related to OPEB.

At June 30, 2023, the School 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
Difference Between Expected and Actual Experience	\$ 0	\$ (3,097,464)
Changes of Assumptions	21,931	(1,276,526)
Total	<u>\$ 21,931</u>	<u>\$ (4,373,990)</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:	Deferred Outflows of Resources	Deferred Inflows of Resources
2023	\$ 21,931	\$ (343,382)
2024	0	(343,382)
2025	0	(343,382)
2026	0	(343,382)
2027	0	(343,382)
Thereafter (8 years)	0	(2,657,080)

NOTE 11. ENCUMBRANCES

An encumbrance is a portion of a budget appropriation set aside for spending the current year budget. Like the budget itself, an encumbrance is a projection and not yet an accounts payable or other liability of the School District. When it comes time to pay necessary encumbered funds, the encumbrance disappears in that amount and becomes an actual expenditure of School District.

All encumbrances at June 30, 2023 are classified as restricted in the funds noted below:

Fund	Amount
<u>Elementary</u>	
Building *	\$ 8,908,953

* Denotes Major Fund

The School District was in the middle of a multi-year improvement initiative involving multiple large and small construction projects. The encumbrances at June 30, 2023 relate to those ongoing projects and amounts that have been committed to their completion.

NOTE 12. RISK MANAGEMENT

The School District is exposed to distinct types of risk of loss, including:

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NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

- Damage to and loss of property and contents
- Employee torts
- Professional liability, e.g., errors and omissions
- Environmental damage
- Workers' compensation, e.g., employee injuries
- Medical insurance costs of employees

Several methods are used to provide insurance for these risks. Commercial policies, transferring all risks of loss, except for relatively small deductible amounts, are purchased for property and contents damage, employee torts, professional liabilities, and employee medical insurance. The School District has joined with other School Districts throughout the state into an interlocal common risk pool to insure workers' compensation for all participating School Districts in a self-insurance pool. The Workers Compensation Risk Retention Program is managed by a board of directors elected annually. Members are responsible for fully funding the Workers Compensation Risk Retention Program through the payment of annual premiums accessed. There is no other liability to the School District other than timely payments of premiums. The School District can withdraw from the Workers Compensation Risk Retention Program with 60 days notice at any time. The School District has no coverage for potential losses from environmental damages.

Levels of insurance have not changed materially from the prior year and settlements have not exceeded insurance coverage limits during the current or each of the two previous years.

NOTE 13. EMPLOYEE RETIREMENT SYSTEM

The School District participates in two state-wide, cost-sharing multiple employer defined benefit retirement plans which cover all School District employees, except certain substitute teachers and part-time, non-teaching employees. The plans are established under Montana law and are administered by the State. The School District participates in the following Montana administered retirement plans:

- The Teachers' Retirement System (TRS) covers teaching employees, including administrators and aides and
- The Public Employee Retirement System (PERS) covers nonteaching employees

The plans issue publicly available annual reports, stand-alone financial statements, actuarial valuations, experience studies, and plan audited financial statements. Those reports may be obtained from the following:

<u>Teachers' Retirement System</u>	<u>Montana Public Employee Retirement Administration</u>
P.O. Box 200139	P.O. Box 200131
1500 Sixth Avenue	100 N. Park Avenue Suite 200
Helena, MT 59620-0139	Helena, MT 59620-0131
Phone: 406-444-3134	Phone: 406-444-3154
www.trs.mt.gov	www.mpera.mt.gov

13. a. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES OF RETIREMENT SYSTEMS

The Montana Public Employee Retirement Administration (MPERA) and the TRS prepare their financial statements using the accrual basis of accounting. For the purposes of measuring the net pension liability, deferred inflows of resources and deferred outflows of resources related to pensions, pension expense, and information about the fiduciary net position and additions to and deductions from fiduciary net position have been determined on the same accrual basis as they are reported by MPERA and TRS. For this purpose, member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period when due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred.

Investments are reported at fair value. MPERA and TRS adhere to all applicable GASB statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

13. b. PUBLIC EMPLOYEE RETIREMENT SYSTEM (PERS)

The PERS-Defined Benefit Retirement Plan (Defined Benefit plan), administered by the MPERA, is a multiple-employer, cost-sharing plan established July 1, 1945 and is governed by Title 19, chapters 2 & 3, MCA. This plan covers the state, local governments, certain employees of the Montana University System, and school districts.

All new members are initially members of the Defined Benefit plan and have a 12-month window during which they choose to remain in the Defined Benefit plan or join the defined contribution plan by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans.

The Defined Benefit provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are established by state law and can only be amended by the State Legislature.

13. b. 1. SUMMARY OF BENEFITS

Eligibility for benefits

Service Retirement:

- Hired prior to July 1, 2011:
 - Age 60, 5 years of membership service;
 - Age 65, regardless of membership service; or
 - Any age, 30 years of membership service.
- Hired on or after July 1, 2011:
 - Age 65, 5 years of membership service; or
 - Age 70, regardless of membership service.

Early Retirement:

(actuarially reduced)

- Hired prior to July 1, 2011:
 - Age 50, 5 years of membership service; or
 - Any age, 25 years of membership service.
- Hired on or after July 1, 2011:
 - Age 55, 5 years of membership service.

Second Retirement:

(requires returning to PERS-covered employer or PERS service)

- Retire before January 1, 2016 and accumulate less than 2 years additional service credit or retire on or after January 1, 2016 and accumulate less than 5 years additional service credit:
 - A refund of member's contributions plus return interest (currently 2.02% effective July 1, 2018);
 - No service credit for second employment;
 - Start the same benefit amount the month following termination; and
 - Guaranteed Annual Benefit Adjustment (GABA) starts again in January immediately following the second retirement.
- Retire before January 1, 2016 and accumulate at least 2 years additional service credit:
 - A recalculated retirement benefit based on provision in effect after the initial retirement; and
 - GABA starts on the recalculation benefit in the January after receiving the new benefit for 12 months.
- Retire on or after January 1, 2016 and accumulate 5 or more years additional service credit:
 - The same retirement as prior to the return to service;
 - A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
 - GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

Vesting:

5 years of membership service

Member's Highest Average Compensation (HAC):

- Hired prior to July 1, 2011:
 - HAC during any consecutive 36 months.
- Hired on or after July 1, 2011:
 - HAC during any consecutive 60 months.

Compensation Cap:

- Hired on or after July 1, 2013:
 - 110% annual cap on compensation considered as part of a member's HAC.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

- Monthly Benefit Formula:**
- Hired prior to July 1, 2011:
 - Less than 25 years of membership service - 1.785% of HAC per year of service credit; or
 - 25 years of membership service or more - 2% of HAC per year of service credit.
 - Hired on or after July 1, 2011:
 - Less than 10 years of membership service - 1.5% of HAC per year of service credit;
 - 10 years or more, but less than 30 years of membership service - 1.785% of HAC per year of service credit; or
 - 30 years or more of membership service - 2% of HAC per year of service credit.

- Guaranteed Annual Benefit Adjustment:**
- After the member has completed 12 full months of retirement, the member’s benefit increases by the following percentage each January, inclusive of other adjustments to the member’s benefit:
- 3% for members hired **prior** to July 1, 2007
 - 1.5% for members hired **between** July 1, 2007 and June 30, 2013
 - Members hired on or **after** July 1, 2013:
 - 1.5% for each year PERS is funded at or above 90%;
 - 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - 0% whenever the amortization period for PERS is 40 years or more.

13. b. 2. OVERVIEW OF CONTRIBUTIONS

Contributions: Member and employer contribution rates are specified by state law and are a percentage of the member’s compensation. Contributions are deducted from each member’s salary and remitted by participating employers. The State Legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are shown in the table below.

Special Funding: The State of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as *special funding*. Those employers who received *special funding* are all participating employers.

Fiscal Year	Member		State & Uni-	Local Government		School Districts	
	Hired <07/01/11	Hired >07/01/11	versities Employer	Employer	State	Employer	State
2023	7.900%	7.900%	9.070%	8.970%	0.100%	8.700%	0.370%
2022	7.900%	7.900%	8.970%	8.870%	0.100%	8.600%	0.370%
2021	7.900%	7.900%	8.870%	8.770%	0.100%	8.500%	0.370%
2020	7.900%	7.900%	8.770%	8.670%	0.100%	8.400%	0.370%
2019	7.900%	7.900%	8.670%	8.570%	0.100%	8.300%	0.370%
2018	7.900%	7.900%	8.570%	8.470%	0.100%	8.200%	0.370%
2017	7.900%	7.900%	8.470%	8.370%	0.100%	8.100%	0.370%
2016	7.900%	7.900%	8.370%	8.270%	0.100%	8.000%	0.370%
2015	7.900%	7.900%	8.270%	8.170%	0.100%	7.900%	0.370%
2014	7.900%	7.900%	8.170%	8.070%	0.100%	7.800%	0.370%
2012-2013	6.900%	7.900%	7.170%	7.070%	0.100%	6.800%	0.370%
2010-2011	6.900%		7.170%	7.070%	0.100%	6.800%	0.370%
2008-2009	6.900%		7.035%	6.935%	0.100%	6.800%	0.235%
2000-2007	6.900%		6.900%	6.800%	0.100%	6.800%	0.100%

1. Member contributions to the system of 7.9% are temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.

2. Employer contributions to the system:

- a. Effective July 1, 2014, following the 2013 Legislative Session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions, including the 0.27% added in 2007 and 2009, will terminate on January 1 following an actuary valuation that shows the amortization period has dropped below 25 years and would remain below the 25 years following the reduction of both the additional employer and additional member contributions rates.
- b. Effective July 1, 2013, employers are required to make contributions on working retirees’ compensation. Member contributions for working retirees are not required.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

- c. The portion of employer contributions allocated to the Plan Choice Rate (PCR) are included in the employers reporting. The PCR was paid off effective March 2016 and the contributions previously directed to the PCR are now directed to member accounts.

3. Non-Employer Contributions:

- a. Special Funding - The State of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as special funding. Those employers who received special funding are all participating employers.
- i. The State contributed 0.10% of members' compensation on behalf of local government entities.
 - ii. The State contributed 0.37% of members' compensation on behalf of school district entities.
 - iii. The State contributed a Statutory Appropriation from the General Fund amounting to \$34,633,570.

13. b. 3. ACTUARIAL ASSUMPTIONS

The Total Pension Liability (TPL) used to calculate the Net Pension Liability (NPL) as of June 30, 2022 was determined by taking the results of the June 30, 2022 actuarial valuation and applying standard roll forward procedures. There were several significant assumptions and other inputs used to measure the TPL. Among those assumptions were the following:

- Investment Return (net of admin expenses) 7.30%
- Admin Expense as % of Payroll 0.28%
- General Wage Growth (includes inflation at 2.75%) 3.50%
- Merit Increases 0.00% to 4.80%
- Postretirement Benefit Increases:
 - GABA. After the member has completed 12 full months of retirement, the member's benefit increases by the following percentage each January, inclusive of all other adjustments to the member's benefit:
 - 3% for members hired prior to July 1, 2007
 - 1.5% for members hired between July 1, 2007 and June 30, 2013
 - Members hired on or after July 1, 2013:
 - 1.5% for each year PERS is funded at or above 90%;
 - 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - 0% whenever the amortization period for PERS is 40 years or more.
- Mortality
 - *Mortality among contributing members* - PUB-2010 General Amount Weighted Employer Mortality projected to 2021 for males and females. Projected generationally using MP-2021.
 - *Mortality among disabled members* - PUB-2010 General Amount Weighted Disabled Retiree Mortality table, projected to 2021, set forward one year for both males and females.
 - *Mortality among beneficiaries* - PUB-2010 General Amount Weighted Contingent Survivor Mortality projected to 2021 with ages set forward one year for males and females. Projected generationally using MP-2021.
 - *Mortality among healthy retirees* - PUB-2010 General Amount Weighted Healthy Retiree Mortality table projected to 2021, with ages set forward one year and adjusted 104% for males and 103% for females. Projected generationally using MP-2021.

13. b. 4. DISCOUNT RATE

The discount rate used to measure the TPL was 7.30%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The state contributed 0.10% of the salaries paid by local governments and 0.37% paid by school districts. In addition, the state contributed a statutory appropriation from the general fund. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2126. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

13. b. 5. TARGET ALLOCATIONS

The long-term expected rate of return on pension plan investments is reviewed as part of regular experience studies prepared for the Plan about every five years. The long-term rate of return as of June 30, 2022, is based on analysis in the experience study report dated May 2, 2022 without consideration for the administrative expense analysis shown. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash	3.00%	(0.33)%
Domestic Equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Investments	15.00%	9.13%
Real Assets	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core Fixed Income	6.00%	3.02%
Total	100.00%	

13. b. 6. DEFINED CONTRIBUTION PLAN

The School District contributed to the State of Montana Public Employee Retirement System Defined Contribution Retirement Plan (Defined Contribution plan) for employees that have elected the Defined Contribution plan. The Defined Contribution plan is administered by the Montana Public Employees Retirement Board (PERB) and is reported as a multiple-employer plan established July 1, 2002, and governed by Title 19, chapters 2 & 3, MCA.

All new PERS members are initially members of the Defined Benefit plan and have a 12-month window during which they may choose to remain in the Defined Benefit plan or join the PERS- Defined Contribution Retirement Plan (Defined Contribution plan) by filing an irrevocable election. Members may not be participants of both the *Defined Benefit* and *Defined Contribution* retirement plans.

Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The State Legislature has the authority to establish and amend contribution rates.

Benefits are dependent upon eligibility and individual account balances. Participants are vested immediately in their own contributions and attributable income. Participants are vested after 5 years of membership service for the employer's contributions to individual accounts and the attributable income. Non-vested contributions are forfeited upon termination of employment per 19-3-2117(5), MCA. Such forfeitures are used to cover the administrative expenses of the Defined Contribution plan.

At the plan level for the measurement period ended June 30, 2022, the Defined Contribution plan employer did not recognize any net pension liability or pension expense for the Defined Contribution plan. Plan level non-vested forfeitures for the 344 employers that have participants in the PERS-DCRP totaled \$1,681,603.

13. c. TEACHERS' RETIREMENT SYSTEM (TRS)

TRS is a mandatory-participation multiple-employer cost-sharing defined-benefit public pension plan that provides retirement services to individuals employed as teachers, administrators, and in other professional and skilled positions employed in public education in Montana.

The TRS Board is the governing body of the System and the TRS staff administers the system in conformity with the laws set forth in Title 19, chapter 20, MCA, and administrative rules set forth in Title 2, Chapter 44 of the Administrative Rules of Montana.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

13. c. 1. SUMMARY OF BENEFITS

Through June 30, 2013, all members enrolled in TRS participated in a single-tiered plan (Tier One). Employees with a minimum of 25 years of service or who have reached age 60 with 5 years of service are eligible to receive an annual retirement benefit equal to creditable service years divided by 60 times the average final compensation (AFC). Final compensation is the average of the highest three consecutive years of earned compensation. Benefits fully vest after 5 years of creditable service. Vested employees may retire at or after age 50 and receive reduced retirement benefits. Beginning July 1, 2013, new members in TRS participate in a second benefit tier (Tier Two), which differs from Tier One as follows:

- Tier Two uses a 5-year AFC (as opposed to 3-year AFC in Tier One);
- Tier Two provides for unreduced service retirement benefits at age 60 with 5 years of creditable service or at age 55 with at least 30 years of creditable service (rather than at age 60 with 5 years of service or at any age with creditable service in 25 years in Tier One);
- Tier Two provides for early retirement benefits with 5 years of creditable service at age 55 (rather than age 50 in Tier One);
- Tier Two has a one percent higher normal employee contribution rate (though a temporary 1% supplemental employee contribution rate is also now currently in place for Tier One members); and
- Tier Two provides for an enhanced benefit calculation (1.85% x AFC x years of creditable service) for members retiring with at least 30 years of creditable service and at least 60 years of age (rather than 1.6667 x AFC x years of creditable service for Tier One).

A guaranteed annual benefit adjustment (GABA) is payable on January 1st of each calendar year for each retiree who has received at least 36 monthly retirement benefit payments prior to that date. The GABA is applicable to both Tier One and Tier Two members. The GABA for Tier One members is 1.5% of the benefit payable as of January 1st. The GABA for Tier Two members may vary from 0.5% to 1.5% each year based on the retirement system's funding status and the period required to amortize any unfunded accrued actuarial liability as determined in the prior actuarial valuation.

13. c. 2. OVERVIEW OF CONTRIBUTIONS

TRS (the System) receives a portion of the total required statutory contributions directly from the State for all employers. The employers are considered to be in a special funding situation as defined by GASB 68 and the State is treated as a non-employer contributing entity in TRS. The System receives 2.49% of reportable compensation from the State's general fund for School Districts and Other Employers. The System also receives 0.11% of reportable compensation from the State's general fund for all TRS Employers including State Agency and University System Employers. Finally, the State is also required to contribute \$25 million in perpetuity payable July 1st of each year.

The table below shows the legislated contribution rates for TRS members, employers, and the State.

	Members	Employers	General fund	Total employee and employer
Prior to July 1, 2007	7.15%	7.47%	0.11%	14.73%
July 1, 2007 to June 30, 2009	7.15%	7.47%	2.11%	16.73%
July 1, 2009 to June 30, 2013	7.15%	7.47%	2.49%	17.11%
July 1, 2013 to June 30, 2014	8.15%	8.47%	2.49%	19.11%
July 1, 2014 to June 30, 2015	8.15%	8.57%	2.49%	19.21%
July 1, 2015 to June 30, 2016	8.15%	8.67%	2.49%	19.31%
July 1, 2016 to June 30, 2017	8.15%	8.77%	2.49%	19.41%
July 1, 2017 to June 30, 2018	8.15%	8.87%	2.49%	19.51%
July 1, 2018 to June 30, 2019	8.15%	8.97%	2.49%	19.61%
July 1, 2019 to June 30, 2020	8.15%	9.07%	2.49%	19.71%
July 1, 2020 to June 30, 2021	8.15%	9.17%	2.49%	19.81%
July 1, 2021 to June 30, 2022	8.15%	9.27%	2.49%	19.91%
July 1, 2022 to June 30, 2023	8.15%	9.37%	2.49%	20.01%
July 1, 2023 to June 30, 2024	8.15%	9.47%	2.49%	20.11%

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

13. c. 3. ACTUARIAL ASSUMPTIONS

The TPL as of June 30, 2022 is based on the results of an actuarial valuation date of July 1, 2022. There were several significant assumptions and other inputs used to measure the TPL. The actuarial assumptions used in the July 1, 2022 valuation were based on the results of the last actuarial experience study, dated May 3, 2022. Among those assumptions were the following:

- Total Wage Increases: (includes 3.50% general wage increase assumption)
 - 3.50% to 9.00% for Non-University members
 - 4.25% for University members
- Investment Return:
 - 7.30%
- Price Inflation:
 - 2.75%
- Postretirement Benefit Increases:
 - Tier One. If the retiree has received benefits for at least 3 years, the retirement allowance will be increased by 1.5% on January 1st.
 - Tier Two. The retirement allowance will be increased by an amount equal to or greater than 0.5% but no more than 1.5% if the most recent actuarial valuation shows the System to be at least 90% funded and the provisions of the increase is not projected to cause the funded ratio to be less than 85%.
- Mortality:
 - *Mortality among contributing members* - PUB-2010 General Employee mortality projected to 2021. Projected generationally using MP-2021.
 - *Mortality among service retired members* - PUB-2010 Retiree mortality projected to 2021 adjusted 102% for males and 103% for females. Projected generationally using MP-2021.
 - *Mortality among beneficiaries* - PUB-2010 Contingent Survivor table projected to 2021. Projected generationally using MP-2021.
 - *Mortality among disabled members* - PUB-2010 Disabled Retiree mortality table projected to 2021.

13. c. 4. DISCOUNT RATE

The discount rate used to measure the TPL was 7.30%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board’s funding policy, which establishes the contractually required rates under MCA. In addition to the contributions, the State general fund will contribute \$25 million annually to the System payable July 1st of each year. Based on those assumptions, the System’s fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2123. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. No municipal bond rate was incorporated in the discount rate.

13. c. 5. TARGET ALLOCATIONS

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Domestic Equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Investment	15.00%	9.13%
Real Assets	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core Fixed Income	6.00%	3.02%
Cash	3.00%	-0.33%
Total	100.00%	

The long-term expected rate of return on pension plan investments of 7.30% is reviewed as part of regular experience studies prepared for the System about every five years. The current long-term rate of return is based on analysis in the experience study report dated May 3, 2022, without consideration for the administrative expense analysis shown. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

In accordance with GASB 68 regarding the disclosure of the sensitivity of the net pension liability to changes in the discount rate, the below table presents the net pension liability calculated using the discount rate of 7.30% as well as what the net pension liability would be if it were calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate.

As of measurement date	1.0% Decrease (6.30%)	Current Discount Rate (7.30%)	1.0% Increase (8.30%)
<u>PERS</u>			
Net Pension Liability	\$ 3,427,832,448	\$ 2,377,885,194	1,496,992,085
School District's Net Pension Liability	3,246,496	2,252,092	1,417,799
<u>TRS</u>			
Net Pension Liability	2,747,352,933	1,966,825,366	1,313,622,251
School District's Net Pension Liability	11,451,453	8,198,076	5,475,410

13. d. NET PENSION LIABILITY

In accordance with GASB Statement 68, *Accounting and Financial Reporting for Pensions*, employers are required to recognize, and report certain amounts associated with their participation in the PERS and TRS. Statement 68 became effective June 30, 2015 and includes requirements to record and report their proportionate share of the collective NPL, Pension Expense, and Deferred Inflows and Deferred Outflows of resources associated with pensions. In accordance with Statement 68, PERS and TRS have special funding situations in which the State of Montana is legally responsible for making contributions directly to PERS and TRS that are used to provide pension benefits to the retired members. Due to the existence of this special funding situation, employers are also required to report the portion of the State of Montana's proportionate share of the collective Net Pension Liability that is associated with the employer.

