

**NORTH ST. PAUL-MAPLEWOOD-OAKDALE  
EDUCATION ASSOCIATION  
REVIEWED FINANCIAL STATEMENTS  
August 31, 2022**

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
North St. Paul-Maplewood-Oakdale Education Association  
North St. Paul, Minnesota

We have reviewed the accompanying financial statements of North St. Paul-Maplewood-Oakdale Education Association (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets - cash basis as of August 31, 2022, and the related statements of revenues, expenses, and other changes in net assets - cash basis, and functional expenses – cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of North St. Paul-Maplewood-Oakdale Education Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the cash basis of accounting.

**Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

**Summarized Comparative Information**

We previously reviewed North St. Paul-Maplewood-Oakdale Education Association's 2021 financial statements and in our conclusion dated February 16, 2022, stated that based on our review, we were not aware of any material modifications that should be made to the 2021 financial statements in order for them to be in accordance with the cash basis of accounting. We are not aware of any material modifications that should be made to summarized comparative information presented herein as of and for the year ended December 31, 2021 for it to be consistent with the reviewed financial statements from which it has been derived.

*Hamington Langer & Associates*

February 22, 2023

**NORTH ST. PAUL-MAPLEWOOD-OAKDALE EDUCATION ASSOCIATION**  
**STATEMENT OF ASSETS, LIABILITIES & NET ASSETS - CASH BASIS**  
August 31, 2022  
(with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 252,216	\$ 199,119
Certificates of deposit	270,231	266,027
Investments	<u>114,634</u>	<u>96,963</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 637,081</u></u>	<u><u>\$ 562,109</u></u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>NET ASSETS</b>		
Without donor restrictions	<u>\$ 637,081</u>	<u>\$ 562,109</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 637,081</u></u>	<u><u>\$ 562,109</u></u>

**NORTH ST. PAUL-MAPLEWOOD-OAKDALE EDUCATION ASSOCIATION**  
**STATEMENT OF REVENUES, EXPENSES & OTHER CHANGES IN NET ASSETS - CASH BASIS**  
For the Year Ended August 31, 2022  
(with comparative totals for 2021)

	2022	2021
SUPPORT AND REVENUE		
Membership dues, net	\$ 192,857	\$ 136,006
Grant income	15,297	3,000
Investment income	22,024	11,074
Other income	1,885	806
TOTAL SUPPORT AND REVENUE	232,063	150,886
EXPENSES		
Program services	120,809	116,082
Management and general	36,283	31,714
TOTAL EXPENSES	157,092	147,796
CHANGE IN NET ASSETS	74,971	3,090
NET ASSETS, BEGINNING	562,110	559,019
NET ASSETS, ENDING	\$ 637,081	\$ 562,109

**NORTH ST. PAUL-MAPLEWOOD-OAKDALE EDUCATION ASSOCIATION**  
**STATEMENT OF FUNCTIONAL EXPENSES - CASH BASIS**  
For the Year Ended August 31, 2022  
(with comparative totals for 2021)

	Program Services	Management and General