The TPL minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's and the State of Montana's NPL for June 30, 2022, and 2021, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid.

As of measurement date	NPL		Percent of Collective NPL		Change in Percent of Collective NPL
	as of 6/30/22	as of 6/30/21	as of 6/30/22	as of 6/30/21	
<u>PERS</u>					
School District Proportionate Share	\$ 2,252,092	\$1,621,057	0.094710%	0.089402%	0.005308%
State of Montana Proportionate Share associated with Employer	<u>743,271</u>	<u>528,167</u>	<u>0.031258%</u>	<u>0.029129%</u>	<u>0.002129%</u>
Totals	<u>\$ 2,995,363</u>	<u>\$2,149,224</u>	<u>0.125968%</u>	<u>0.118531%</u>	<u>0.007437%</u>
<u>TRS</u>					
School District Proportionate Share	\$ 8,198,076	\$7,055,923	0.4168%	0.4259%	(0.0091)%
State of Montana Proportionate Share associated with Employer	<u>4,527,254</u>	<u>4,025,645</u>	<u>0.2302%</u>	<u>0.2430%</u>	<u>(0.0128)%</u>
Totals	<u>\$12,725,330</u>	<u>\$11,081,568</u>	<u>0.6470%</u>	<u>0.6689%</u>	<u>(0.0219)%</u>

At June 30, 2023, the employer recorded a liability for its proportionate share of the NPL of \$2,252,092 and \$8,198,076 for PERS and TRS, respectively. At June 30, 2023, the employer's proportion was 0.094710 percent and 0.4168 percent for PERS and TRS, respectively.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

The NPL was measured as of June 30, 2022, and the TPL used to calculate the net pension liability was determined by an actuarial valuation as of:

- PERS – June 30, 2022
- TRS – June 30, 2022

	<u>PERS</u>	<u>TRS</u>
<u>Changes in actuarial assumptions, other inputs, and methods:</u>	<ul style="list-style-type: none"> • The discount rate changed from 7.06% to 7.30% • The investment rate of return changed from 7.06% to 7.30%. • Updated all mortality tables to the PUB-2010 tables for general employees. • Updated the rates of withdrawal, retirement, merit and disability. • Payroll growth assumption from changed from 3.50% to 3.25%. • The inflation rate was changed from 2.40% to 2.75%. 	<ul style="list-style-type: none"> • The discount rate changed from 7.06% to 7.30% • The investment rate of return changed from 7.06% to 7.30% • Updated all mortality tables to the PUB-2010 tables for general employees • The inflation rate was changed from 2.40% to 2.75%. • Updated the rates of retirement and termination. • Updated the salary scale merit rates
<u>Changes in benefit terms:</u>	There have been no changes in benefit terms since the previous measurement date.	There have been no changes in benefit terms since the previous measurement date.
<u>Changes in proportionate share:</u>	There were no changes between the measurement date of the collective net pension liability and the reporting date. However, each employer may have unique circumstances that will impact the employer’s proportionate share of the collective net pension liability. If there were changes that are expected to have an impact on the net pension liability, the employer should disclose the amount of the expected resultant change in the employer’s proportionate share of the collective net pension liability, if known.	There were no changes between the measurement date of the collective net pension liability and the reporting date. However, each employer may have unique circumstances that will impact the employer’s proportionate share of the collective net pension liability. If there were changes that are expected to have an impact on the net pension liability, the employer should disclose the amount of the expected resultant change in the employer’s proportionate share of the collective net pension liability, if known.

13. e. PENSION EXPENSE

	<u>Pension Expense as of 6/30/22</u>	<u>Pension Expense as of 6/30/21</u>
<u>PERS</u> (as of measurement date)		
School District’s Proportionate Share	\$ 204,678	\$ (73,527)
Employer Grant Revenue – Montana Proportionate Share with the Employer	<u>77,041</u>	<u>121,212</u>
Totals	<u>\$ 281,719</u>	<u>\$ 47,685</u>
<u>TRS</u> (as of measurement date)		
School District’s Proportionate Share	\$ 543,937	\$ 557,890
State of Montana Proportionate Share associated with the Employer	<u>374,365</u>	<u>392,190</u>
Totals	<u>\$ 918,302</u>	<u>\$ 950,080</u>

At June 30, 2023, the employer recognized a pension expense of \$281,719 and \$918,302 for its proportionate share of the PERS and TRS Pension Expense, respectively. The employer also recognized grant revenue of \$77,041 and \$374,365 for the support provided by Montana for its proportionate share of the Pension Expense that is associated with the employer for PERS and TRS, respectively.

13. f. DEFERRED INFLOWS AND OUTFLOWS

At June 30, 2023, the employer reported its proportionate share of deferred outflows of resources and deferred inflows of resources related to PERS and TRS from the following sources:

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

	PERS		TRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected economic experience	\$ 28,710	\$ 0	\$ 120,162	\$ 0
Changes in actuarial assumptions	83,927	164,874	419,001	749,418
Difference between projected and actual investment earnings	66,188	0	191,751	0
Changes in proportion and differences between actual and expected contributions	0	0	0	258,433
Changes in proportion and differences between employer contributions and proportionate share of contributions	34,894	0	0	0
Contributions paid subsequent to the measurement date –FY 2021 Contributions *	159,088	0	632,742	0
Totals	<u>\$ 372,807</u>	<u>\$ 164,874</u>	<u>\$ 1,363,656</u>	<u>\$ 1,007,851</u>

* Amounts reported as deferred outflows of resources related to pensions resulting from the employer’s contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the year ended June 30, 2023.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in Pension Expense as follows:

Year Ended June 30	PERS	TRS
	Amount of Deferred	
	Outflows (Inflows) to be Recognized as an Increase (Decrease) to Pension Expense	
2023	\$ 19,316	\$ 13,820
2024	(49,780)	(235,343)
2025	(71,387)	(507,050)
2026	150,696	451,637
Thereafter	0	0

13. g. EMPLOYER’S PROPORTION OF PENSION AMOUNTS

	PERS	TRS	Employer’s Total Pension Amounts
	Employer’s Proportionate Share	Employer’s Proportionate Share	
Total Pension Liability	\$ 8,550,084	\$ 27,890,418	\$ 36,440,502
Fiduciary Net Position	<u>6,297,992</u>	<u>19,692,342</u>	<u>25,990,334</u>
Net Pension Liability	2,252,092	8,198,076	10,450,168
Deferred Outflows of Resources	372,807	1,363,656	1,736,463
Deferred Inflows of Resources	164,874	1,007,851	1,172,725
Pension Expense	281,719	918,302	1,200,021

NOTE 14. SPECIAL EDUCATION COOPERATIVE

The School District is a member of the Central Montana Learning Resource Center Cooperative (the Cooperative), a Special Education Cooperative. The financial records of the Cooperative are prepared and maintained by the Cooperative Clerk. The financial records of the Cooperative are separate from those of the School District, and the financial statements of the Cooperative are not included in the School Districts’ financial statements. The Cooperative’s financial statements are audited separately from those of the School District. All revenue received, including federal, state, or other types of grant payments, and the financial support provided by each of the Cooperative’s members are deposited into the Cooperative’s funds, which are maintained in the custody

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

of the Fergus County Treasurer. The Superintendent of Public Instruction may directly deposit to the Cooperative the state and federal portion of any participating member School District's budgeted costs for contracted special education services. All capital assets of the Cooperative are included in the Cooperative's financial statements.

A Joint Board of Directors governs the Cooperative. The Joint Board has the power to set policies, enter into contracts, review the performance of the Cooperative annually, review the fiscal management of the Cooperative annually, and set and approve the annual fiscal budget of the Cooperative.

During fiscal year ended June 30, 2023, the School District paid fees to the Cooperative amounting to \$56,196.

NOTE 15. JOINT VENTURE AGREEMENTS

Joint ventures are legal entities or other organizations that result in a contractual arrangement and that are owned, operated, or governed by two or more participants. Each participant retains both an ongoing financial interest and an ongoing fiscal responsibility.

15. a. MULTIDISTRICT COOPERATIVE

Section 20-3-363, MCA allows for the creation of a multidistrict cooperative between any School District and other public entities under Title 20, Chapter 9 Part 7, MCA. The parties in a multidistrict cooperative may mutually agree to perform any services, activities, and undertakings of the participants and provide for the joint funding and operation and maintenance of all participants in the agreement.

15. a. 1. TECHNICAL SUPPORT

The School District was a party to an agreement with other public entities to provide technical support services to each participating school district and cooperative. The high school District is the designated prime agency and is responsible for the financial administration of the multidistrict cooperative. The activity of the multidistrict cooperative is accounted for in fund 82 of the high school District.

15. a. 2. INTERLOCAL AGREEMENT FUND

The School District was a party to an agreement with the elementary and high school Districts for the purpose of jointly purchasing/paying for salaries, technology, curriculum, utilities and supplies for the participating districts. The high school District is the designated prime agency and is responsible for the financial administration of the multidistrict cooperative. The activity of the multidistrict cooperative is accounted for in fund 82 of the high school District. During fiscal year ended June 30, 2023 the elementary and high school General funds transferred \$96,607 and \$38,795, respectively, into the high school's Interlocal Agreement fund.

NOTE 16. FOUNDATION ENDOWMENT

The School District has an endowment from the Evelyn Eccles Foundation. The objective of the foundation was to assist ambitious youth attain worthwhile heights of accomplishment through higher education. At June 30, 2023, the endowment fund amounted to \$119,288 and there was one outstanding loan balance amounting to \$5. The School District administers the endowment in accordance with the endowment directives as follows:

- At the end of each school year, the School District's Board of Trustees may "select from the graduating class a student or students, male or female, who have best demonstrated his/her ability to conduct scientific research of any kind or character which looks to the advancement of the best interests of society" and provide a loan from the fund to aid in their securing higher education.
- If a student is selected, the Board of Trustees will determine an amount of the loan "sufficient to materially aid and enable students to attend an institution of higher learning." A no interest promissory note will be executed which shall become due and payable at such time as may be arranged, but not in excess of ten years after the loan agreement has been made.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended June 30, 2023

NOTE 17. CITY OF LEWISTOWN

The School District and the City of Lewistown (City) were parties to two agreements:

- School Resources Officer (SRO). The City assigned a police officer to act as an SRO to the School District for the purpose of aiding in the support of safe schools and learning environments. For the year ending June 30, 2023, the School District payment to the City under this agreement amounted to \$50,778.
- Use of the Lewistown Civic Center. The City provided access to the Lewistown Civic Center for activities such as basketball, volleyball, softball, soccer, floor hockey, superstars, badminton, snowshoeing, roller-skating, cross-country skiing, and table tennis. For the year ending June 30, 2023, the School District payment to the City under this agreement amounted to \$5,777.

LEWISTOWN SCHOOL DISTRICT NO. 1

SCHEDULE OF FUNDING PROGRESS
Other Postemployment Benefits Other Than Pensions
For the year ended June 30, 2023

CHANGE IN LIABILITY

Fiscal Year End	Service Cost (a)	Interest (b)	Changes in Benefit Terms (c)	Changes in Assumptions or Other Inputs (d)	Benefit Payments (e)	Net Change in Total OPEB Liability Sum of (a) to (e)=(f)	Total OPEB Liability Beginning (g)	Total OPEB Liability Ending (f)+(g)=(h)
6/30/18	\$ 263,917	\$ 16,658	\$ 0	\$ 2,330,713	\$ (77,880)	\$ 2,677,408	\$ 1,392,046	\$ 4,069,454
6/30/19	271,452	147,140	0	325,669	(113,183)	631,078	4,069,454	4,700,532
6/30/20	311,070	175,965	(462,123)	925,660	(75,421)	875,151	4,700,532	5,575,683
6/30/21	401,496	151,223	0	348,515	(87,652)	813,582	5,575,683	6,389,265
6/30/22	391,950	152,719	(3,097,464)	(1,254,595)	(107,595)	(3,914,985)	6,389,265	2,474,280
6/30/23	173,849	105,626	0	0	(41,631)	237,844	2,474,280	2,712,124

PAYROLL RATIO

Fiscal Year End	Covered Employee Payroll (i)	Total OPEB Liability as a Percentage of Covered Employee Payroll (h)/(i)=(j)
6/30/18	\$ 5,903,289	68.94%
6/30/19	6,124,663	76.75%
6/30/20	5,669,468	98.35%
6/30/21	5,867,899	108.89%
6/30/22	4,510,124	54.86%
6/30/23	4,510,124	54.86%

These schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

LEWISTOWN SCHOOL DISTRICT NO. 1

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 (Determined as of the measurement date)
 For the year ended June 30, 2023

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Year Ended June 30:	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability Associated with the Employer (a)	State of Montana's Proportionate Share of the Net Pension Liability Associated with the Employer (b)	Total (a)+(b)=(c)	Employer's Covered Payroll (d)	Employer's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll (a)/(d)	Plan Fiduciary Net Position as a Percent- age of the Total Pen- sion Liability
2014	0.139359%	\$ 1,736,425	\$ 81,172	\$ 1,817,597	\$ 1,632,445	111.22%	79.87%
2015	0.138464%	1,935,544	90,951	2,026,495	1,670,709	115.85%	78.40%
2016	0.141463%	2,409,599	112,614	2,522,214	1,751,664	137.56%	74.71%
2017	0.135932%	2,647,456	121,958	2,769,414	1,742,460	151.94%	73.75%
2018	0.101152%	2,111,191	777,302	2,888,492	1,718,275	122.87%	73.47%
2019	0.099006%	2,069,528	738,330	2,807,857	1,686,719	122.70%	73.85%
2020	0.095447%	2,518,106	872,315	3,390,421	1,656,550	152.01%	68.90%
2021	0.089402%	1,621,057	528,167	2,149,224	1,620,783	100.02%	79.91%
2022	0.094710%	2,252,092	743,271	2,995,363	1,701,023	132.40%	73.66%

TEACHERS RETIREMENT SYSTEM

Year Ended June 30:	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability Associated with the Employer (a)	State of Montana's Proportionate Share of the Net Pension Liability Associated with the Employer (b)	Total (a)+(b)=(c)	Employer's Covered Payroll (d)	Employer's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll (a)/(d)	Plan Fiduciary Net Position as a Percent- age of the Total Pen- sion Liability
2014	0.4362%	\$ 6,712,796	\$ 4,599,979	\$ 11,312,755	\$ 5,501,106	122.03%	70.36%
2015	0.4441%	7,296,596	4,891,615	12,188,211	5,537,456	131.77%	69.30%
2016	0.4424%	8,081,164	5,267,725	13,348,889	5,651,304	143.00%	66.69%
2017	0.4434%	7,476,217	4,745,760	12,221,977	5,848,407	127.83%	70.09%
2018	0.4363%	8,099,052	5,034,660	13,133,712	5,828,310	138.96%	69.09%
2019	0.4311%	8,312,421	5,033,409	13,345,830	5,851,796	142.05%	68.64%
2020	0.4321%	9,718,822	5,746,200	15,465,022	5,946,911	163.43%	64.95%
2021	0.4259%	7,055,923	4,025,645	11,081,568	6,066,716	116.31%	75.54%
2022	0.4168%	8,198,076	4,527,254	12,725,330	6,118,452	133.99%	70.61%

These schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

LEWISTOWN SCHOOL DISTRICT NO. 1

SCHEDULE OF CONTRIBUTIONS TO MONTANA RETIREMENT SYSTEMS
(Determined as of the reporting date)
For the year ended June 30, 2023

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Year Ended June 30:	Contractually Required Contributions (a)	Plan Choice Rate Required Contribution (b)	Contributions in Relation to Contractually Required Contributions (c)	Contribution Deficiency (Excess) (a)+(b)- (c)=(d)	Employer's Covered Payroll (e)	Contributions as a Percentage of Covered Payroll ((a)+(b))/(e)
2015	\$ 133,157	\$ 478	\$ 133,635	\$ 0	\$ 1,670,709	8.00%
2016	141,634	295	141,929	0	1,751,664	8.10%
2017	141,142	0	141,142	0	1,742,460	8.10%
2018	140,899	0	140,899	0	1,718,275	8.20%
2019	140,499	0	140,499	0	1,686,719	8.33%
2020	140,308	0	140,308	0	1,656,550	8.47%
2021	139,946	0	139,946	0	1,620,783	8.63%
2022	148,027	0	148,027	0	1,701,023	8.70%
2023	159,088	0	159,088	0	1,828,596	8.70%

TEACHERS RETIREMENT SYSTEM

Year Ended June 30:	Contractually Required Contributions (a)	Contributions in Relation to Contractually Required Contributions (b)	Contribution Deficiency (Excess) (a)-(b)=(c)	Employer's Covered Payroll (d)	Contributions as a Percentage of Cov- ered Payroll (a)/(d)
2015	\$ 520,550	\$ 520,550	\$ 0	\$ 5,537,456	9.40%
2016	601,312	601,312	0	5,651,304	10.64%
2017	592,541	592,541	0	5,848,407	10.13%
2018	553,234	553,234	0	5,828,310	9.49%
2019	553,772	553,772	0	5,851,796	9.46%
2020	604,525	604,525	0	5,946,911	10.17%
2021	594,700	594,700	0	6,066,716	9.80%
2022	589,367	589,367	0	6,118,452	9.63%
2023	632,742	632,742	0	6,583,551	9.61%

These schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND
SCHEDULE OF CONTRIBUTIONS TO MONTANA RETIREMENT SYSTEMS
(As of Measurement Date)
For the year ended June 30, 2023

NOTE 1. PUBLIC EMPLOYEE RETIREMENT SYSTEM

1. a. CHANGES OF BENEFIT TERMS

The following changes to the Public Employee Retirement System (PERS) plan provision were made as identified:

2017:

Working Retiree Limitations – for PERS

Effective July 1, 2017, if a PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations.

Refunds

- 1) Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
- 2) Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- 3) Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

Interest credited to member accounts

Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

Lump-sum payouts

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

Disabled PERS Defined Contribution (DC) Members

PERS members hired after July 1, 2011 have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who became disabled were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disabled members hired prior to July 1, 2011 who have a normal retirement age of 60 and are eligible for a disability benefit until age 65.

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

The following actuarial assumptions and methods were used to determine contribution rates reported for fiscal year ending June 30, 2022, which were based on the results of the June 30, 2021 actuarial valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.65%
*Includes inflation at	2.75%
Merit salary increase	0.00% to 8.47%
Asset valuation method	Four-year smoothed market
Actuarial cost method	Entry age Normal
Amortization method	Level percentage of payroll, open
Remaining amortization period	30 years

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND
 SCHEDULE OF CONTRIBUTIONS TO MONTANA RETIREMENT SYSTEMS (continued)
 (As of Measurement Date)
 For the year ended June 30, 2023

Mortality (Healthy members)	For Males and Females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (Disabled members)	For Males and Females: RP 2000 Combined Mortality Table, with no projections
Admin Expense as % of Payroll	0.29%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.

The actuarial assumptions and methods utilized in the June 30, 2021 valuation, were developed in the six year experience study for the period ending 2016.

NOTE 2. TEACHERS' RETIREMENT SYSTEM

2. a. CHANGES OF BENEFIT TERMS

The following changes to the Teachers' Retirement System (TRS) plan provisions were made as identified:

The 2013 Montana Legislature passed HB 377 which provides additional revenue and created a two tier benefit structure. A Tier One Member is a person who first became a member before July 1, 2013 and has not withdrawn their member's account balance. A Tier Two Member is a person who first becomes a member on or after July 1, 2013 or after withdrawing their member's account balance, becomes a member again on or after July 1, 2013.

The second tier benefit structure for members hired on or after July 1, 2013 is summarized below.

- (1) **Final Average Compensation:** average of earned compensation paid in five consecutive years of full-time service that yields the highest average
- (2) **Service Retirement:** Eligible to receive a service retirement benefit if the member has been credited with at least five full years of creditable service and has attained the age of 60; or has been credited with 30 or more years of full-time or part-time creditable service and has attained age 55
- (3) **Early Retirement:** Eligible to receive an early retirement allowance if a member is not eligible for service retirement but has at least five years of creditable service and attained age 55
- (4) **Professional Retirement Option:** if the member has been credited with 30 or more years of service and has attained the age of 60 they are eligible for an enhanced allowance equal to 1.85% of average final compensation times all service at retirement. Otherwise, the multiplier used to calculate the retirement allowance will be equal to 1.67%
- (5) **Annual Contribution:** 8.15% of member's earned compensation
- (6) **Supplemental Contribution Rate:** On or after July 1, 2023, the TRS Board may require a supplemental contribution up to 0.5% if the following three conditions are met:
 - a. The average funded ratio of the System based on the last three annual actuarial valuations is equal to or less than 80%; and
 - b. The period necessary to amortize all liabilities of the System based on the latest annual actuarial valuation is greater than 20 years; and
 - c. A State or employer contribution rate increase or a flat dollar contribution to the Retirement System Trust fund has been enacted that is equivalent to or greater than the supplemental contribution rate imposed by the TRS Board.
- (7) **Disability Retirement:** A member will not be eligible for a disability retirement if the member is or will be eligible for a service retirement on the date of termination
- (8) **Guaranteed Annual Benefit Adjustment (GABA):**
 - a. If the most recent actuarial valuation shows that Retirement System liabilities are at least 90% funded and the provision of the increase is not projected to cause the System's liabilities to be less than 85% funded, the GABA may increase from the 0.5% floor up to 1.5%, as set by the Board.

HB 377 increased revenue from the members, employers and the State as follows:

- Annual State contribution equal to \$25 million paid to the System in monthly installments.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND
SCHEDULE OF CONTRIBUTIONS TO MONTANA RETIREMENT SYSTEMS (continued)

(As of Measurement Date)

For the year ended June 30, 2023

-
- One-time contribution payable to the Retirement System by the trustees of a school district maintaining a retirement fund. The one-time contribution to the Retirement System shall be the amount earmarked as an operating reserve in excess of 20% of the adopted retirement fund budget for the fiscal year 2013. The amount received was \$22 million in FY 2014.
 - 1% supplemental employer contribution. This will increase the current employer rates:
 - School Districts contributions will increase from 7.47% to 8.47%
 - The Montana University System and State Agencies will increase from 9.85% to 10.85%.
 - The supplemental employer contribution will increase by 0.1% each fiscal year for fiscal year 2014 thru fiscal year 2024. Fiscal years beginning after June 30, 2024 the total supplemental employer contribution will be equal to 2%.
 - Members hired prior to July 1, 2013 (Tier 1) under HB 377 are required to contribute a supplemental contribution equal to an additional 1% of the member's earned compensation.
 - Each employer is required to contribute 9.85% of total compensation paid to all re-employed TRS retirees employed in a TRS reportable position to the System.

Changes in actuarial assumptions and other inputs:

The following changes to the actuarial assumptions were adopted in 2022:

- The discount rate was increased from 7.06% to 7.30%.
- The investment rate of return assumption was increased from 7.06% to 7.30%.
- The inflation rate was increased from 2.40% to 2.75%.
- Updated all mortality tables to the PUB-2010 tables for teachers.
- Updated the rates of retirement and termination.
- Updated the salary scale merit rates.

The following changes to the actuarial assumptions were adopted in 2021:

- The discount rate was lowered from 7.34% to 7.06%.
- The investment rate of return assumption was lowered from 7.34% to 7.06%.
- The following changes to the actuarial assumptions were adopted in 2020:
 - The discount rate was lowered from 7.50% to 7.34%.
 - The investment rate of return assumption was lowered from 7.50% to 7.34%.
 - The inflation rate was reduced from 2.50% to 2.40%.

The following changes to the actuarial assumptions were adopted in 2019:

- The Guaranteed Annual Benefit Adjustment (GABA) for Tier Two members is a variable rate between 0.50% and 1.50% as determined by the Board. Since an increase in the amount of the GABA is not automatic and must be approved by the Board, the assumed increase was lowered from 1.50% to the current rate of 0.50% per annum.

The following changes to the actuarial assumptions were adopted in 2018:

- Assumed rate of inflation was reduced from 3.25% to 2.50%
- Payroll growth assumption was reduced from 4.00% to 3.25%
- Investment return assumption was reduced from 7.75% to 7.50%.
- Wage growth assumption was reduced from 4.00% to 3.25%
- Mortality among contributing members, service retired members, and beneficiaries was updated to the following:
 - For Males and Females: RP-2000 Healthy Combined Mortality Table projected to 2022 adjusted for partial credibility setback for two years.
 - The tables include margins for mortality improvement which is expected to occur in the future.
- Mortality among disabled members was updated to the following:
 - For Males: RP 2000 Disabled Mortality Table, set back three years, with mortality improvements projected by Scale BB to 2022.
 - For Females: RP 2000 Disabled Mortality Table, set forward two years, with mortality improvements projected by Scale BB to 2022.
- Retirement rates were updated
- Termination rates were updated

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND
 SCHEDULE OF CONTRIBUTIONS TO MONTANA RETIREMENT SYSTEMS (continued)
 (As of Measurement Date)
 For the year ended June 30, 2023

- Rates of salary increases were updated

The following changes to the actuarial assumptions were adopted in 2016:

- The normal cost method has been updated to align the calculation of the projected compensation and the total present value of plan benefits so that the normal cost rate reflects the most appropriate allocation of plan costs over future compensation.

The following changes to the actuarial assumptions were adopted in 2015:

- Correctly reflect the proportion of members that are assumed to take a refund of contributions upon termination and appropriately reflect the three year COLA deferral period for Tier 2 Members.
- The 0.63% load applied to the projected retirement benefits of the university members “to account for larger than average annual compensation increases observed in the years immediately preceding retirement” is not applied to benefits expected to be paid to university members on account of death, disability and termination (prior to retirement eligibility).
- The actuarial valuation was updated to reflect the assumed rate of retirement for university members at age 60 is 8.50% as stated in the actuarial valuation report.
- The actuarial valuation was updated to reflect the fact that vested terminations are only covered by the \$500 death benefit for the one year following their termination and, once again when the terminated member commences their deferred retirement annuity (they are not covered during the deferral period). Additionally, only the portion of the terminated members that are assumed to “retain membership in the System” are covered by the \$500 death benefit after termination.

The following changes to the actuarial assumptions were adopted in 2014:

- Assumed rate of inflation was reduced from 3.50% to 3.25%
- Payroll Growth Assumption was reduced from 4.50% to 4.00%
- Assumed real wage growth was reduced from 1.00% to 0.75%
- Investment return assumption was changed from net of investment and administrative expenses to net of investment expenses only.
- Mortality among contributing members, service retired members, and beneficiaries was updated to the following:
 - For Males: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back four years, with mortality improvements projected by Scale BB to 2018.
 - For Females: RP 2000 Healthy Annuitant Mortality Table for ages 50 and above and the RP 2000 Combined Healthy Annuitant Mortality Table for ages below 50, set back two years, with mortality improvements projected by Scale BB to 2018.
- Mortality among disabled members was updated to the following:
 - For Males: RP 2000 Disabled Mortality Table for Males, set forward one year, with mortality improvements projected by Scale BB to 2018.
 - For Females: RP 2000 Disabled Mortality Table for Females, set forward five years, with mortality improvements projected by Scale BB to 2018.

Method and assumptions used in calculations of actuarially determined contributions:

Actuarial cost method	Entry age
Amortization method	Level percentage of pay, open
Remaining amortization period	24 years
Asset valuation method	4-year smoothed market
Inflation	2.50 percent
Salary increase	3.25 to 7.76 percent, including inflation for Non-University Members and 4.25% for University Members;
Investment rate of return	7.50 percent, net of pension plan investment expense, and including inflation

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 Budget and Actual
 ALL BUDGETED MAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2023

	General (Elem)			Flexibility (Elem)		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
REVENUES:						
District Levies	\$ 1,848,015	\$ 1,848,015	\$ 1,887,109	\$ -	\$ -	\$ -
Interest	3,003	3,003	3,886	500	500	635
Other	-	-	-	-	-	2,400
State	5,167,854	5,167,854	5,167,854	7,134	7,134	7,134
Total Revenues	<u>7,018,872</u>	<u>7,018,872</u>	<u>7,058,849</u>	<u>7,634</u>	<u>7,634</u>	<u>10,169</u>
EXPENDITURES:						
Current:						
Instructional Services			4,142,540			492
Support Services - Students			170,940			-
Support Services - Instructional			186,583			-
General Administrative Services			1,242,649			-
Operation and Maintenance Services			910,412			-
Transportation Services			-			-
School Food Services			112,569			-
Extracurricular			74,991			-
Capital Outlay			12,893			-
Intergovernmental			39,689			-
Total Expenditures	<u>7,018,872</u>	<u>7,018,872</u>	<u>6,893,266</u>	<u>120,462</u>	<u>120,462</u>	<u>492</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>165,583</u>	<u>(112,828)</u>	<u>(112,828)</u>	<u>9,677</u>
OTHER FINANCING SOURCES (USES):						
Fund Transfers (Out)			(96,607)			-
Total Other Financial Sources (Uses)	<u>-</u>	<u>-</u>	<u>(96,607)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	68,976	(112,828)	(112,828)	9,677
FUND BALANCE:						
Beginning of the Year			634,660			112,828
End of the Year			<u>\$ 703,636</u>			<u>\$ 122,505</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 Budget and Actual
 ALL BUDGETED MAJOR GOVERNMENTAL FUNDS
 For the Year Ended June 30, 2023

	General (HS)			Flexibility (HS)		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
REVENUES:						
District Levies	\$ 1,035,490	\$ 1,035,490	\$ 1,060,203	\$ -	\$ -	\$ -
Interest	1,234	1,234	1,938	500	500	1,029
Other	-	-	-	-	-	1,200
State	2,315,758	2,315,758	2,315,759	19,376	19,376	19,376
Total Revenues	<u>3,352,482</u>	<u>3,352,482</u>	<u>3,377,900</u>	<u>19,876</u>	<u>19,876</u>	<u>21,605</u>
EXPENDITURES:						
Current:						
Instructional Services			1,637,396			22,710
Support Services - Students			113,793			-
Support Services - Instructional			98,514			-
General Administrative Services			637,773			-
Operation and Maintenance Services			534,051			-
Transportation Services			33,628			-
School Food Services			10,575			-
Extracurricular			202,393			-
Capital Outlay			21,037			-
Intergovernmental			14,507			-
Total Expenditures	<u>3,352,482</u>	<u>3,352,482</u>	<u>3,303,667</u>	<u>196,843</u>	<u>196,843</u>	<u>22,710</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>74,233</u>	<u>(176,967)</u>	<u>(176,967)</u>	<u>(1,105)</u>
OTHER FINANCING SOURCES (USES):						
Fund Transfers (Out)			(38,795)			-
Total Other Financial Sources (Uses)	<u>-</u>	<u>-</u>	<u>(38,795)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>35,438</u>	<u>(176,967)</u>	<u>(176,967)</u>	<u>(1,105)</u>
FUND BALANCE:						
Beginning of the Year			302,417			176,967
End of the Year			<u>\$ 337,855</u>			<u>\$ 175,862</u>

The accompanying NOTES TO THE FINANCIAL STATEMENTS are an integral part of these statements.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For the year ended June 30, 2023

NOTE 1. BUDGETS

Budgets were adopted in accordance with Montana budget laws which are consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets were adopted for the following:

- General fund
- Budgeted special revenue funds
 - Transportation
 - Bus Depreciation
 - Tuition
 - Retirement
 - Adult Education
 - Technology
 - Flexibility
- Debt Service funds
- Budgeted capital project funds
 - Building Reserve

All annual appropriations lapsed at fiscal year-end, unless Lewistown School District No. 1 (School District) elected to encumber supplies and personal property ordered but not received at year end.

1. a. GENERAL BUDGET POLICIES

The School District's funds were either budgeted or non-budgeted in accordance with Montana statutes. Budgeted funds are those for which a legal budget must be adopted to have expenditures as noted above. All other funds were non-budgeted, meaning a legal budget is not required in order to have expenditures. The Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual was prepared on the modified accrual basis of accounting and contains financial information for only the major general and special revenue fund budgeted funds.

- The Debt Service fund was a major fund but was not included because it is *not a special revenue fund*.
- The elementary Building fund was a major fund but was not included because it was a *non-budgeted fund and not a special revenue fund*.

1. b. BUDGET OPERATIONS

The School District operated within the budget requirements for School Districts as specified by Montana law. The financial report reflected the following budgetary standards:

- By the second Monday in July, the Fergus County (County) Assessor transmits a statement of the assessed valuation and taxable valuation of all property in the School District's borders.
- Before the fourth Monday in July, the County Superintendent estimates the revenue required for each fund.
- Before the fourth Monday in August, the Board of Trustees (Board) must meet to legally adopt the final budget. The final budget for the General fund is fund total only.
- Once adopted, the budget can be amended by subsequent Board action. An increase of the total budget of a given fund requires the adoption of an amended budget in accordance with Montana statutes. Montana statutes prohibit the expenditures of a budgeted fund to exceed the adopted budget.
- At the end of a fiscal year, unencumbered appropriations lapse unless specifically obligated by the School District.

NOTE 2. BUDGET AMENDMENTS

The original budgets were not amended so the original budget and the final budget are the same.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO THE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (continued)
 For the year ended June 30, 2023

NOTE 3. COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - ALL SUB-FUNDS OF THE GENERAL FUND

	Sub-funds						Interlocal Agreement (HS)	Internal Balances Adjustments	Total General Fund
	General (Elem)	Metal Mines Tax Reserve (Elem)	Flexibility (Elem)	General (HS)	Metal Mines Tax Reserve (HS)	Flexibility (HS)			
REVENUES:									
District Levies	\$1,887,109	\$ -	\$ -	\$1,060,203	\$ -	\$ -	\$ -	\$ -	\$2,947,312
Interest	3,886	517	635	1,938	985	1,029	7,578	-	16,568
Charges for Services	-	-	-	-	-	-	221,507	-	221,507
Other	-	-	2,400	-	-	1,200	-	-	3,600
State	<u>5,167,854</u>	-	<u>7,134</u>	<u>2,315,759</u>	-	<u>19,376</u>	-	-	<u>7,510,123</u>
Total Revenues	7,058,849	517	10,169	3,377,900	985	21,605	229,085	-	10,699,110
EXPENDITURES:									
Current:									
Instructional Services	4,142,540	-	492	1,637,396	-	22,710	25,764	-	5,828,902
Support Services - Students	170,940	-	-	113,793	-	-	-	-	284,733
Support Services - Instructional	186,583	-	-	98,514	-	-	1,583	-	286,680
General Administrative Services	1,242,649	-	-	637,773	-	-	168,086	-	2,048,508
Operation and Maintenance Services	910,412	-	-	534,051	-	-	-	-	1,444,463
Transportation Services	-	-	-	33,628	-	-	-	-	33,628
School Food Services	112,569	-	-	10,575	-	-	-	-	123,144
Extracurricular	74,991	-	-	202,393	-	-	-	-	277,384
Community Services	-	-	-	-	-	-	1,973	-	1,973
Capital Outlay	12,893	-	-	26,146	-	-	7,800	-	46,839
Intergovernmental	<u>39,689</u>	-	-	<u>14,507</u>	-	-	-	-	<u>54,196</u>
Total Expenditures	<u>6,893,266</u>	-	<u>492</u>	<u>3,308,776</u>	-	<u>22,710</u>	<u>205,206</u>	-	<u>10,430,450</u>
Excess (Deficiency) of Revenues Over Expenditures	165,583	517	9,677	69,124	985	(1,105)	23,879	-	268,660
OTHER FINANCING SOURCES (USES):									
Fund Transfers In	-	-	-	-	-	-	135,402	(135,402)	-
Fund Transfers (Out)	<u>(96,607)</u>	-	-	<u>(38,795)</u>	-	-	-	<u>135,402</u>	-
Total Other Financial Sources (Uses)	<u>(96,607)</u>	-	-	<u>(38,795)</u>	-	-	<u>135,402</u>	-	-
Net Change in Fund Balance	68,976	517	9,677	30,329	985	(1,105)	159,281	-	268,660
FUND BALANCE:									
Beginning of the Year	<u>634,660</u>	<u>97,501</u>	<u>112,828</u>	<u>307,526</u>	<u>180,301</u>	<u>176,967</u>	<u>1,396,554</u>	-	<u>2,906,337</u>
End of the Year - GAAP Basis	<u>703,636</u>	<u>98,018</u>	<u>122,505</u>	<u>337,855</u>	<u>181,286</u>	<u>175,862</u>	<u>1,555,835</u>	-	<u>\$3,174,997</u>
End of the Year - Budget Basis	<u>\$ 703,636</u>	<u>\$ 98,018</u>	<u>\$ 122,505</u>	<u>\$ 337,855</u>	<u>\$ 181,286</u>	<u>\$ 175,862</u>	<u>\$ 1,555,835</u>	<u>\$ -</u>	

In the General sub-funds combining schedule above, the elementary and high school General funds, elementary and high school Metal Mines Tax Reserve funds, elementary and high school Flexibility funds, and high school Interlocal Agreement fund were added together to get to the aggregate General fund shown as a major fund on the *Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds*. The elementary and high school Metal Mines Tax Reserve funds, elementary and high school Flexibility funds and high school Interlocal Agreement fund were maintained as separate funds for accounting purposes. However, for external financial reporting purposes, they were added to the General fund because they, like the General fund, had unassigned fund balance(s).

On the Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual, all budgeted major governmental funds displayed budgeted information for the General and major special revenue funds of the School District. The above General sub-funds displayed budget and actual information, except for the following:

- Elementary and high school Metal Mines Tax Reserve funds, and
- High school Interlocal Agreement fund which were non-budgeted funds.

LEWISTOWN SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENSES, AND BALANCES
STUDENT ACTIVITY FUNDS
For the year ended June 30, 2023

Activity	Beginning Balance 7/1/2022	Revenues	Expenses	Ending Balance 6/30/2023
ANNUAL	\$ 3,537	\$ 7,805	\$ 6,776	\$ 4,566
AP TESTING	9,610	6,014	5,541	10,083
BAND	454	3,196	3,300	350
BPA	1,881	16,395	15,157	3,119
CT MT MENTORS	221	-	-	221
CHEERLEADERS	3,299	8,971	6,682	5,588
NHS/CLAWS	-	765	563	202
CONCESSIONS	5,691	17,687	17,445	5,933
EAGLE RENAISSANCE	2,329	-	396	1,933
FCLUB	2,455	18,090	1,009	19,536
FFA	3,684	41,417	39,654	5,447
FCCLA	4,027	10,039	7,445	6,621
OUTDOOR CLUB	1,038	-	-	1,038
SPANISH CLUB	4,412	4,307	5,777	2,942
HOW CLUB	143	-	-	143
VICA/SKILLS USA	436	-	-	436
KEY CLUB	1,842	1,117	2,457	502
ART CLUB	2,026	-	-	2,026
SCIENCE CLUB	1,726	950	1,742	934
SKI CLUB	2,135	6,720	7,322	1,533
STUDENT COUNCIL	9,935	11,775	12,547	9,163
DRAMA CLUB	1,081	-	-	1,081
TROPHY	2,239	-	-	2,239
VOCAL MUSIC	161	3,248	3,372	37
DIST. 8 MUSIC FESTIVAL	3,714	3,031	3,524	3,221
WEIGHT CLUB	205	-	-	205
AP GOVT	746	-	-	746
CAREER FAIR	2,002	-	-	2,002
EAGLE WEAR	2,526	-	-	2,526
MODEL UN	35	-	-	35
LEADERSHIP	258	-	-	258
ASTRONOMY CLUB	236	-	-	236
GAY-STRAIGHT ALLIANCE	309	604	740	173
CLASS OF 2022	32	-	-	32
CLASS OF 2023	5,827	-	3,415	2,412
CLASS OF 2024	165	18,641	12,321	6,485
CLASS OF 2025	24	-	-	24
CLASS OF 2026	-	530	-	530
SCHOOL SPONSORED EXTRACU	719	232,177	215,467	17,429
GIRLS SOFTBALL/BOYS CROSS	24,600	1,492	39,180	(13,088)
Sub-total	\$ 105,760	\$ 414,971	\$ 411,832	\$ 108,899

LEWISTOWN SCHOOL DISTRICT NO. 1

SCHEDULE OF REVENUES, EXPENSES, AND BALANCES
 STUDENT ACTIVITY FUNDS (continued)
 For the year-ended June 30, 2023

Activity	Beginning Balance 7/1/2022	Revenues	Expenses	Ending Balance 6/30/2023
GENERAL ACTIVITIES	\$ 63,309	\$ 21,602	\$ 21,884	\$ 63,027
LC SERVICE COUNCIL	1,295	-	-	1,295
BUILDERS CLUB	168	-	-	168
CHEERLEADERS	1,057	4,718	5,086	689
CONSUMER TECH	720	1,573	1,311	982
FACS	869	1,308	1,244	933
BC, SC STORE	1,184	2,770	3,000	954
MUSIC	310	-	-	310
PHOTO CLUB	3,931	2,785	3,013	3,703
SERVICE LEARNING	270	-	-	270
SKI CLUB	3,417	8,635	-	12,052
STUDENT COUNCIL	819	231	7,039	(5,989)
NEWS	170	-	-	170
GIS CLUB	380	-	-	380
COMPUTER SERV LEARNING	129	-	-	129
FIELD TRIP/SKI DAY	858	-	-	858
ROBOTICS CLUB	439	-	-	439
SCIENCE OLYMPIAD	1	-	-	1
FISHERIES	350	55	274	131
	<u>350</u>	<u>55</u>	<u>274</u>	<u>131</u>
Total	<u>\$ 185,436</u>	<u>\$ 458,648</u>	<u>\$ 454,683</u>	<u>\$ 189,401</u>

LEWISTOWN SCHOOL DISTRICT NO. 1

SCHEDULE OF REPORTED ENROLLMENT

For the year ended June 30, 2023

Fall Enrollment – October 2021

	Full-time Students			Part-time Students					
	Reported	Audited	Variance	Less Than				Audited	Variance
				181 hours	359 hours	539 hours	719 hours		
<u>Elementary</u>									
Kindergarten	88	88	0	0	0	0	0	0	0
Grade 1 - 6	603	603	0	0	0	0	0	0	0
Grade 7 - 8	<u>197</u>	<u>197</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>3</u>	<u>0</u>
Total	<u>888</u>	<u>888</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>3</u>	<u>0</u>
<u>High School</u>									
Grade 9 - 12	<u>356</u>	<u>356</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
19-year old	0	0	0						
Youth Challenge	0	0	0						
Job Corps	0	0	0						
Early Graduates	0	0	0						

Spring Enrollment – February 2022

	Full-time Students			Part-time Students					
	Reported	Audited	Variance	Less Than				Audited	Variance
				181 hours	359 hours	539 hours	719 hours		
<u>Elementary</u>									
Kindergarten	89	89	0	0	0	0	0	0	0
Grade 1 - 6	596	596	0	0	0	0	0	0	0
Grade 7 - 8	<u>192</u>	<u>192</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>0</u>
Total	<u>877</u>	<u>877</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>0</u>
<u>High School</u>									
Grade 9 - 12	<u>351</u>	<u>351</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
19-year old	0	0	0						
Youth Challenge	0	0	0						
Job Corps	0	0	0						
Early Graduates	0	0	0						

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Fiscal Year Ended June 30, 2023

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
PASSED THROUGH MONTANA OFFICE OF PUBLIC INSTRUCTION				
National School Lunch Program (Donated Food) (fn2)	10.555	N/A	\$ -	\$ 42,149
National School Lunch Program (fn1)	10.555	N/A	-	328,120
Summer Food Service Program for Children	10.559	N/A	-	121,949
Child Nutrition Discretionary Grants Limited Availability	10.579	N/A	-	31,947
Total Child Nutrition Cluster			-	524,165
Total U.S. Department of Agriculture			\$ -	\$ 524,165
U.S. DEPARTMENT OF EDUCATION				
DIRECT:				
Rural Education	84.358		\$ -	\$ 13,068
PASSED THROUGH CENTRAL MONTANA LEARNING RESOURCE CENTER COOPERATIVE				
Special Education Grants to States	84.027		-	20,000
PASSED THROUGH MONTANA DEPARTMENT OF HEALTH & HUMAN SERVICES				
Rehabilitation Services Vocational Rehabilitation Grants to States	84.126		-	29,101
PASSED THROUGH MONTANA OFFICE OF PUBLIC INSTRUCTION				
Title I Grants to Local Education Agencies	84.010		-	467,012
Career and Technical Education -- Basic Grants to States	84.048		-	27,791
Special Education - State Personnel Development	84.323		-	6,402
American Rescue Plan (ARP) Act - Homeless	84.425W		-	8,578
Elementary and Secondary School Emergency Relief (ESSER) II	84.425D		-	119,553
ARP - ESSER III	84.425U		-	512,231
Total U.S. Department of Education			\$ -	\$ 1,203,736
Total Federal Financial Assistance			\$ -	\$ 1,727,901

The accompanying notes to the SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS are an integral part of this schedule.

LEWISTOWN SCHOOL DISTRICT NO. 1

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of LEWISTOWN School District No. 1 (School District) under programs of the federal government for the fiscal year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of the Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the School District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting as used in the governmental financial statements. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget 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 Award*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3. INDIRECT COST RATE

The School District elected to use the 4.05 percent indirect cost rate certified for this district under the Uniform Guidance.

NOTE 4. FOOTNOTES

Fn1 – No separate funds or accounts maintained; the School District assumes first in first out for program money.
Fn2 – The value of commodities (revenues, expenses or inventory) are not displayed in the basic financial statements.
N/A – Not applicable/available.

LEWISTOWN SCHOOL DISTRICT NO. 1

SCHEDULE OF OTHER INFORMATION FOR GENERAL OBLIGATION BONDS
For the year ended June 30, 2023

School District No. 1 (Lewistown)
Fergus County, Montana
General Obligation School Building Bonds, Series 2022

ANNUAL FINANCIAL INFORMATION
Fiscal Year ended June 30, 2023

Base CUSIP/CUSIP-6 No: **314720**

COMPILED OPERATING DATA

(1) General Obligation Bonds Outstanding (Principal Amount): \$20,030,000

(2) Assessed/Market Valuation

AND

(3) Taxable Valuation:

Fiscal Year	Assessed/Market Valuation	Taxable Valuation
2021/22	\$892,543,541	\$14,248,842
2022/23	\$902,627,789	\$14,456,661

(4) The District's Enrollment (Current Year ANB):

School Year	K-8 Enrollment
2021/22	857
2022/23	898

(5) Tax Collections:

District's General Fund					
Fiscal Year	Tax Levy	Current Tax Collections	Current Collections as Percent of Levy	Total Tax Collections ¹	Total Collections as Percent of Levy ¹
2021/22	\$1,861,875	\$1,828,059	98.2%	\$1,864,488	100.1%
2022/23	\$1,848,015	\$1,803,460	97.6%	\$1,887,109	102.1%

¹ Total tax collections include delinquent taxes paid, penalty and interest collected.



STROM & ASSOCIATES, P.C.

Certified Public Accountants

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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

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Lewistown School District No. 1
Fergus County
Lewistown, Montana 59457

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 *Governmental 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 Lewistown School District No. 1 (School District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated January 10, 2024.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control 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 or significant deficiencies. However, material weaknesses may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of this Report

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

Strom & Associates, P.C.

STROM & ASSOCIATES, PC
Billings, Montana
January 10, 2024



STROM & ASSOCIATES, P.C.
Certified Public Accountants

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE *UNIFORM GUIDANCE*

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Lewistown School District No. 1
Fergus County
Lewistown, Montana 59457

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lewistown School District No. 1 (School District)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the School District's major federal programs for the year ended June 30, 2023. The School District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the School District complied, in all material respects, with the 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, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America (*Government Auditing Standards*); 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*). Our responsibilities under those standards and the *Uniform Guidance* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance requirements of law, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *Uniform Guidance* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *Uniform Guidance*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over , which 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 requirements 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.



STROM & ASSOCIATES, PC
Billings, Montana
January 10, 2024

LEWISTOWN SCHOOL DISTRICT NO. 1

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the year ended June 30, 2023

A. SUMMARY OF AUDITOR’S RESULTS

Financial Statements

1. The auditor, Strom & Associates, PC, has issued an unmodified opinion on Lewistown School District No. 1 (School District)’s financial statements as of and for the year ended June 30, 2023.
2. Our audit did not identify any material weaknesses relating to internal controls over financial reporting and its operation.
3. Our audit did not identify any significant deficiencies relating to internal controls over financial reporting and its operation.
4. Our audit did not identify any noncompliance which was material to the financial statements.

Federal Awards

5. Our audit did not identify any material weaknesses relating to internal controls over federal programs.
6. Our audit did not identify any significant deficiencies in internal controls over federal programs.
7. The auditor, Strom & Associates, PC, has issued an unmodified opinion on the School District’s compliance with major federal awards programs as of and for the year ended June 30, 2023.
8. The audit disclosed no audit findings which are required to be reported under section 200.516 of *Uniform Guidance*.
9. The major program for the School District for the year ended June 30, 2023, was:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.425 D, W, U	Elementary and Secondary School Emergency Relief

10. The threshold used to distinguish between Type A and Type B programs was \$750,000. The School District had no Type A programs.
11. The School District qualifies as a low risk auditee.

B. FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENTAL AUDITING STANDARDS

Prior year findings/status

There were no findings or recommendations in the prior audit period.

Current year findings

There were no findings or recommendations in the current audit period.

C. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

Prior year findings/status

The audit disclosed no findings or questioned costs relating to federal awards as defined in section 200.516 of *Uniform Guidance* for the prior fiscal year.

Current year findings

The audit disclosed no findings or questioned costs relating to federal awards as defined in section 200.516 of *Uniform Guidance* for the fiscal year ended June 30, 2023.

**LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana**

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

10

Minutes/Claims Board of Trustees Superintendent's Report Action – Consent
 Action – Indiv.

ITEM TITLE: REPORT—ELECTION INFORMATION

Requested By: Superintendent **Prepared By:** Rebekah Rhoades

SUMMARY:

Rebekah Rhoades, Business Manager/District Clerk, will report on the election calendar and procedures for 2023.

Attached are the Terms of Office Listing and the 2024 School Election Calendar.

Board members terms of office, that are due to expire in 2024 include: CJ Bailey and Zane Fulbright.

SUGGESTED ACTION: Informational

Additional Information Attached

NOTES:

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD MEMBERS TERMS OF OFFICE

As currently exists, Board members terms of office are as follows:

	Expire 2024	Expire 2025	Expire 2026
SCHOOL DISTRICT #1	CJ Bailey Zane Fulbright	Kevin Hodge Whitney Brady	Kris Birdwell John Carlson Lisa Koch

School District #1 -- Two (2) 3-Year Terms:

_____ 3-year term (to expire in 2027)

_____ 3-year term (to expire in 2027)

Declaration of Intent Filed for Nomination of School Board Trustee:

Spencer Walsh

**LEWISTOWN PUBLIC SCHOOLS
ELECTION HISTORY**

ELEMENTARY										
	1997	1998	1999	2000	2001	2002		2003	2004	2005
AMOUNT	\$268,571.05	\$169,267.06	\$165,301.94	\$27,075.62	NONE	\$29,997.63	\$46,533.25	\$15,336.91	\$31,500.00	\$98,000.00
MILLS	28.25	17.49	14.71	2.05			4.65	1.52		
FOR	560	569	497	510			786	661		
AGAINST	324	291	17	166			287	249		
PASS/FAIL	PASS	PASS	PASS	PASS		PASS	PASS	PASS	PASS	PASS
MAIL/POLL	POLL	POLL	POLL	POLL			POLL	POLL		
TYPE	GF LEVY	GF LEVY	GF LEVY	GF LEVY		TECH	GF LEVY	GF LEVY	TECH	BR LEVY (10YR)

ELEMENTARY										
	2006	2007	2008	2009	SPRING 2010	SEPTL 2010	2011	2012	2013	2014
AMOUNT	\$24,110.65	\$77,903.95	NONE	\$123,863.99	\$111,435.00	\$10,715,000.00	\$211,108.25	NONE	NONE	\$0.00
MILLS	2.09	7.23		10.88	9.48		17.49			0.00
FOR	703	689		478	958	1421	923			991
AGAINST	287	392		521	726	2143	1165			155
PASS/FAIL	PASS	PASS		FAIL	PASS	FAIL	FAIL			PASS
MAIL/POLL	POLL	POLL		POLL	POLL	MAIL	MAIL			POLL
TYPE	GF LEVY	GF LEVY		GF LEVY	GF LEVY	BOND	GF LEVY			BUS BARN LAND

ELEMENTARY										
	2015		2016	2017	2018	2019	2020	2021	2021	2022
AMOUNT	\$98,000.00	\$79,449.41	\$98,000.00	\$68,606.20	NONE	\$44,638.12	\$51,646.08	NONE	\$20,400,000.00	\$56,896.87
MILLS	8.33	6.58	8.17	5.54		3.46	3.82			3.99
FOR	1126	1157	845	966		1295	1576		1484	1112
AGAINST	1173	1146	542	703		1039	1052		1342	1193
PASS/FAIL	FAIL	PASS	PASS	PASS		PASS	PASS		PASS	FAIL
MAIL/POLL	MAIL	MAIL	POLL	POLL		MAIL	MAIL		MAIL	MAIL
TYPE	BR LEVY (10 YR)	GF LEVY	BR LEVY (10 YR)	GF LEVY		GF LEVY	GF LEVY		BOND	GF LEVY
	44%	44%	27%	32%		45%	51%		54%	44%

ELEMENTARY										
	2023									
AMOUNT	\$89,710.14									
MILLS	6.20									
FOR	1246									
AGAINST	1444									
PASS/FAIL	FAIL									
MAIL/POLL	MAIL									
TYPE	GF LEVY									
	52%									

HIGH SCHOOL										
	1997	1998	1999	2000	2001	2002		2003	2004	2005
AMOUNT	\$32,867.01	\$107,066.90	\$69,582.16	NONE	NONE	\$51,165.05	\$87,613.29	\$55,318.87	\$101.00	\$98,000.00
MILLS	2.62	8.59	5.70				8.09	5.07	9.37	
FOR	696	673	517				758	641	514	
AGAINST	449	490	18				325	272	289	
PASS/FAIL	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS
MAIL/POLL	POLL	POLL	POLL	POLL	POLL		POLL	POLL	POLL	
TYPE	GF LEVY	GF LEVY	GF LEVY	GF LEVY	GF LEVY	TECH	GF LEVY	GF LEVY	GF LEVY	BR LEVY (10YR)

HIGH SCHOOL										
	2006	2007	2008	2009	SPRING 2010	SEPTL 2010	2011	2012	2013	2014
AMOUNT	\$227,354.04	\$28,399.56	NONE	\$34,998.00	NONE	NONE	\$137,765.21	NONE	\$130,492.06	NONE
MILLS	19.93	2.44		2.85			10.58		9.68	
FOR	669	718		531			919		1486	
AGAINST	332	390		483			1201		1337	
PASS/FAIL	PASS	PASS		PASS			FAIL		PASS	
MAIL/POLL	POLL	POLL		POLL			MAIL		MAIL	
TYPE	GF LEVY	GF LEVY		GF LEVY			GF LEVY		GF LEVY	

HIGH SCHOOL										
	2015	2016	2017	2018	2019	2020	2021	2021	2022	2023
AMOUNT	\$98,000.00	\$98,000.00	NONE	NONE	NONE	\$44,713.54	NONE	\$8,600,000.00	NONE	NONE
MILLS	7.71	7.54				3.03				
FOR	1150	875				1589		1447		
AGAINST	1256	593				1168		1509		
PASS/FAIL	FAIL	PASS				PASS		FAIL		
MAIL/POLL	MAIL	POLL				MAIL		POLL		
TYPE	BR LEVY (10 YR)	BR LEVY (10 YR)				GF LEVY		BOND		
	44%	27%				50%		54%		

AS OF DECEMBER 2023:


ELEMENTARY:		
# ABSENTEE VOTERS	3356	73%
# POLL VOTERS	1217	27%
TOTAL # OF ACTIVE VOTERS	4573	
TOTAL # OF INACTIVE VOTERS	838	

HIGH SCHOOL:		
# ABSENTEE VOTERS	166	67%
# POLL VOTERS	82	33%
TOTAL # OF ACTIVE VOTERS	248	
TOTAL # OF INACTIVE VOTERS	28	

SCHOOL ELECTION CALENDAR 2024

Days From Election	Deadlines	Event (Special Instances Identified in Green)	MCA Citation
No earlier than 145 days, or later than 40 days before	Thursday, December 14 through Thursday, March 28	<p>Trustee candidates file for election. A Declaration of Intent and Oath of Candidacy must be filed with district clerk (regardless of who is running the election). NO CANDIDATE MAY APPEAR ON THE BALLOT UNLESS THE CANDIDATE MEETS THIS DEADLINE.</p> <p><i>Candidates must be registered to vote by the filing deadline (exception for candidates turning 18 after the filing deadline and prior to the election).</i></p>	13-10-201 20-3-305
At least 70 days before	Tuesday, February 27	<p>Trustees call for an election. The trustees must pass a resolution stating: 1) the date of the election; 2) the purpose of the election; 3) whether the election will be by mail or poll; 4) the voting locations and boundaries for each location, if there are multiple locations within a district (if changed from a previous school election the new locations must be specifically noted); and 5) the time the polls will open, if before noon. The trustees do NOT have to set levy amounts at this time; however, they must be set in time for the clerk to certify the ballot (not less than 30 days before the election). The resolution must be delivered to the county election administrator within 3 days of passage, but it need NOT be posted. The trustees must also appoint three election judges per precinct.</p> <ul style="list-style-type: none"> • Bond Elections are subject to additional requirements (see 20-9-422, MCA). • Request for a mail ballot election must be sent from trustees to the election administrator. Exception: Even if no request is received, the election administrator could decide to request a mail ballot election. 	13-19-202 13-19-203 20-9-422 20-20-201 20-20-203
At least 67 days before (within 3 days of passage of the election resolution)	Friday, March 1	<p>Last day to file resolutions for school election with county election administrator. To assist with the provisions of late registration, include the name and best contact number for the district’s election administrator with the resolution.</p>	20-20-201(2)(a)
At least 60 days before	Friday, March 8	<p>Election administrator sends mail ballot election plan/timetable/sample instructions to the Secretary of State's Office so that it is received by this deadline (e.g., fax, mail, or e-mail to SOS office (not post marked)). One plan must be submitted for each election. As soon as the plan (and any amendments are approved), forward a copy of the mail ballot plan to the county election administrator. Link to instructions: Mail Ballot Plan Timetable and Instructions</p>	13-19-205
4 weeks preceding the close of regular registration	Monday, March 11	<p>Notice of close of regular registration. The county election administrator publishes the notice of close of regular registration for school districts at least 3 times in the 4 weeks preceding the close of regular registration. Contact the county election administrator to coordinate that publication.</p>	13-2-301
Not later than 5pm the day before ballot certification	Thursday, April 4 (by 5 p.m.)	<p>Last day trustee candidates may withdraw from the election. Any candidate that has already filed for election, but wishes to withdraw their name, may do so by sending a statement of withdrawal to the election administrator.</p>	20-3-305(3)(a)
Not later than 5pm the day before ballot certification	Thursday, April 4 (by 5 p.m.)	<p>Deadline for write-in candidate for a trustee position on a school board to file Declaration of Intent (must be filed with the district clerk, regardless of who is running the election). <i>*Votes only count for write-in candidates who file a Declaration of Intent.</i></p>	20-3-305(2)(b)
No later than the 30th day before	Friday, April 5	<p>Deadline to notify election judges of appointment.</p>	13-4-101

Days From Election	Deadlines	Event (Special Instances Identified in Green)	MCA Citation
Not less than 30 days before	Friday, April 5	Election administrator certifies ballot. The election administrator prepares the final ballot form, listing all candidates and propositions to be voted upon. The ballot must then be delivered to the election administrator, if other than the clerk. <i>Trustees must pass a resolution stating exact levy amounts by this date for the clerk to certify the ballot.</i> This resolution must include the durational limit, if any, on the levy.	20-20-401 15-10-425
Not less than 30 days before	Friday, April 5	Election by Acclamation and Cancellation of Election - Notice. If the number of candidates filing a nomination petition or filing a declaration of intent to be a write-in candidate is equal to or less than the number of open trustee positions to be elected, the trustees may cancel the election. They must then give notice that a trustee election will not be held. The trustee election may not be declared by acclamation until all candidate filing deadlines have passed. Send a copy to the county election administrator to aid with the provisions of late registration. <i>**A trustee election held in single-member or trustee nominating district is considered a separate trustee election for declaring the election by acclamation.</i>	20-3-313
30 days before any election	Monday, April 8	Close of regular voter registration. Registration forms postmarked by this date and received within 3 days are accepted for regular registration. Late registration must be completed at the county election office.	13-2-301
Not more than 30 days before	Monday, April 8	Contact your county election administrator for the absentee ballot list.	13-13-212 20-20-312
Not more than 30 days before	Monday, April 8	Performance Testing and Certification of Voting System. The election administrator must publicly test and certify that the system is performing properly.	13-17-212
Day after Close of Regular Registration	Tuesday, April 9	Start of Late Registration. Late voter registration starts and continues through election day. Late registration must be completed at the office of the county election administrator.	13-2-304
Not less than 10 days, or more than 40 days before	Thursday March 28 Through Saturday, April 27	Notice of election is posted. The election notice must be published in a newspaper of general circulation in the district, if available, posted in at least three public places in the district AND posted on the district's website for the 10 days prior to the election, if the district has an active website. Notice using any other recognized media may be used to supplement the posting. The notice must include: 1) the date and voting locations for the election; 2) voting location hours; 3) each proposition to be considered by the electorate; 4) the number of trustee positions, if any, subject to election and the length of the terms for those positions; 5) where and how absentee ballots may be obtained; and 6) where and how late registrants may obtain a ballot on election day. <ul style="list-style-type: none"> • If the polling place has changed from the previous school election, that change must be referred to in the notice. • If more than one proposition will be considered in the same district, each proposition must be set apart and identified, or placed in separate notices. 	20-20-204
At least 20 days before	Wednesday, April 17	Absentee ballots available. The election administrator prepares ballots for absentee voters. Remember to enclose four things in the absentee package. <ul style="list-style-type: none"> • The ballot (with stubs removed) • Instructions for voting and returning the ballot • A secrecy envelope, free of marks that would identify the voter, and • A self-addressed, return envelope with affirmation printed on the back 	13-13-214 20-20-401
Not before the 20 th day nor later than the 15 th day	Wednesday, April 12 through Monday, April 22	Mail ballots mailed. If mail ballot election is used, all ballots must be mailed on the same day (the day noted in the district's mail ballot plan), except that if an inactive elector reactivates after the ballots are mailed, the elector should be provided with or mailed a ballot. If the elector reactivates after noon on the day before election day, the elector must come in on election day to receive a ballot.	13-19-207

Days From Election	Deadlines	Event (Special Instances Identified in Green)	MCA Citation
Not more than 10 days or less than 2 days before	Saturday, April 27 through Sunday, May 5	Absentee/Mail Ballot Counting Notice. Districts must publish in a newspaper of general circulation in the county a notice indicating the method that will be used for counting absentee/mail ballots and the place and time that the absentee/mail ballots will be counted on election day. <i>If the district publishes their notice of election on the 10th day prior to the election, in a newspaper of general circulation in the county, this information may be included in that notice.</i>	13-15-105
Not more than 10 days or less than 2 days before	Saturday, April 27 through Sunday, May 5	Polling Location Accessibility Notice. Districts must publish in a newspaper of general circulation in the county a statement of the location of the polling places and whether each location is accessible or inaccessible. <i>This notice may be combined with the notice above, and with the notice of election if the notice is published on the 10th day prior to the election.</i>	13-3-105 13-3-207
Not more than 10 days or less than 2 days before	Saturday, April 27 through Sunday, May 5	Publication of Information Concerning Voting Systems. Districts shall broadcast on radio or television or publish in a newspaper of general circulation in the county a diagram showing the voting system to be used by voters and a sample ballot (newspaper only), a statement of location of where the voting system to be used is on public display, and instructions on how to vote. <i>This notice may be combined with the notices above, and with the notice of election if the notice is published on the 10th day prior to the election.</i>	13-17-203
Day before (by Noon)	Monday, May 6	Deadline for absentee ballot requests. Voters who wish to vote absentee may request an absentee ballot in writing or in person until noon the day before the election.	13-13-211 13-13-214
Day before	Monday, May 6	Deliver certified copy of the lists of registered electors. Before the day of election, the county election administrator shall deliver a certified copy of the lists of registered electors for each voting location to the district. The district shall deliver them to the election judges prior to the opening of a voting location.	20-20-313
Election Day 	Tuesday, May 7	ELECTION DAY. The election administrator must prepare the polling places, printed ballots, ensure election judges are present, and conduct a fair and unbiased election. Notify election judges of the names of write-in candidates	Title 13 20-20-105 20-20-401 20-20-411
No sooner than 3pm on the 6 th day after the election	Monday, May 13	The first date that provisional ballots may be counted. Following the election, unresolved provisional ballots are sealed. These ballots may not be opened until after 3pm on the 6 th day after election. The election judges convene, and a determination is made as to whether the ballots are counted. If there are provisional ballots in a school election, the canvass may not occur until after all provisional ballots are resolved.	13-15-107
Following receipt of the tally sheets from all polls and within 25 days after the election	By Friday, May 31	Trustees canvass the votes, issue certificates of election, and publish results. Trustees review the tally sheets compiled by the election judges to ascertain their accuracy. Recounts are ordered, if necessary. If tally is complete and accurate, trustees issue certificates of election to successful candidates. The canvassed results shall be published immediately in a newspaper that will give notice to the largest number of people in the district. <i>If the election was called by acclamation the trustees should still canvass results and issues certificates of election at this time.</i>	20-20-415 20-20-416

Days From Election	Deadlines	Event (Special Instances Identified in Green)	MCA Citation
Within 5 days after the official canvass	Monday, May 13 through Wednesday, June 3	Deadline for filing a petition for recount. When a question submitted to a vote of the people is decided by a margin not exceeding ¼ of 1% of the total votes cast for and against the question, a petition for recount must be filed within 5 days after the official canvass.	13-16-201
Within 5 days of receipt of notice from the election administrator	Monday, May 13 through Monday, June 5	Deadline for convening the School Recount Board. When a tie vote has been certified to the election administrator or conditions have been met for filing a recount petition, the board shall convene at its usual meeting place to perform a recount. The recount must be completed within 5 days of receipt of official canvass or recount petition.	13-16-204 20-20-420
Within 25 days of election	By Friday, May 31	Deadline for trustees to hold organizational meeting to elect chair and appoint clerk.	20-3-321
By June 1	Friday, May 31	Deadline for trustees to request county election administrator to conduct school elections for next year. The school district clerk/election administrator is designated the election administrator for school elections. However, the trustees of any district may request the county election administrator to become the election administrator for school elections. The request must be made by a resolution of the board of trustees. If the county accepts, then the county must perform all the duties the school clerk would have. The school district must assume all costs of the election.	20-20-417
Within 15 days after receipt of certificate of election	By Friday, June 14	Candidate completes and files Oath of Office with the County Superintendent. <i>*Newly elected trustees may not be seated until the oath is filed. The issuance and the oath may be administered at the organizational meeting but must be completed within 15 days of issuance.</i> <i>**In the event of a recount, the deadline for a candidate to complete and file the oath is 15 days from receipt of the certificate of election.</i>	20-3-307 20-1-202 1-6-101

[1-1-307](#), MCA. Postponement of day appointed for an action when it falls on a holiday or Saturday. Whenever any act of a secular nature, other than a work of necessity or mercy, is appointed by law or contract to be performed upon a particular day, which day falls upon a holiday or a Saturday, such act may be performed upon the next business day with the same effect as if it had been performed upon the day appointed.

If the deadline, as read in statute, is phrased "not later than..." the deadline does not move to a later date but an earlier one.

Additional References:

Sample forms can be found at this address: [School Finance Election Webpage](#)

Election Manual: [School Election Handbook](#)

MT Secretary of State's Office: [Secretary of State's Election Webpage](#)

Candidates for trustee positions in 1) a first-class district located in a county with populations of 15,000 or more; or 2) a county high school district with an enrollment of 2,000 or more, are required to file a C-1-A Statement of Candidate within 5 days of becoming a candidate. For reporting dates and instructions contact the Montana Commissioner of Political Practices at: [Commissioner of Political Practices Webpage](#).

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

11

- Minutes/Claims Board of Trustees Superintendent's Report Action - Consent
 Action - Indiv.

ITEM TITLE: REPORT—BUDGET UPDATE

Requested By: Superintendent **Prepared By:** Rebekah Rhoades

SUMMARY:

Rebekah Rhoades, Business Manager/District Clerk, would like to update the Board of Trustees regarding some preliminary information regarding the 2023-2024 General Fund Budgets as well as the results of the Spring Student Enrollment Count.

SUGGESTED ACTION: Informational

Additional Information Attached

NOTES:

**2024-2025 PRELIMINARY BUDGET PROJECTIONS
As of 2/7/2024**

ELEMENTARY

Current Year (2023-2024) Budget	\$7,216,778.62	
2024-2025 Projected Budgets	\$7,235,321.15	without a vote (98% of allowed budget)
	\$7,383,120.39	with a vote (\$147,799 levy; 100% of allowed budget)
FY24 Budget v s FY25 Budget	\$18,542.53	higher without a vote
	\$166,341.77	higher with a vote
FY25 Projected Expenditures	\$7,511,574.75	
<u>Preliminary</u> Budget Shortfall/Surplus	(\$276,253.60)	without a vote
	(\$128,454.36)	with a vote
Significant Elementary Changes:	decrease of 19 ANB (average enrollment decreased by 36) no longer qualify for the teacher incentive program (see below)	

HIGH SCHOOL

Current Year (2023-2024) Budget	\$3,465,179.94	
2024-2025 Projected Budgets	\$3,607,354.70	without a vote
	\$3,607,354.70	with a vote
FY24 Budget v s FY25 Budget	\$142,174.76	without a vote
	\$142,174.76	with a vote
FY25 Projected Expenditures	\$3,688,460.82	
<u>Preliminary</u> Budget Shortfall/Surplus	(\$81,106.12)	without a vote
	(\$81,106.12)	with a vote

Unknowns: Health Insurance, Spring Enrollment, Retirements/Staff Resignations and Replacements, Kindergarten Enrollment, SRSA Grant, Title I Funding

Projections include: 7% Health Insurance increase for certified staff, 10% Health Insurance increase for classified staff, All Staff moved in Years of Experience, 1% increase to matrix for all Classified, 3% increase for all Classified Admin (no salary matrix), Certified & Certified Admin salary matrix increases, .5 fte additional custodial staffing at Lewis & Clark, reorganization of High Needs Classrooms in Elementary, reduction of counselor fte at JHS, elimination of curriculum budget in Elementary and FHS (will use interlocal fund for Science), reduction of 1 budgeted para position at FHS, use of additional School Foods funds to pay food server salaries

ESSER Funds Used - will need to be absorbed by the district in 3 years
 ESSER III - 2.5 fte (\$117,000 HS) + 1.5 fte (\$81,000 Elem) + 1.0 fte Tech (\$58,000)
TOTAL ESSER: \$256,000

Teacher Incentive Program:

To qualify for additional quality ed payment, the teacher must be in first 3 years of teaching, the base salary must be at least 10x the quality educator payment and the base teacher pay must be at least 70% of the average teacher pay.

	Neither FHS or Elem qualify in FY25	
Quality Educator Payment FY25	\$3,566.00	
10x Quality Educator Payment FY25	\$35,660.00	
LPS Base Teacher Pay	\$35,269.00	less than \$35,660
Elem - 70% of average teacher pay FY2	\$36,042.00	higher than \$35,660, last year received approximately \$24,500
FHS - 70% of average teacher pay FY25	\$40,564.00	higher than \$35,660

OTHER NOTE: Additional ANB for Home School Students in Activities in FY23 will be added into FY25 budget: 4 at FHS and 3 at JHS

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

12

- Minutes/Claims Board of Trustees Superintendent's Report Action – Consent
 Action – Indiv.

ITEM TITLE: REPORT—INVESTMENT

Requested By: Superintendent Prepared By: Rebekah Rhoades

SUMMARY:

Interest earned and distributed for January 2024 was as follows:

Elementary	\$19,982.91
<u>HS</u>	<u>\$16,066.25</u>
Total	\$36,049.16

STIP Interest for January 2024 was not available at the time of posting.

SUGGESTED ACTION: Informational

Additional Information Attached

NOTES:

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

13

Minutes/Claims Board of Trustees Superintendent's Report Action – Consent
 Action – Indiv.

ITEM TITLE: REPORT—SUPERINTENDENT

Requested By: Superintendent **Prepared By:** Thom Peck

SUMMARY:

- Student Count – see attached
- “I Love to Read” Month
- MHSA Annual Meeting Review
- Policy 1420 – March Board meeting
- MT Advanced Opportunities Grant Renewed
- Early Literacy Program Update
- New Accreditation Process – Needs Assessment & Graduate Profile
- Principals Conference Review
- Autism Training – February 9 @ Education Center
- Education Center Update
- SSAA Choir Festival @ MSU – Feb. 4-5
- LJH Math Counts @ Billings – February 5 -LJH CHAMPS
- Eastern ‘A’ Band Festival @ Hardin, February 12-13
- FHS Talent Show Auditions – February 15
- PTO Meeting – February 19
- Fergus County Spelling Bee @ FCPA – February 20
- 7-12 Science Curriculum Committee meeting – February 20
- No School February 22-23
- State Wrestling Review
- BPA State Leadership Conference @ Billings, March 10-12
- FCCLA State Leadership Conference @ Bozeman, March 14-15
- FHS Prom April 6
- Upcoming Athletic Events:
 - Girls and Boys Basketball v. Miles City – February 13
 - Girls and Boys Basketball v. Havre – February 15
 - Girls & Boys Basketball Divisionals @ Billings – February 22-24
 - Girls & Boys Basketball State @ Butte, March 7-9

SUGGESTED ACTION: Informational

Additional Information Attached

LEWISTOWN

Enrollment History
February 5, 2024

Grade	Fall 2015	Spring 2016	Fall 2016	Spring 2017	Fall 2017	Spring 2018	Fall 2018	Spring 2019	Fall 2019	Spring 2020	Fall 2020	Spring 2021	Fall 2021	Spring 2022	Fall 2022	Spring 2023	Fall 2023	Spring 2024	Proj Fall 2024	Proj Fall 2025	Proj Fall 2026
Kindergarten	111	112	109	108	96	101	104	102	96	96	108	110	104	106	88	89	96	93	90	90	90
1st Grade	83	85	100	97	109	105	95	89	97	95	83	83	106	112	88	87	75	70	83	80	80
2nd Grade	95	97	86	86	95	95	98	99	98	100	91	93	86	87	118	115	87	89	70	83	80
3rd Grade	84	85	91	89	92	90	90	92	96	96	101	106	91	91	89	88	112	109	89	70	83
4th Grade	98	99	87	87	94	93	94	92	95	98	85	89	104	109	97	95	85	86	109	89	70
5th Grade	79	80	101	99	89	88	93	90	90	90	99	100	89	89	115	115	91	90	86	109	89
6th Grade	83	87	74	73	101	100	89	87	90	86	85	85	96	98	96	96	113	113	90	86	109
7th Grade	104	99	80	77	78	79	106	105	80	82	88	90	89	92	101	101	91	88	113	90	86
8th Grade	87	89	93	93	77	77	79	77	107	105	78	77	88	91	96	91	104	101	88	113	90
9th Grade	102	103	88	87	92	92	76	78	70	72	98	99	88	84	98	98	89	89	101	88	113
10th Grade	97	95	92	91	81	81	96	95	75	76	70	71	96	96	82	81	92	93	89	101	88
11th Grade	88	83	94	88	91	87	80	76	85	82	80	75	84	82	100	97	81	77	93	89	101
12th Grade	81	79	78	78	85	83	85	84	76	74	84	84	70	67	76	75	92	88	77	93	89

	Fall 2015	Spring 2016	Fall 2016	Spring 2017	Fall 2017	Spring 2018	Fall 2018	Spring 2019	Fall 2019	Spring 2020	Fall 2020	Spring 2021	Fall 2021	Spring 2022	Fall 2022	Spring 2023	Fall 2023	Spring 2024	Proj Spring 2024	Proj Fall 2024	Proj Fall 2025	Proj Fall 2026
K-6	633	645	648	639	676	672	663	651	662	661	652	666	676	692	691	685	659	650	617	607	601	601
7-8	191	188	173	170	155	156	185	182	187	187	166	167	177	183	197	192	195	189	201	203	176	176
9-12	368	360	352	344	349	343	337	333	306	304	332	329	338	329	356	351	354	347	360	371	391	391
K-8	824	833	821	809	831	828	848	833	849	848	818	833	853	875	888	877	854	839	818	810	777	777
9-12	368	360	352	344	349	343	337	333	306	304	332	329	338	329	356	351	354	347	360	371	391	391
Grand Total	1192	1193	1173	1153	1180	1171	1185	1166	1155	1152	1150	1162	1191	1204	1244	1228	1208	1186	1178	1181	1168	1168

Projections:

Subtracts 10 (Kindersteps) from the 1st Grade

last updated 2/6/24

Notes:

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

14

Minutes/Claims Board of Trustees Superintendent's Report Action - Consent
 Action - Indiv.

ITEM TITLE: RECOGNITION OF PARENTS, PATRONS, AND OTHERS WHO WISH TO ADDRESS THE BOARD ON NON-AGENDA ITEMS

Requested By: Board of Trustees Prepared By: _____

SUMMARY:

Time is provided on the agenda for anyone who wishes to address the Board on non-agenda items.

SUGGESTED ACTION: Informational

Additional Information Attached

NOTES:

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

15

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: MINUTES

Requested By: Board of Trustees **Prepared By:** Rebekah Rhoades

SUMMARY:

The following minutes are attached for your approval:

- Minutes of the January 8, 2024, Regular Board Meeting
- Minutes of the January 15, 2024, Special Board Meeting

SUGGESTED ACTION: Approve Minutes as Presented

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						

**MINUTES
LEWISTOWN PUBLIC SCHOOLS
BOARD OF TRUSTEES**

LINCOLN BOARD ROOM and via Google Meet

215 Seventh Avenue South

Lewistown, Montana 59457

MONDAY, January 8, 2024

REGULAR BOARD MEETING

CALL TO ORDER (6:00 p.m.)

1. ROLL CALL

TRUSTEES PRESENT:

Kris Birdwell, Kevin Hodge, Lisa Koch, Zane Fulbright, John Carlson,
Whitney Brady

TRUSTEES ABSENT:

CJ Bailey

STAFF PRESENT:

Superintendent Thom Peck, Business Manager/District Clerk Rebekah
Rhoades, Luke Brandon – LEA President and others via Google Meet

OTHERS PRESENT:

Lewistown News Argus, Maggie Fulbright – Student Representative, Alex
Lamb and other interested parties in person and via Google Meet.

2. PLEDGE OF ALLEGIANCE

3. MOTION TO SET AGENDA – Approved Unanimously (Fulbright/Brady)

4. Recognition – Fergus High Football Team and Coaches

Derek Lear, Head Football Coach, introduced his team and coaches and
recognized them for accomplishments during their football season.

5. Discussion – Bond Update

Superintendent Peck provided an update from Shane Swandal with Hulteng on
the progress of the Elementary Bond construction.

6. Presentation – Alex Lamb Greenheart Foreign Exchange Student Program

Alex Lamb presented information regarding the Greenheart Foreign
Exchange program and the process followed to place students in the area.

7. Report – Student Representative

Board Chair CJ Bailey, introduced Maggie Fulbright as the new Student
Representative to the Board. Maggie spoke with fellow students and requested
that it be considered by the calendar committee to shift the high school
calendar so that the semester ends prior to Christmas break. She updated the
Board on the activities and happenings at Fergus High School.

8. Report – LEA

Luke Brandon, President of the Lewistown Education Association (LEA)
updated the Board of Trustees on the activities and happenings for their
organization. Luke has been appointed to District 6 Vice Chair and will be
attending a meeting at the end of January regarding the statewide insurance
pool under HB332.

9. Report—Committees of the Board

The Science Curriculum Committee met on December 19, 2023. The
committee discussed that the current curriculum and standards match, so
they will focus primarily⁹⁵ on graduation requirements for science courses.

Once the K-6 curriculum team meets, the entire K-12 team will meet again.

The Activities Committee met on January 4, 2024 to discuss the Fall sports, the new training room was discussed and the upcoming MHSA Meeting and proposals that will be introduced at that meeting.

The Building and Grounds Committee met on January 4, 2024 to discuss the progress of the bond, the bidding of the playgrounds and the use of the CMEC Building. Trustee Brady noted that the letter to federal government is an inquiry into the possibility of utilizing the building, but does not mean that the district offices will be moving to that location.

10. Report—Election Information
Rebekah Rhoades, Business Manager/District Clerk, provided the Board with the 2024 School Election Calendar and advised them of the Trustee seats that will be up for election in 2024 – CJ Bailey and Zane Fulbright.
11. Report—Budget Information
Rebekah Rhoades, Business Manager/District Clerk, provided the Board with a preliminary budget summary for the 2024-2025 school year.
12. Report—Investment
Interest for December 2023 was \$10,131.37 in the Elementary and \$8,540.64 in the High School for a total of \$18,672.01. STIP Interest for the Elementary Bond for November was reported at \$64,322.32 and for December was reported at \$65,950.91.
13. Report—Superintendent
Superintendent Thom Peck shared all of the MHSA proposals with the Board and the process for voting. Trustee Carlson noted that he does not support the addition of eSports and discussion regarding eSports ensued. The Advanced Opportunity and Transformational Learning grant annual reports were presented to the Board. Mr. Peck shared that the new accreditation process is challenging and time consuming. Communication regarding Montana Drive sent out by OPI. Felt Martin, LLC will be providing at school law training at the end of January. The Calendar Committee will be meeting on Wednesday, January 17th. Luke Brandon reported that the high school supports a calendar where the first semester ends prior to Christmas Break. Winter assessments are beginning. Mr. Peck updated the Board on staffing throughout the District. In an effort to fund the updating of playgrounds, Mr. Peck is applying for grants to fund those projects. Mr. Peck updated the Board on various events taking place in the District.

PUBLIC PARTICIPATION

14. Recognition of Parents, Patrons, and Others Who Wish to Address the Board on Non-Agenda Items
There was no public participation.

ACTION ITEMS

MINUTES

15. Minutes of the December 11, 2023 Regular Board Meeting - Approved unanimously (Brady/Carlson)

APPROVAL OF CLAIMS

16. Claims – Approved unanimously (Brady/Koch)
Claims Committee for January through March 2024 will be Board Chair CJ Bailey, John Carlson, Whitney Brady and Lisa Koch.

INDIVIDUAL ITEMS

17. Approve First Reading of Policy 8132 – Activity Trips – Approved unanimously (Brady/Hodge)
Amendment to the motion to remove the word strictly and replace with the word primarily – Approved unanimously (Koch/Brady)
18. Approve Letter to Federal Government for Modification to the Use of the Central Montana Education Center Building – Approved Unanimously (Brady/Hodge)

Trustee Brady reported that the letter was discussed at the Building and Grounds Committee Meeting. An explanation of the history of the building was provided by Business Manager, Rebekah Rhoades.

19. Approve Superintendent Contract as a Two-Year Contract at \$120,000 with 30 Calendar Days to Respond. – Failed unanimously (Hodge/Fulbright)
Trustee Carlson addressed the public to request that concerns be brought in a timely manner, not directly prior to the meeting.
20. Approve Additions to the Substitute List for the 2023-2024 School Year – Approved unanimously (Brady/Hodge)
21. Approve Personnel Report – Approved unanimously (Brady/Fulbright)
Trustee Fulbright expressed concern that it was approved to allow a teacher to be on leave for a year, but hire that same person as a coach. Discussion ensued.

Motion to amend to exclude the 2024-2025 activity positions from the Personnel Report – Failed (Brady/Hodge) Yes – Hodge and Fulbright; No – Koch, Carlson, Brady, Birdwell;

ADJOURNMENT

The meeting was adjourned at 7:44 p.m (Birdwell). The next regular meeting will be held at 6:00 p.m. on Monday, February 12, 2024, at the Lincoln Board Room.

KRIS BIRDWELL
BOARD CHAIR

REBEKAH RHOADES
BUSINESS MANAGER/CLERK

**MINUTES
LEWISTOWN PUBLIC SCHOOLS
BOARD OF TRUSTEES**

Lincoln Board Room
215 Seventh Avenue South
Lewistown, Montana 59457

Monday, January 15, 2024

SPECIAL BOARD MEETING

CALL TO ORDER (5:00 P.M.)

1. ROLL CALL

TRUSTEES PRESENT:

Board Chair CJ Bailey, Whitney Brady, John Carlson, Kris Birdwell,
Zane Fulbright, Lisa Koch

TRUSTEES ABSENT:

Kevin Hodge

STAFF PRESENT:

Business Manager Rebekah Rhoades, Matt Ventresca, Matt Lewis,
Danny Wirtzberger, Jeff Friesen

OTHERS PRESENT:

2. PLEDGE OF ALLEGIANCE

The group recited the Pledge of Allegiance.

PUBLIC PARTICIPATION

3. RECOGNITION OF PARENTS, PATRONS, AND OTHERS WHO WISH TO ADDRESS THE BOARD

There was no public comment.

4. CONSIDERATION OF NEXT STEPS IN THE PROCESS TO HIRE NEW SUPERINTENDENT OF LEWISTOWN PUBLIC SCHOOLS

Luke Brandon requested to not use the hiring process that was used in the last time a Superintendent was hired. He stated that gathering committees with stakeholders for screening applicants and conducting interviews.

1. Determine whether or not to utilize a legal service to hire candidates. Trustee Bailey distributed materials showing MTSBA's current process for hiring. He also shared that rates were requested from MTSBA, Elizabeth Kaleva, Felt Martin and McPherson & Jacobson, LLC. Estimates are somewhere around \$7,000 for these services.

Discussion ensued regarding the pros and cons of hiring an outside firm to assist.

Discussion ensued regarding the process that was followed in the previous interview process and the process that should be followed in this situation.

Sara Smith asked if there is a way to blend the process so that both the request of the LEA (Luke) and the Board workload.

Luke stated his concerns are more about the process for screening and his desire that staff be more involved in the process. He is more concerned about the inclusion of others, rather than the cost. He recommended the committees be made up of a Student, 3 teachers, 3 parents, 2 administrators and 3 board members.

Trustee Birdwell explained that the Board is solely responsible for hiring the Superintendent, unlike other positions in the district. He expressed concerns regarding having a committee that is too big. CJ agreed. Trustee Brady shared that she believes that a hybrid model would be ideal as Mrs. Smith suggested. Trustee Fulbright shared that he believes that he believes there was an opportunity to for parent feedback in the last process and he has some concern with using a committee process. Trustee Koch expressed that she is willing to put in more time to save money, but felt that if the rest of the Board felt the money was worth it, she would support them.

Matt Ventresca shared that the legal requirements that a Board must abide to may require a legal firm. He suggested holding an open panel for the public to ask questions.

Trustee Fulbright expressed his desire to hire an outside firm.

Trustee Birdwell asked for direction. Trustee Carlson requested that the latitude be given to the Chair to make the decision on the firm chosen to assist the District. The rest of the Board agreed and requested that references be done on both firms to determine the best option.

2. Salary to be offered was discussed. Trustee Bailey recommended the position be posted at \$115,000 - \$125,000. Discussion ensued and the rest of the Board agreed with this recommendation.
3. Trustee Bailey recommended a closing date of February 16th. The Board agreed and reiterated that time is of the essence.

ACTION

INDIVIDUAL ITEMS

5. APPROVE ADDITIONS TO THE SUBSTITUTE LIST FOR THE 2023-2024 SCHOOL YEAR – Approved Unanimously (Fulbright/Brady)
6. APPROVE PERSONNEL REPORT – Approved Unanimously (Fulbright/Carlson)

ADJOURNMENT

The meeting was adjourned at 5:56 p.m. (Birdwell – unanimous).

CJ BAILEY
BOARD CHAIR

REBEKAH RHOADES
BUSINESS MANAGER

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

16

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: CLAIMS

Requested By: Board of Trustees **Prepared By:** Chris Gobble

SUMMARY:

Approve claims paid through February 19, 2024, as approved by the Finance Committee.

Members of the Finance Committee for January-March 2024 include: Board Chair CJ Bailey, John Carlson, Whitney Brady, and Lisa Koch.

SUGGESTED ACTION: Approve Claims as Presented

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

17

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: APPROVE FIRST READING OF POLICY 3141 – DISCRETIONARY NON-RESIDENT STUDENT ATTENDANCE

Requested By: Board of Trustees **Prepared By:** Thom Peck

SUMMARY:

The Board of Trustees needs to approve the first reading of Policy # 3141 – Discretionary Non-Resident Student Attendance.

Beginning in July 2025, Districts of Choice will be required to bill Districts of Residence for any out-of-district students attending their schools. The invoicing will be based on student enrollment during the 2024-2025 school year. Districts will be required to levy the amount invoiced from other schools in their Tuition Funds and will budget revenue received from other Districts in their General Funds.

SUGGESTED ACTION: Approve First Reading – Board Policy 3141 – Discretionary Non-Resident Student Attendance.

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						

Lewistown School District

STUDENTS

3141

Page 1 of 2

Nonresident Student Enrollment

For the purposes of this policy, except as provided in Section 20-9-707, MCA, a student's district of residence must be determined on the basis of the provisions of Section 1-1-215, MCA.

Mandatory Nonresident Enrollment for Extenuating Circumstances

The District shall enroll a student who resides outside of the District whenever the extenuating circumstances listed in Section 20-5-321, MCA, exist.

Applying for Nonresident Enrollment with No Extenuating Circumstances

Whenever the extenuating circumstances listed in Section 20-5-321, MCA do not exist and mandatory enrollment of a student who resides outside the District is not required, the District may enroll the nonresident student at the request of the student's parent or guardian as specified in this policy. The District shall serve children who are residents of the district and nonresident children seeking mandatory enrollment for extenuating circumstances prior to enrolling nonresidents students seeking to apply when extenuating circumstances do not exist.

Every nonresident student who seeks to enroll in the District shall apply for admission for the succeeding school year by August 1st. All applications shall be submitted using the form developed by the Superintendent of Public Instruction. Applications received after August 1st may be considered by the Board in accordance with this policy. Nonresident students shall reapply for admission each school year. Admission in one school year does not infer or guarantee admission in subsequent years. Each application shall be assigned a unique number distinct from a student identification number that does not disclose a student's personally identifiable information consistent with Policy 3600. Within 10 days of the initial application for an attendance, the District shall notify the parent or guardian of the child and district of residence involved in the out-of-district attendance agreement of application the anticipated date for approval or disapproval of the agreement application.

The Board of Trustees authorizes the District Administrator to review the applications for nonresident enrollment consistent with this policy and Section 20-5-320, MCA. Not more than 30 days following the application deadline, the District Administrator shall submit a list of students to the Board of Trustees who are recommended for enrollment. The Board of Trustees shall make the decision to approve or deny requests for nonresident enrollment during a meeting of the Board. Each application requiring review or discussion of confidential student information the by the board of trustees shall be considered during a closed session consistent with Policy 1400 after giving prior notice to the parents that their application will be considered by the Board of Trustees in a closed session of the Board. Any motion on an application shall be made referring to the distinct application number.

In reviewing and determining whether to approve an application for attendance by a nonresident child, the District Administrator shall recommend for approval and Board of Trustees shall approve the application unless the Board of Trustees find that the impact of approval of the application will negatively impact the quality of education for resident pupils by grade level, by school, or in the District in the aggregate in one or more of the following ways:

1. The approval would result in exceeding limits of:
 - a. building construction standards pursuant to Title 50, chapter 60, MCA;
 - b. capacity and ingress and egress elements, either by individual room or by school building, of any fire code authorized by Title 50, chapter 3; or
 - c. evacuation elements of the district's adopted school safety plan.

The Board authorizes the District Administrator to coordinate with the local fire marshal, law enforcement, health department, and first responders when developing standards under this Subsection 1. Findings shall be adopted by the Board in the District's strategic action plan or plan for continuous improvement specified in Policy 1610.

2. The approval would impede meeting goals, standards, or objectives of quality education adopted by the Board in the District's strategic action plan or plan for continuous improvement specified in Policy 1610.
3. The approval would risk jeopardizing the educational quality adopted by the Board in the District's strategic action plan or plan for continuous improvement specified in Policy 1610 because the nonresident child who is applying was:
 - a. truant as defined in Section 20-5-106, MCA, in the last school district attended;
 - b. expelled by another school district at any time; or
 - c. suspended in another school district in any of the 3 school fiscal years preceding the school fiscal year for which attendance is requested. This Subsection C does not apply to a student who is eligible for special education or related services.

Review and consideration of applications and the records of applicants as well as decisions regarding admission cannot be inconsistent with District policies regarding nondiscrimination. In the event the District receives more applications than the District can accommodate, the District shall prioritize applications on the basis of the quality of education for students who are residents of the district of attendance and the obligations of resident taxpayers. This priority may include applications from children of District employees as well as children with siblings who have previously enrolled in the District as nonresident students. This priority is specifically established and shall be implemented on a rational basis to provide a quality education to students enrolled in the District.

Within 10 days of approval or disapproval of an application for non-resident enrollment, District shall provide copies of the approved or disapproved attendance agreement application to the parent or guardian and to the district of residence. In the case of a disapproval, the District shall provide the specific allowable reason for the disapproval consistent with this policy and supporting documentation.

For an approved application and out-of-district attendance agreement application the District shall provide a copy of the completed agreement to the county superintendent of schools of the county of residence, county superintendent of schools of the county of attendance, and the Superintendent of Public Instruction. Whenever a student enrolls in and attends a school outside of the student's district of residence under the provisions of this policy, by July 15 following the year of attendance, the district of attendance shall notify the district of residence of an obligation under Section 20-5-323, MCA.

If an out-of-district attendance agreement application is disapproved or no action is taken, the parent or guardian may appeal the disapproval or lack of action in accordance with Montana law.

Unless otherwise agreed by the district of residence and the district of attendance, the family of a nonresident child whose application for attendance has been approved is responsible for transportation of the child and the child is not an eligible transportee as defined in Section 20-10-101, MCA. The district of attendance may discretionarily provide transportation pursuant to Section 20-10-122, MCA.

Discretionary Nonresident Student Attendance Policy

~~Except as otherwise provided by law, admission to the District as a nonresident student is a privilege. The Board, recognizing that an educational requirement of its resident students includes the need for an orderly educational process and environment, free from disruption, overcrowding, and any kind of violence or disruptive influences, hereby establishes criteria on the discretionary admission of nonresident students:~~

- ~~1. Except as provided by law, admission to the District as a nonresident student is a privilege, unless required by 20-5-321, MCA. As such, the District will screen all discretionary nonresident students and only consider those who meet the criteria set forth in this policy.~~
- ~~2. The Superintendent is hereby given the authority to recommend to the Board any student's admission in accordance with this policy. The Board shall make the final decision on admission.~~
- ~~3. All students whose legal residence is outside the District and who do not qualify for mandatory attendance will be denied enrollment, with the following exceptions:
 - ~~A. Foreign exchange students, per existing District policy;~~
 - ~~B. Children in the immediate family of nonresident District employees;~~
 - ~~C. Students residing outside the District provided they:
 - ~~• are in good standing with the most recently attended school, in terms of academics, conduct, and attendance;~~
 - ~~• are able to demonstrate a record free of truancy;~~
 - ~~• are able to demonstrate a clean behavior record in the school last attended for a period of at least one (1) year;~~
 - ~~• have passing grades in the school previously attended;~~
 - ~~• have correctly completed the nonresident student application process; and~~
 - ~~• present no other educationally related detriment to the students of the District.~~~~~~
- ~~4. The Board will not admit any student prior to viewing that student's records from the student's previous school districts.~~
- ~~5. The District has the option of accepting a nonresident student who does not meet the criteria~~

set forth herein, if the student agrees to special conditions of admission, as set forth by the District.

6. ~~Every student who attends the District as a nonresident student must re-apply for admission by June 15. Admission in one school year does not imply or guarantee admission in subsequent years.~~
7. ~~The District will not admit nonresident students, when to do so would require the hiring of additional staff, the provision of educational services not currently provided in the school, or the crowding of existing classes.~~
8. ~~All resident students who become nonresidents due to a move from the District by their parents/guardians may continue attendance for the semester, barring registration in another District. At the completion of the semester, the student must apply as a non-resident student.~~
9. ~~The Board reserves the right to charge tuition for nonresident students. The Board may, in its discretion, charge or waive tuition for all students whose tuition is required to be paid by one type of entity. An "entity" is defined as either: (1) the parent/guardian; or (2) a school district. Any waiver of tuition must be applied equally to all students whose tuition is paid by the same type of entity (i.e. if the District charges students tuition in those circumstances where the resident district pays, but waives tuition in those circumstances where the parent/guardian is responsible for tuition, the tuition waiver shall be applicable to all students whose parents/guardians bear the responsibility for payment).~~
10. ~~The Board may declare an emergency which, in its opinion, necessitates the removal of all nonresident students from the schools.~~

Legal Reference:	20-5-314, MCA	Reciprocal attendance agreement with adjoining state or province
	20-5-320, MCA	Out-of-district attendance by parent or guardian request with no extenuating circumstances
	20-5-321, MCA	Attendance with mandatory approval - tuition and transportation
	20-5-322, MCA	Residency determination - notification - appeal for attendance agreement
	20-5-323, MCA	Tuition and transportation rates
	10.10.301B, ARM	Out of District Attendance Agreements
	10.55.712, ARM	Class Size Elementary

10.55.713, ARM Teacher Load and Class Size – High School

Policy History:

Adopted on: June 28, 2004

Revised on:

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

18

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: APPROVE BUILDING USE AGREEMENT WITH THE RURAL EMPLOYMENT OPPORTUNITIES

Requested By: Board of Trustees **Prepared By:** Thom Peck

SUMMARY:

The Federal Government transfer of the Central Montana Education Center property on Airport Road from Montana State University – Northern to Lewistown Public Schools took place in August 2019. As a result, the District may now allow other educational providers to enter into a Building Use Agreement for their portion of the building (prorated by square footage utilized). This document has been reviewed by both MTSBA and Rural Employment Opportunities. An Agreement with Providence was approved by the Board in June 2019, placing them in position of the primary occupant, so University of Providence will also need to sign off on this Agreement.

SUGGESTED ACTION: Approve building use agreement with the Rural Employment Opportunities.

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						

AGREEMENT

THIS AGREEMENT is made and entered into by and between the Lewistown School District, (“the District”) University of Providence, (“the University”) and the Rural Employment Opportunities (“REO”).

WHEREAS, the District is the owner of the property identified as former BLM Lewistown Field Office, Lewistown, Montana; and

WHEREAS, the District leases the property to the University in accordance with terms of an Agreement executed on February 15, 2024; and

WHEREAS, the application for transfer of the property identifies REO as an authorized occupant; and

WHEREAS, the terms of the Agreement between the University and the District authorize the University to assign portions of the property for use by REO.

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms, and conditions set forth herein, the parties hereto agree as follows:

1. **PREMISES:** The University agrees to permit the REO to use a portion of the District-owned property known as the former BLM Lewistown Field Office located at 773 Airport Road, Lewistown, Montana, 59457, in accordance with the terms and conditions of this Agreement. The portion of the property to be utilized by REO consists of the Office #101 and shared areas (restroom facilities, entryway and lobby area near front desk).

2. **TERM:** The term of this Agreement shall be for a period of 1 year 5 months, beginning on February 15, 2024, and continuing through June 30, 2025. Renewal of this Agreement is not expected by either Party.

3. **CONSIDERATION:** In consideration for the use of said premises in accordance with the terms and conditions of this Agreement, the REO agrees to maintain required insurance coverage, pay for required maintenance and operating costs related to the portion of the premises utilized by REO as outlined in Exhibit A.

4. **USE OF PREMISES:** Any and all activities conducted on said premises shall conform and comply with all the Agreement between the University and District as well as District policies as well as all federal, state, and local laws, ordinances and regulations, including all non-discrimination laws. District Policies will be provided to REO upon request. Specific School District policies of note include prohibition of tobacco use, limitation of access to registered sex offenders, school building security and preservation of student privacy. REO agrees further to keep the premises in a clean, safe, and sanitary condition.

5. **RESPONSIBILITIES:** REO agrees to provide for the care of the interior space being occupied by the offices and areas of use by staff. REO's use or storage of gasoline, hazardous materials, or other flammable or explosive materials on the premises is prohibited. REO shall not change or alter any part of the Premises, in any form, except with the written permission of the District. The building, placing, or constructing of any permanent structure or item by REO is prohibited. Any structural change which is not approved by the District in writing will be subject to removal at REO's expense.

REO is exclusively responsible for the following expenses it may incur as a result of use of its use of the premises: custodial services and supplies, post office box, internet, garbage and waste services, and telephone services.

REO is responsible for monitoring the premises for maintenance issues and report maintenance issues to the District. Any use of the premises by entities unaffiliated with REO, the University, or District or their assignees or sublessees will be in accordance with the District's facilities use policies. All use of the premises will be reported to the District by October 1 of each year to ensure full compliance with the federally required Utilization Report.

6. **INSURANCE AND INDEMNITY**: REO and any assignees are obligated to provide insurance coverage for the contents of the building consisting of property, effects, documents, or possessions of REO or assignees, and the University and District shall not in any event be responsible for the loss of such property, effects, documents, or REO's possessions located on the premises. REO and assignees shall provide for a five hundred thousand (\$500,000) insurance policy for coverage for the contents of the building owned by REO and assignees. REO and assignees shall provide for insurance coverage for comprehensive general liability insurance in an amount not less than Two Million Dollars (\$2,000,000) for injuries to or death of any person or damage to or loss of property arising out of or in any way resulting from the described use of the facility. The policies shall name the District as an additional insured. Proof of insurance will be submitted to the District upon execution of this Agreement.

REO and assignees agree to defend, indemnify and hold the University and District harmless from and against any and all claims, losses, liabilities or expenses, including without limitation attorneys' fees, which may arise, in whole or in part, out of (i) the negligence or willful misconduct of REO, its employees, assignees or agents, (ii) a breach by REO or assignees of its

obligations under this Agreement, (iii) violation of District policy, state law or federal law by REO or assignees. The indemnity required herein shall not be limited by reason of the specification of any particular insurance coverage.

REO and assignees shall maintain a workers' compensation insurance policy covering all employees while providing services on the premises in accordance with Title 39, chapter 71, MCA and other applicable provisions of Montana's Workers' Compensation Act. REO and assignees shall provide proof of such policy to District upon execution of the Agreement.

At not time during the term of this Agreement will University or District's insurance policies be considered to cover acts or omissions by REO or assignees. All insurance policies required by this Paragraph must remain valid for the entire term of the Agreement. REO and assignees must promptly notify University and District of any lapse in coverage. REO and assignees will not provide services on the premises in the event any insurance coverage lapses. period. Failure to honor the terms of this Paragraph is grounds for termination of the Agreement.

7. **ASSIGNMENT**: REO is not authorized to sublet any portion of the property.

8. **CHANGES**: University and REO may, at any time by written order, request to negotiate changes to the agreement.

9. **STATUS**: This Agreement shall not constitute, create, or otherwise imply an employment, joint venture, partnership, agency or similar arrangement, and nothing contained herein shall be construed as providing for the sharing of profits or losses arising from the efforts of any or all of the parties.

10. **TERMINATION**: This Agreement will terminate upon expiration of the Agreement in Paragraph 2. Each Party shall have the right to terminate this Agreement upon 180 day's written notice submitted to the other Party. Each Party shall have the right to terminate this Agreement if

any other Party is in default of any obligation hereunder and such default is not cured within thirty (30) days of receipt of a notice from a non-defaulting Party specifying such default. REO may also terminate this Agreement by giving the other parties 30 days' written notice if funds are not made available to continue REO's performance under this Agreement.

11. **RETURN OF PROPERTY:** Upon the expiration or earlier termination of this Agreement, REO shall deliver promptly to the District all property relating to the business and work of the District. Such property shall include but not be limited to all keys and other District-owned property. Upon termination of the Agreement, REO shall return Premises to the same condition in which it was received, ordinary wear and tear excepted, and free of REO's personal property, trash, and debris.

After five (5) days following REO's surrender of the Premises or termination of Agreement in any manner except by court order, and if the District reasonably believes that REO has abandoned any personal property remaining on the Premises, the District may remove the property to a place for safekeeping, and take any steps reasonable and proper under Montana law. The District shall be entitled to reimbursement from REO for actual costs of storage and safekeeping of the property.

12. **NOTICES:** All notices under this Agreement will be in writing and will be delivered by personal service, facsimile or codified mail, postage prepaid, or overnight courier to such address as may be designated from time to time by the relevant Party, which initially shall be the address set forth on the signature page to this Agreement. Any notice sent by certified mail will be deemed to have been given five (5) days after the date on which it is mailed. All other notices will be deemed given when received. No objection may be made to the manner of delivery of any notice actually received in writing by an authorized agent of a Party.

13. **SIGNAGE**: Any signage to be installed by REO must be first approved in writing by the School District Superintendent.

14. **PARTY REPRESENTATIVES**: The positions or persons noted shall serve as representatives for communication between the Parties regarding this Agreement. Rebekah Rhoades shall serve as the School District representative for purposes of communication under this Agreement. Diane Oldenburg shall serve as REO representative for purposes of communication under this Agreement.

15. **ENTIRE AGREEMENT; MODIFICATION**: This Agreement contains the entire agreement between the parties, and may not be altered, modified, or amended, except by written agreement signed by the authorized representatives of the respective parties. Time is of the essence to the terms of this Agreement.

16. **PARTIAL INVALIDITY**: If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force without being impaired or invalidated in a manner.

17. **CONSTRUCTION AND JURISDICTION**: This Agreement shall be construed under the laws of the State of Montana, and the parties agree that the courts of the State of Montana shall have personal jurisdiction over the parties in relation to any claim or cause of action arising from or related to the provisions hereof, including, but not limited to, any action for breach or enforcement of the terms and conditions of this Agreement. In the event suit is brought to enforce or interpret any part of this Agreement, the prevailing party shall be entitled to recover as an element of the costs of suit, and not as damages, reasonable attorneys' fees to be fixed by the Court. The District's failure to require strict compliance with the conditions of this Agreement or to

exercise any right provided, shall not be deemed a waiver of such default, nor limit the District's rights with respect to that or other default.

IN WITNESS WHEREOF:

LEWISTOWN SCHOOL DISTRICT

By: _____ Date: _____
Chair, Board of Trustees

UNIVERSITY OF PROVIDENCE

By: _____ Date: _____
Authorized Representative

RURAL EMPLOYMENT OPPORTUNITIES

By: _____ Date: _____
Authorized Representative

EXHIBIT 'A'

ESTIMATED EXPENSES FOR THE EDUCATION CENTER IN LEWISTOWN:

13,326 SQ FT CLASSROOM BUILDING

RURAL EMPLOYMENT OPPORTUNITIES (REO) PORTION = 150 SQ FT (1% OF PRORATED EXPENSES)

REO RESPONSIBILITY (WILL NEED TO COORDINATE WITH UNIVERSITY OF PROVIDENCE):

CUSTODIAL SUPPLIES
CUSTODIAL SERVICES (LAWN MOWING SERVICE, CLEANING)
POST OFFICE BOX
INTERNET/PHONE
WASTE SERVICES

DISTRICT RESPONSIBILITY TO BILL MONTHLY (WILL BILL PROVIDENCE/REO/OTHER ENTITIES MONTHLY ON A PRORATED BASIS):

INSURANCE = \$3,100/YR = \$258/MO
STREET MAINTENANCE TAXES = \$2,200/YR = \$184/MO
CITY WATER AND SEWER CLASSROOM BUILDING = \$1,500/YR = \$125/MO
IRRIGATION FOR LAWN SPRINKLERS = \$650/YR = \$55/MO
GAS/ELECTRIC = \$20,000/YR = \$1,667/MO (UNABLE TO GET ACTUAL FIGURES FROM NORTHWEST ENERGY, AMOUNT BASED ON COSTS FOR A SIMILAR BUILDING IN THE DISTRICT)
SNOW PLOW LOT = \$2,500/YR = \$209/MO (DEPENDS ON WINTER)
LAWN FERTILIZER/WEED KILLER (NUTRALAWN) = \$215/YR = \$18/MO
SPRINKLER SYSTEM MAINTENANCE = \$145/YR = \$12/MO
FIRE EXTINGUISHER INSPECTION = \$150/YR = \$13/MO
KENCO SECURITY & ALARM INSPECTION = \$400/YR = \$34/MO
ELEVATOR SERVICE/REPAIRS = \$2,000 = \$167/MO (UNABLE TO GET ACTUAL FIGURES, AMOUNT BASED ON COSTS FOR A SIMILAR ELEVATOR IN THE DISTRICT)

MONTHLY FEE NOT PRORATED

MAJOR MAINTENANCE FEE = \$600/YR = \$50/MO (REO)

ALL AMOUNTS ARE **APPROXIMATE** AND BASED ON PREVIOUS YEAR'S BILLS. WHERE NOTED, THE SCHOOL DISTRICT DID NOT HAVE ACCESS TO PREVIOUS YEAR'S BILLS AND *ESTIMATED* COSTS ARE USED OR THE AMOUNTS ARE LEFT UNKNOWN. THIS IS NOT MEANT TO BE AN ALL INCLUSIVE LIST OF ROUTINE EXPENSES. THE UNIVERSITY, REO AND ANY OTHER ENTITIES IN THE BUILDING WILL BE BILLED MONTHLY FOR ACTUAL COSTS INCURRED IN ADDITION TO THE MAJOR MAINTENANCE FEE.

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

19

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: APPROVE BID FOR PARTIAL GARFIELD ROOF REPLACEMENT TO PERFECT 10 ROOFING

Requested By: Board of Trustees **Prepared By:** Thom Peck

SUMMARY:

Approve awarding the bid to Perfect 10 Roofing to partially re-roof Garfield Elementary.

SUGGESTED ACTION: Approve Bid for Partial Garfield Roof Replacement to Perfect 10 Roofing

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						

MEMORANDUM

Date: February 1, 2024

To: Lewistown Public Schools
Attn: Jason Fry
1201 Boulder 215 7th Avenue South
Lewistown, MT 59457

From: Cushing Terrell

RE: Award Recommendation
Lewistown – Garfield Elementary School Partial Roof Replacement Project

To whom it may concern.

The Lewistown – Garfield Elementary School existing building roof replacement Project for the summer of 2024 was bid on February 1, 2024. The contractor that provided the school district with the lowest bid to perform the work was Perfect 10 Roofing. Perfect 10 Roofing, reroofing bid for the Base Bid and Alternate #1 was \$98,997 lower than the next low bid.

The project Base Bid consisted of removing and replacing the existing roofing system over the office, gym and classroom space of the school with a new R-30 roofing system. Alternate #1 reroof area is also over sloped classroom space. The new roofing system that was designed is a thermoplastic 60 Mil reinforced single ply roof membrane with the manufacturer to provide the district with a 20 yr. NDL (No Dollar Limit) warranty. This system meets the current energy code and city/state code. This project was also bid under budget.

Cushing Terrell believes the submitted low bid falls well in line with current pricing. Cushing Terrell is also confident in Perfect 10 Roofing's ability to successfully perform the reroofing work to be in accordance with the Construction Documents.

It is Cushing Terrell's recommendation that the school district award the contract for the Base Bid Roof and Alternate #1 Roof Replacement Project, installing a new 60 Mil Single Ply Membrane for the Lewistown Public School – Garfield Elementary School to Perfect 10 Roofing in the amount of \$420,000.00.

Please see attached official bid tabulation sheet.

Sincerely,



Patrick Todd
Associate / Roofing & Building Envelope Specialist

**Project: Garfield Elementary School
 Partial Roof Replacement Project**

**Date: 2/1/2024
 Location: Facility Service**

Project Ref: LPS22_GARFIELD

Time: 11:00 AM

CONTRACTOR	Red'd 10% Bid Bond	Rec'd Add. # 1	Rec'd Add. # 2	Base Bid	Alternate #1	Reroofing Total
				Roof Section 2, 4A, 4B & 5	Roof Section 1	
Ace Roofing LLC Contractor Registration #161199	X	X	X	\$ 1,045,585.00	\$ 105,000.00	\$ 1,150,585.00
Empire Roofing Inc. Contractor Registration # 10451	X	X	X	\$ 421,376.00	\$ 97,621.00	\$ 518,997.00
Perfect 10 Roofing Contractor Registration # 209690	X	X	X	\$ 363,000.00	\$ 57,000.00	\$ 420,000.00
Cushing Terrell				\$409,675	\$83,125	\$492,800

**LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana**

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

20

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: APPROVE NOTICE OF RESOLUTION OF INTENT TO SELL/DISPOSE OF SURPLUS PROPERTY

Requested By: Board of Trustees **Prepared By:** Rebekah Rhoades

SUMMARY:

The Board of Trustees needs to approve the Notice of Resolution of Intent to Sell/Dispose of Surplus Property as stated on the attached notice.

SUGGESTED ACTION: Approve Notice of Resolution of Intent to Sell/Dispose of Surplus Property

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						

NOTICE OF RESOLUTION OF INTENT TO SELL/DISPOSE OF SURPLUS PROPERTY

WHEREAS, certain personal property owned by School District Number One and High School District Number One, Fergus County, Montana, has been determined by the Board of Trustees of said School Districts to be obsolete surplus, and unsuitable for school purposes because it is out of date and not usable, being described as follows:

***** SURPLUS PROPERTY LIST CAN BE FOUND ON THE LEWISTOWN PUBLIC SCHOOLS WEBSITE
www.lewistown.k12.mt.us
OR CAN BE PICKED UP AT THE LINCOLN BUILDING at 215 7TH AVENUE SOUTH *****

WHEREAS, an arrangement will be made to sell or otherwise dispose of said property in the most expeditious manner possible;

THEREFORE BE IT RESOLVED that the Trustees of said School Districts authorize the sale and disposal of the attached listed property.

BE IT FURTHER RESOLVED that this resolution will become effective 14 days after publication of the notice as required by 20-6-604, MCA.

DONE at Lewistown, Montana, this 12th day of February 2024.

**CHAIR
BOARD OF TRUSTEES
SCHOOL DISTRICT NUMBER ONE
HIGH SCHOOL DISTRICT NUMBER ONE**

ATTEST:

**REBEKAH RHOADES
BUSINESS MANAGER/CLERK
SCHOOL DISTRICT NUMBER ONE
HIGH SCHOOL DISTRICT NUMBER ONE**

**To be published in the News Argus on February
14, 2024**

P.O. #

BIDDING INFORMATION

Any person's interested in purchasing any of the surplus items listed may submit a sealed bid for said purchase, unless otherwise noted. Bids should be submitted to: Lewistown Public Schools, Attn: Rebekah Rhoades, 215 7th Ave South, Lewistown, MT 59457. Bidding will close on Wednesday, February 28th, at 12:00 p.m. Bidders will be notified of the results. For general questions or to set up an appointment to view items, please contact Rebekah Rhoades at 535-8777 x 1116.

**SURPLUS LIST
Spring 2024**

Garfield:

United States Rug – poor condition – Brad Clark

Sharp Box TV and VHS/DVD player – unknown condition – Amy Gies

Junior High School:

3 sets of risers – no bids accepted

Dell monitors – 14*

Acer monitors – 21*

Gateway monitors- 2*

Asus monitor- 1*

Dell Keyboards – 45*

Printer, ProXpress - M4020ND - doesn't work*

Epson - Epson Perfection 4180 photo printer*

3M 1700 Overhead Projector*

4 - Bell Howell, Still picture projector Serial #9041156 - Model 3860A*

*working condition for all technology items is unknown and items are being disposed of because they are past their useful life

Transportation:

1998 Ford Ranger XLT Pickup - VIN# 1FTZR15X0WPA31192 - \$500 minimum bid

2008 Chevrolet Impala - VIN# 2G1WB58NX89121128 - \$500 minimum bid

IR HIGH TEXTBOOK SURPLUS

Day Book “of Critical Reading and Writing”

ISBN - 13:948-0-669-53485-6

ISBN - 10:0-669-53485-45

#of copies - 80

Day book “Of Critical Reading and Writing”

ISBN - 13:978-0-669-53487-0

ISBN - 10:0-669-53487-0

#of copies - 101

Glencoe Science Life, life science textbook

ISBN - 0-07-823694-0

#of copies - 4

Glencoe Science, Teacher wraparound edition

ISBN - 978-0-07-877801-8

#of copies - 1

Glencoe science, life structure and function, teacher wraparound edition

ISBN - 0-07-825554-6

#of copies - 1

Language Course Syllabus

ISBN - 978-1-59318-593-6

#of copies - 1

Holt Science and technology, cells, heredity and classification

ISBN - 0-03-025564-3

#of copies - 1

Glencoe science, life, structure and function

ISBN - 0-07-825553-8

#of copies - 1

Holt science and technology, teaching resources for cells, heredity and classification

ISBN - 0-03-064932-3

#of copies - 1

Glencoe science reading lessons for life science

ISBN - 0-07-867125-6

#of copies - 1

Life science "Daybook"

ISBN - 0-669-49298-9

#of copies - 1

Guided study workbook, teachers edition

ISBN - 0-13-0-44003-5

#of copies - 1

Glencoe science, life science, leveled resources

ISBN - 978-0-07-879310-3

#of copies - 1

Life science laboratory manual - teacher's edition

ISBN - 0-13-043994-0

#of copies - 2

Glencoe science animal diversity teacher wraparound edition

ISBN - 0-07-825588-0

#of copies - 1

Reading Essentials - An interactive student textbook physical science glencoe

ISBN - 978-0-07-889387-2

MHID - 0-07-889387-9

#of copies - 84

Glencoe Science "Ecology" teacher wraparound edition

ISBN - 0-07-825589-9

#of copies - 34

Glencoe science "animal diversity"

ISBN - 0-07-825567-8

#of copies - 33

Glencoe science "life's structure and function" teacher wraparound edition

ISBN - 0-07-825554-6
#of copies - 35

Glencoe science "Human Body Systems" teacher wraparound edition
ISBN - 0-07-825575-9
#of copies - 35

Glencoe science "from bacteria to plants" teacher wraparound edition
ISBN - 0-07-825561-9
#of copies - 35

McGraw-Hill Mathematics
ISBN - 0-07-012627-5
#of copies - 69

Student Activities workbook "Teen Health" Course 1
ISBN - 0-02-651729-2
#of copies - 124

Student Activities workbook "teen health" course 2
ISBN - 0-02-652571-2
#of copies - 49

Sopris West "Word reading strategies"
ISBN - 978-59318-552-7
#of copies 21 plus 1 teacher's guide

Glencoe "American Republic"
ISBN - 0-07-828087-7
#of copies - 25

Write source sebrank/kemper/meyer
ISBN: 0-669-50703-2
#of copies - 33

Readers handbook from great source
ISBN - 0-669-48858-5
#of copies - 57 plus 3 teacher guides

All write a student handbook for writing and learning
ISBN - 0-669-49950-1
#of copies 38

Glencoe science "Physical Science"
ISBN - 0-07-822745-3
#of copies - 26

Prentice Hall Writing and Grammar communication in action bronze level
ISBN - 0-13-436963-7
#of copies - 127

Prentice hall literature silver level

ISBN -0-13-054788-3
#of copies - 52

Prentice Hall writing and grammar silver level handbook edition
ISBN - 013-037343-5
#of copies - 28

Language! The comprehensive literacy curriculum
ISBN - 1-59318-321-6
#of copies - 48

Prentice Hall literature bronze level
ISBN - 0-13-054787-5
#of copies - 6

Discoveries in literature america reads classic edition
ISBN - 29377
#of copies - 40

The revealers
ISBN - 13 & 10
#of copies - 46

Prentice Hall timeless voices timeless themes bronze level
ISBN - 0-03-062841-7
#of copies - 5

Write source " a book for writing, thinking and learning"
ISBN - 0-669-50706-7-8
#of copies - 28

Student activities workbook teen health course 1
ISBN - 0-02-651789-2
#of copies - 123

Student activities workbook teen health course 2
ISBN - 0-02-652571-2
#of copies - 48

I am a genius of unspeakable evil and i want to be your class president
ISBN - 978-1-59514-354-9
#of copies - 10

Harcourt math - unit 3
#of copies - 10

Reading and writing sourcebook
ISBN - 13-978-0-669-47631-6
#of copies - 9

Readers handbook a student guide for reading and learning
ISBN - 669-48858-5

#of copies - 85

Middle grades math tools for success

ISBN: 0-13-043420-5

#of copies - 2

Sweetgrass basket

ISBN- 0-525-47547-8

of copies:103

Touching spirit bear

ISBN: 978-0-06073400-8

#of copies - 15

The adventures of tom sawyer

ISBN - 978-0-7432-6652-9

#of copies - 34

Making Music

ISBN: 0-382-36575-5

Silver Burdett

Grade 7

19 student books, teacher book, resource book, cd set and accompanist book

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

21

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: APPROVE FIRST SEMESTER CLAIM FOR INDIVIDUAL CONTRACT BUS REIMBURSEMENT

Requested By: Board of Trustees **Prepared By:** Rebekah Rhoades

SUMMARY:

The Board of Trustees needs to approve the claim for the Individual Contract Bus Reimbursement for the first semester as presented on the attachment.

SUGGESTED ACTION: Approve Claim for Individual Contract Bus Reimbursement

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						



TR-5
Individual Contract Reimbursement Claim
1st Semester 2023-2024

14 Fergus
0258 Lewistown Elem
08/23/2023-01/12/2024

<u>Contract #</u>	<u>Shared</u>	<u>Family Name</u>	<u>Daily</u>		<u>Days</u>		<u>Total</u>
			<u>Rate</u>	<u>Isolation</u>	<u>Transported</u>	<u>Reimbursed</u>	<u>Reimbursement</u>
55293	False	Cates, Sarah	3.99	No	50.0	50.0	199.50 *
55294	False	Mchaney, Paige	0.35	No	34.0	34.0	11.90 *
Total Individual Contract Reimbursement							211.40

Board Chair _____

Signature



TR-5
Individual Contract Reimbursement Claim
1st Semester 2023-2024

14 Fergus
0259 Fergus H S

08/23/2023-01/12/2024

Contract #	Shared	Family Name	Daily		Days		Total
			Rate	Isolation	Transported	Reimbursed	Reimbursement
54773	False	Snapp, Bryan	8.54	No	75.0	75.0	640.50 *
54774	False	Boogman, Zelda	1.19	No	86.0	86.0	102.34 *
54775	False	Knerr, Keith	1.40	No	83.0	83.0	116.20 *
Total Individual Contract Reimbursement							859.04

Board Chair

Signature _____

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

22

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: APPROVE FIRST SEMESTER ELEMENTARY AND HIGH SCHOOL CLAIMS FOR BUS REIMBURSEMENT

Requested By: Board of Trustees **Prepared By:** Rebekah Rhoades

SUMMARY:

Attached are the first semester Elementary and High School claims for bus route reimbursement. According to state law, each yellow bus route generates a per-mile reimbursement based on the rated capacity of the bus used on the route. The money generated is used to fund home-to-school transportation in our Transportation Funds. These payments are financed 50% each by the state and county, with the county's portion financed by a permissive (i.e., unvoted) countywide levy.

The Board of Trustees needs to approve the Elementary and High School Bus Route Reimbursement Claim Forms for the first semester as presented on the attachments.

SUGGESTED ACTION: Approve First Semester Elementary and High School Bus Route Reimbursement Claims

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						



TR-6 Bus Route Reimbursement Claim 1st Semester 2023-2024

08/23/2023-01/12/2024

14 Fergus 0258 Lewistown Elem

Route #	Miles			Driver	VIN	Days		Total
	%	Per Day	Rate			Claimed	Reimbursed	Reimbursement
1	72.00	82.4	1.57	Robert S. Odermann	4DRBWTAN9MB486977	1.0	1.0	93.14
1	72.00	82.4	1.57	Jade L. Watson	4DRBWTAN9MB486977	6.0	6.0	558.87
1	72.00	82.4	1.57	Sandra J. Mikeson	4DRBWTAN9MB486977	2.0	2.0	186.29
1	72.00	82.4	1.57	Joe A. Boyles	4DRBWTAN9MB486977	79.0	79.0	7,358.45
2	72.00	76.4	1.80	Jade L. Watson	4DRBWTAN5KB275773	7.5	7.5	742.61
2	72.00	76.4	1.80	Sandra J. Mikeson	4DRBWTAN5KB275773	1.5	1.5	148.52
2	72.00	76.4	1.80	Robert S. Odermann	4DRBWTAN5KB275773	0.5	0.5	49.51
2	72.00	76.4	1.80	April M. Duggins	4DRBWTAN5KB275773	78.5	78.5	7,772.63
3	72.00	66.0	0.95	Cindy L. Noel	4DRBWTAN5MB486975	3.5	3.5	158.00
3	72.00	66.0	0.95	Stacey L. Sramek	4DRBWTAN5MB486975	84.5	84.5	3,814.67
4	72.00	74.9	1.80	Jade L. Watson	4DRBWAAN0hb524154	4.0	4.0	388.28
4	72.00	74.9	1.80	Sandra J. Mikeson	4DRBWAAN0hb524154	0.5	0.5	48.54
4	72.00	74.9	1.80	Heather Neuman	4DRBWAAN0hb524154	83.5	83.5	8,105.38
5	72.00	42.0	1.57	Sandra J. Mikeson	4DRBWAAN6GB000568	0.5	0.5	23.74
5	72.00	42.0	1.57	Fred J. Wood, Jr.	4DRBWAAN6GB000568	5.5	5.5	261.12
5	72.00	42.0	1.57	Jade L. Watson	4DRBWAAN6GB000568	1.0	1.0	47.48
5	72.00	42.0	1.57	Terry L. Hogg	4DRBWAAN6GB000568	81.0	81.0	3,845.62
6	72.00	66.6	1.57	Sandra J. Mikeson	4DRBWTAN3LB251473	1.5	1.5	112.93
6	72.00	66.6	1.57	Michael D. Perrine	4DRBWTAN3LB251473	86.5	86.5	6,512.12
7	72.00	84.0	0.95	Fred J. Wood, Jr.	4DRBUAAL1FB033528	5.5	5.5	316.01
7	72.00	84.0	0.95	Sandra J. Mikeson	4DRBUAAL1FB033528	0.5	0.5	28.73
7	72.00	84.0	0.95	Jade L. Watson	4DRBUAAL1FB033528	2.0	2.0	114.91
7	72.00	84.0	0.95	Albert C. White	4DRBUAAL1FB033528	80.0	80.0	4,596.48

* Indicates that the County Superintendent must approve the TR-6 Bus Route Claim
1/22/2024 2:59:15 PM <http://OPISSRSPRD:80/ReportServer rptBusRouteReimbursementTR6>



TR-6
Bus Route Reimbursement Claim
1st Semester 2023-2024

08/23/2023-01/12/2024

14 Fergus
0258 Lewistown Elem

Route #	Miles			Driver	VIN	Days		Total
	%	Per Day	Rate			Claimed	Reimbursed	Reimbursement
8	72.00	46.8	1.80	Jade L. Watson	4DRBWTAN0NB537235	3.5	3.5	212.28
8	72.00	46.8	1.80	Rhonda Stewart	4DRBWTAN0NB537235	84.5	84.5	5,125.16
11	72.00	13.4	1.36	Jade L. Watson	4DRBWAAN7CB341925	7.0	7.0	91.85
11	72.00	13.4	1.36	Robert S. Odermann	4DRBWAAN7CB341925	1.5	1.5	19.68
11	72.00	13.4	1.36	Cindy L. Noel	4DRBWAAN7CB341925	79.5	79.5	1,043.14
Total Bus Route Reimbursement								51,776.14

Board Chair

 Signature



TR-6 Bus Route Reimbursement Claim 1st Semester 2023-2024

08/23/2023-01/12/2024

14 Fergus 0259 Fergus H S

Route #	Miles			Driver	VIN	Days		Total
	%	Per Day	Rate			Claimed	Reimbursed	Reimbursement
1	28.00	82.4	1.57	Robert S. Odermann	4DRBWTAN9MB486977	1.0	1.0	36.22
1	28.00	82.4	1.57	Jade L. Watson	4DRBWTAN9MB486977	6.0	6.0	217.34
1	28.00	82.4	1.57	Sandra J. Mikeson	4DRBWTAN9MB486977	2.0	2.0	72.45
1	28.00	82.4	1.57	Joe A. Boyles	4DRBWTAN9MB486977	79.0	79.0	2,861.62
2	28.00	76.4	1.80	Jade L. Watson	4DRBWTAN5KB275773	7.5	7.5	288.79
2	28.00	76.4	1.80	Sandra J. Mikeson	4DRBWTAN5KB275773	1.5	1.5	57.76
2	28.00	76.4	1.80	Robert S. Odermann	4DRBWTAN5KB275773	0.5	0.5	19.25
2	28.00	76.4	1.80	April M. Duggins	4DRBWTAN5KB275773	78.5	78.5	3,022.69
3	28.00	66.0	0.95	Cindy L. Noel	4DRBWTAN5MB486975	3.5	3.5	61.45
3	28.00	66.0	0.95	Stacey L. Sramek	4DRBWTAN5MB486975	84.5	84.5	1,483.48
4	28.00	74.9	1.80	Jade L. Watson	4DRBWAAN0hb524154	4.0	4.0	151.00
4	28.00	74.9	1.80	Sandra J. Mikeson	4DRBWAAN0hb524154	0.5	0.5	18.87
4	28.00	74.9	1.80	Heather Neuman	4DRBWAAN0hb524154	83.5	83.5	3,152.09
5	28.00	42.0	1.57	Sandra J. Mikeson	4DRBWAAN6GB000568	0.5	0.5	9.23
5	28.00	42.0	1.57	Fred J. Wood, Jr.	4DRBWAAN6GB000568	5.5	5.5	101.55
5	28.00	42.0	1.57	Jade L. Watson	4DRBWAAN6GB000568	1.0	1.0	18.46
5	28.00	42.0	1.57	Terry L. Hogg	4DRBWAAN6GB000568	81.0	81.0	1,495.52
6	28.00	66.6	1.57	Sandra J. Mikeson	4DRBWTAN3LB251473	1.5	1.5	43.92
6	28.00	66.6	1.57	Michael D. Perrine	4DRBWTAN3LB251473	86.5	86.5	2,532.49
7	28.00	84.0	0.95	Fred J. Wood, Jr.	4DRBUAAL1FB033528	5.5	5.5	122.89
7	28.00	84.0	0.95	Sandra J. Mikeson	4DRBUAAL1FB033528	0.5	0.5	11.17
7	28.00	84.0	0.95	Jade L. Watson	4DRBUAAL1FB033528	2.0	2.0	44.69
7	28.00	84.0	0.95	Albert C. White	4DRBUAAL1FB033528	80.0	80.0	1,787.52

* Indicates that the County Superintendent must approve the TR-6 Bus Route Claim
1/22/2024 2:59:15 PM <http://OPISSRSPRD:80/ReportServer rptBusRouteReimbursementTR6>



TR-6
Bus Route Reimbursement Claim
1st Semester 2023-2024

08/23/2023-01/12/2024

14 Fergus
0259 Fergus H S

Route #	Miles			Driver	VIN	Days		Total
	%	Per Day	Rate			Claimed	Reimbursed	Reimbursement
8	28.00	46.8	1.80	Jade L. Watson	4DRBWTAN0NB537235	3.5	3.5	82.56
8	28.00	46.8	1.80	Rhonda Stewart	4DRBWTAN0NB537235	84.5	84.5	1,993.12
11	28.00	13.4	1.36	Jade L. Watson	4DRBWAAN7CB341925	7.0	7.0	35.72
11	28.00	13.4	1.36	Robert S. Odermann	4DRBWAAN7CB341925	1.5	1.5	7.65
11	28.00	13.4	1.36	Cindy L. Noel	4DRBWAAN7CB341925	79.5	79.5	405.67
Total Bus Route Reimbursement								20,135.17

Board Chair

 Signature

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

23

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: APPROVE TRUSTEE RESOLUTION CALLING FOR A LEWISTOWN ELEMENTARY SCHOOLS ELECTION

Requested By: Board of Trustees **Prepared By:** Rebekah Rhoades

SUMMARY:

The Board of Trustees needs to approve the Trustee Resolution Calling for an Election.

Attached for your review is the Trustee Resolution Calling for an Election, an action the Board must take by Tuesday, February 27, 2023.

SUGGESTED ACTION: Approve Trustee Resolution Calling for a Lewistown Elementary Schools Election

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						

TRUSTEE RESOLUTION CALLING FOR AN ELECTION
LEWISTOWN PUBLIC SCHOOLS – ELEMENTARY DISTRICT

BE IT RESOLVED, the Board of Trustees for Lewistown Elementary School District No. 1, Fergus County, State of Montana, will hold the Annual Regular School Election on Tuesday, the 7th day of May, 2024, which date is not less than seventy (70) days after the passage of this resolution.

The election will be conducted by:

Mail Ballot Poll Election

Voters must return their mail ballots to the Fergus County Courthouse by 8:00pm on May 7, 2024.

The purpose of the election is to elect two (2) trustees for a three-year term.

Approval of additional levies to operate and maintain the Elementary General fund for FY 2025 and Building Reserve Safety Levies are also requested.

If it is later determined that any portion of the election is not required, the Board of Trustees authorizes Rebekah Rhoades, District Election Administrator, to cancel that portion of the election in accordance with [13-1-304](#) and [20-3-313](#), MCA.

The following voting locations will be used for the election and the three electors of this district who are qualified to vote at such election are hereby appointed to act as judges at the election at each voting place as follows:

Voting Location and Address: Fergus County Courthouse, 712 W Main St #2, Lewistown, MT 59457

Election Judge

1. Vicky Ruckman
2. Linda Bradley
3. Sally Horacek

BE IT FURTHER RESOLVED, that the clerk of this school district is hereby directed and to notify the county election administrator of the date of holding said election, and request the clerk to close regular registration and to prepare and furnish election materials as required by law. The county election administrator is hereby directed to notify the above named election judges of their appointment. If any of these judges should not be able to serve, the election administrator will choose a replacement from certified judges.

No further proceedings were conducted relating to the election.

Print Name of Board Chair

Signature of Board Chair

Print Name of Clerk

Signature of Clerk

DATED this _____ day of _____, 20__.

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

24

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action – Consent
 Action – Indiv.

ITEM TITLE: APPROVE TRUSTEE RESOLUTION CALLING FOR A FERGUS HIGH SCHOOL ELECTION

Requested By: Board of Trustees **Prepared By:** Rebekah Rhoades

SUMMARY:

The Board of Trustees needs to approve the Trustee Resolution Calling for an Election.

Attached for your review is the Trustee Resolution Calling for an Election, an action the Board must take by Tuesday, February 27, 2023.

SUGGESTED ACTION: Approve Trustee Resolution Calling for a Fergus High School Election

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						

TRUSTEE RESOLUTION CALLING FOR AN ELECTION
LEWISTOWN PUBLIC SCHOOLS – HIGH SCHOOL DISTRICT

BE IT RESOLVED, the Board of Trustees for Fergus High School District No. 1, Fergus County, State of Montana, will hold the Annual Regular School Election on Tuesday, the 7th day of May, 2024, which date is not less than seventy (70) days after the passage of this resolution.

The election will be conducted by:

Mail Ballot Poll Election

Voters must return their mail ballots to the Fergus County Courthouse by 8:00pm on May 7, 2024.

Approval of additional levies to operate and maintain the High School General fund for FY 2025 and Building Reserve Safety Levies are also requested.

If it is later determined that any portion of the election is not required, the Board of Trustees authorizes Rebekah Rhoades, election administrator, to cancel that portion of the election in accordance with [13-1-304](#) and [20-3-313](#), MCA.

The following voting locations will be used for the election and the three electors of this district who are qualified to vote at such election are hereby appointed to act as judges at the election at each voting place as follows:

Voting Location and Address: Fergus County Courthouse, 712 W Main St #2, Lewistown, MT 59457

Election Judge

1. Vicky Ruckman
2. Linda Bradley
3. Sally Horacek

BE IT FURTHER RESOLVED, that the clerk of this school district is hereby directed and to notify the county election administrator of the date of holding said election, and request the clerk to close regular registration and to prepare and furnish election materials as required by law. The county election administrator is hereby directed to notify the above named election judges of their appointment. If any of these judges should not be able to serve, the election administrator will choose a replacement from certified judges.

No further proceedings were conducted relating to the election.

Print Name of Board Chair

Signature of Board Chair

Print Name of Clerk

Signature of Clerk

DATED this _____ day of _____, 20__.

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

25

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action - Consent
 Action - Indiv.

ITEM TITLE: APPROVE DESTRUCTION OF RECORDS

Requested By: Board of Trustees **Prepared By:** Thom Peck

SUMMARY:

The Board of Trustees needs to approve the destruction of records in the attached documents. Destruction of records follows Schedule No. 7 – School District Records Schedule from the State of Montana.

SUGGESTED ACTION: Approve Destruction of Records

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Brady						
Carlson						
Koch						
Fulbright						

RECORDS DESTRUCTION DOCUMENT (RM88)

NO. 10

PAGE 1
OF 1 PAGES

1. AGENCY NAME AND DIVISION/PROGRAM:

Lewistown Public Schools
215 7th Ave South
Lewistown, MT 59457

2. AGENCY CONTACT:

NAME: Rebekah Rhoades
PHONE #: 4065358777 EMAIL:rrhoades@lewistown.k12.mt.us

3. NOTICE OF INTENTION: The schedule records listed in Item 5 are to be disposed of in the manner checked below (specify only one).

- Delete
 Incinerate
 Shred as Classified
 Toss without Restriction

 Other: Explain

4. SUBMITTED BY: I hereby certify that the records to be disposed of are correctly represented below, that any audit requirements or **Offer to the State Historical Society Archives** has been fully justified, and that further retention is not required for any litigation pending or imminent. Documentation attached from Historical Society.

SIGNATURE:

NAME AND TITLE:

DATE:

5. LIST OF RECORD SERIES

NOTE: Attach any inventories or Excel spreadsheets to this form to help validate records destroyed.

a. Retention Schedule Number	b. Item number listed on Retention Schedule	c. Record Series Title	d. Retention in months/years	e. Inclusive Dates	f. Volume in Cubic Feet	g. Disposition Action and Date completed after Authorization
7	SDRIX-1 #12	PERSONNEL EVALUATION RECORDS	10 years after date of retirement, resignation or termination	2005- 2013	.5	2/13/2024

6. DISPOSAL AUTHORIZATION: Disposal for the above listed records is authorized. Any deletions or modifications are indicated.

Custodian/Records Manager

Name: Date:

Signature:

7. DISPOSAL CERTIFICATE: The above listed records have been disposed of in the manner and on the date shown in column g.

Name and Title:

Signature:

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

26

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action - Consent
 Action - Indiv.

ITEM TITLE: APPROVE ADDITIONS TO THE SUBSTITUTE LIST FOR THE 2023-2024 SCHOOL YEAR

Requested By: Board of Trustees **Prepared By:** Christy Rogers

SUMMARY:

The Board of Trustees needs to approve the additions to the substitute list for the 2022-2023 School Year as listed below:

Substitute Teacher/Aide
Jordan Phillips
Carrie Gillen
Brianna "Bri" Winegar

School Food Substitute
Theresa Nelson

SUGGESTED ACTION: Approve Additions to the Substitute List for the 2023-2024 School Year

Additional Information Attached Estimated cost/fund source _____

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						

LEWISTOWN PUBLIC SCHOOLS
Lewistown, Montana

BOARD AGENDA ITEM

Meeting Date

02/12/2024

Agenda Item No.

27

- Minutes/Claims
 Board of Trustees
 Superintendent's Report
 Action - Consent
 Action - Indiv.

ITEM TITLE: APPROVE PERSONNEL REPORT

Requested By: Board of Trustees **Prepared By:** Christy Rogers

SUMMARY:

Attached is the Personnel Report for your review.

SUGGESTED ACTION: Approve all items

Additional Information Attached

NOTES:

<i>Board Action</i>	Motion	Second	Aye	Nay	Abstain	Other
Bailey						
Birdwell						
Hodge						
Carlson						
Brady						
Koch						
Fulbright						

**LEWISTOWN PUBLIC SCHOOLS
LEWISTOWN, MONTANA**

Monday, February 12, 2024

<i>EMPLOYEE NAME</i>	<i>POSITION</i>	<i>LOCATION</i>	<i>RECOMMENDED ACTION</i>	<i>EFFECTIVE DATE</i>	<i>RECOMMENDED BY</i>	<i>COMMENTS</i>
JENNESS, Ashley	Counselor	Highland Park Elementary School and Lewis and Clark Elementary School	Accept Letter of Resignation	6/30/2024	Matthew Ventresca and Danny Wirtzberger	See Attached Letter
LOWER, Holly	Assistant Cheer Coach	Fergus High School	Approve appointment on schedule -- ASSISTANT CHEER COACH, \$774.37 stipend (pro-rated per dates listed)	1/14/2024 - 3/16/2024	Paul Bartos	Replacing Rayna Phelps who is now Head Coach
MILLER, Beverly Kim	Teacher	Fergus High School	Accept Letter of Resignation	6/30/2024	Matt Lewis	See Attached Letter
RIANDA, Jondie	Teacher	Fergus High School	Accept Letter of Resignation	6/30/2024	Matt Lewis	See Attached Letter
SCREETON, Lisa	English Teacher	Fergus High School	Accept Letter of Resignation	6/30/2024	Matt Lewis	See Attached Letter
SMITH, Melanie	Co-Head Coach	Fergus High School	Approve appointment on schedule -- CO-HEAD TENNIS COACH - \$35,269.00 X 0.125 = \$4,408.63 stipend	2/12/2024	Paul Bartos	Replacing Shannon Fisk
YOUNG, Katelynn	Food Server/Kitchen Aide	Highland Park Elementary School and Lewis and Clark Elementary School	Accept Letter of Resignation	2/2/2024	Amie Friesen	See Attached Letter

January 11, 2024

Dear Mr. Ventresca and Mr. Wirtzberger,

I am writing to inform you that I have decided to resign from my position as Elementary School Counselor. My last day of work will be the last day of school, May 31, 2024.

Sincerely,

Ashley Jenness



Fergus High School
Agricultural Education Department
Mrs. Rianda-Hodge



Letter of Resignation

1/9/2024
Matt Lewis
1001 Casino Creek Drive
mlewis@lewistown.k12.mt.us

Dear Mr. Lewis,

I am writing to formally resign from my position of Agricultural Education Educator here at Fergus High and Jr. High, effective at the end of my contracted and extended contracted 2023-2024 school year. It is with mixed emotions that I make this decision, as I have greatly enjoyed my time with the students here in Lewistown, MT. I have grown both professionally and personally during my tenure.

I have been mulling this over for at least a year now and know it is in mine and my family's best interest that I leave. Please feel free to reach out to me at jondie.rianda@lewistown.k12.mt.us or (406) 380 – 1277. If you have any further questions or need any additional information. I would be happy to be of assistance during this transition period.

Thank you once again. I wish you and the entire Fergus High community success and growth.

Sincerely,

Mrs. Jondie Rianda (Hodge)
Agriculture Educator
jondie.rianda@lewistown.k12.mt.us
(406) 380 - 1277



Amie Friesen <amie.friesen@lewistown.k12.mt.us>

Letter of resignation for Katelynn Young

1 message

Katelynn Young <kateyoung357@gmail.com>
To: amie.friesen@lewistown.k12.mt.us

Fri, Feb 2, 2024 at 9:54 AM

To whomever ever it may concern,

I hereby resign due to unforeseen medical complications. I would love to stay on as a sub as medically permitted with the hopes of presuming work in the future.

Katelynn Young

B. Kim Miller
377 Flower Hills Rd
Lewistown, MT 59457
February 7, 2024

Lewistown School District #1
214 7th Ave South
Lewistown, MT 5947

To Whom it may concern:

Working for the Lewistown School District has been a very fulfilling experience-twice. At the end of the 2023/2024 school year, I will be resigning from my teaching position at Fergus High School. This second time around has been challenging at times, but very rewarding, and I have truly enjoyed working with the students. The FHS staff has been a pleasure to work with as well, and I will miss these professionals. Thank you for the opportunity to once again work with kids.

Truly,



B. Kim Miller

----- Forwarded message -----

From: **Lisa Screeton** <lisa.screeton@lewistown.k12.mt.us>

Date: Fri, Jan 19, 2024 at 9:27 PM

Subject: Resignation from English Position

To: Matt Lewis <mlewis@lewistown.k12.mt.us>

Hi Mr. Lewis:

I want to officially inform you that I will not return as Freshman English teacher for the 2024-2025 school year.

The English faculty here is the best!

Sincerely,
Lisa Screeton

--
Matthew Lewis, Principal
Fergus High School
Lewistown, Montana
(406) 535-2321 ext. 6002

mlewis@lewistown.k12.mt.us

LEWISTOWN PUBLIC SCHOOLS

2023-2024 SCHOOL CALENDAR

AUGUST 2023						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

SEPTEMBER 2023						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

OCTOBER 2023						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

NOVEMBER 2023						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

DECEMBER 2023						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JANUARY 2024						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

FEBRUARY 2024						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

MARCH 2024						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

APRIL 2024						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

MAY 2024						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JUNE 2024						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

JULY 2024						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

PIR DAYS (Pupil Instruction-Related)

August 14	New Staff Orientation
August 21-22	All Staff Orientation/PIR
October 19-20	Staff Development Days <i>Teachers Convention (Billings)</i>
Oct 30-Nov 10	Parent-Teacher Conferences <i>Schedules vary by school</i> <i>PIR November 2nd</i> <i>No school November 2nd-3rd</i>
March 25-27	Parent-Teacher Conferences <i>Schedules vary by school</i> <i>Full school days for students</i>
May 13	PIR Day

HOLIDAYS & VACATIONS
No School for Teachers or Students

September 4	Labor Day
November 3	Vacation Day
November 22-24	Thanksgiving Vacation
Dec 25 - Jan 2	Winter Break
February 22-23	Vacation Days
March 28-April 1	Easter Vacation
April 26	Vacation Day
May 27	Memorial Day

- New Teacher Orientation
- First/Last Day of School K-4 First Day
- End of Quarter
- Quarter Mid-Term
- End of Semester (2nd & 4th quarters)
- School Dismissed at 1:30 pm
- FHS Graduation Day
- PIR Day PT Conferences
- No School (Day Off/No School)
- Paid Holiday (Day Off/No School)
- Flex Day (No School for Students)

PUPIL INSTRUCTION (INCLUDING FLEX DAYS)	First Semester 88 days				Second Semester 91 days					
	FIRST QUARTER DAYS				THIRD QUARTER DAYS					
	First Week	Aug 23	to	Aug 25	3	First Week	Jan 16	to	Jan 19	4
	Second Week	Aug 28	to	Sept 1	5	Second Week	Jan 22	to	Jan 26	5
	Third Week	Sept 5	to	Sept 8	4	Third Week	Jan 29	to	Feb 2	5
	Fourth Week	Sept 11	to	Sept 15	5	Fourth Week	Feb 5	to	Feb 9	5
	Fifth Week	Sept 18	to	Sept 22	5	Fifth Week	Feb 12	to	Feb 16	5
	Sixth Week	Sept 25	to	Sept 29	5	Sixth Week	Feb 19	to	Feb 21	3
	Seventh Week	Oct 2	to	Oct 6	5	Seventh Week	Feb 26	to	March 1	5
	Eighth Week	Oct 9	to	Oct 13	5	Eighth Week	March 4	to	March 8	5
	Ninth Week	Oct 16	to	Oct 18	3	Ninth Week	March 11	to	March 15	5
	Tenth Week	Oct 23	to	Oct 27	5	Tenth Week	March 18	to	March 22	5
				45					47	
SECOND QUARTER DAYS				FOURTH QUARTER DAYS						
First Week	Oct 30	to	Nov 1	3	First Week	March 25	to	March 27	3	
Second Week	Nov 6	to	Nov 10	5	Second Week	April 2	to	April 5	4	
Third Week	Nov 13	to	Nov 17	5	Third Week	April 8	to	April 12	5	
Fourth Week	Nov 20	to	Nov 21	2	Fourth Week	April 15	to	April 19	5	
Fifth Week	Nov 27	to	Dec 1	5	Fifth Week	April 22	to	April 25	4	
Sixth Week	Dec 4	to	Dec 8	5	Sixth Week	April 29	to	May 3	5	
Seventh Week	Dec 11	to	Dec 15	5	Seventh Week	May 6	to	May 10	5	
Eighth Week	Dec 18	to	Dec 22	5	Eighth Week	May 14	to	May 17	4	
Ninth Week	Jan 3	to	Jan 5	3	Ninth Week	May 20	to	May 24	5	
Tenth Week	Jan 8	to	Jan 12	5	Tenth Week	May 28	to	May 31	4	
				43					44	
Total Days 179										

PUPIL INSTRUCTION-RELATED DAYS (PIR)	August 14	New Staff Orientation	
	August 21-22	All Staff Orientation/PIR	2.0
	October 19-20	Staff Development Days <i>Teachers Convention</i>	2.0
	Oct 30-Nov 10	Parent-Teacher Conferences <i>Schedules vary by school PIR November 2nd No school November 2nd & 3rd</i>	1.5
	March 25-27	Parent-Teacher Conferences <i>Schedules vary by school Full school days for students</i>	.5
	May 13	PIR Day	1.0
		Floating PIR Day	<u>1.0</u>
		8.0	

HOLIDAYS & VACATIONS	<i>Dates Inclusive</i>	
	September 4	Labor Day
	November 3	Vacation Day
	November 22-24	Thanksgiving Vacation
	Dec 25-Jan 2	Winter Break
	February 22-23	Vacation Days
	March 28-April 1	Easter Vacation
April 26	Vacation Day	
May 27	Memorial Day	
July 4	Vacation Day (12-mo employees)	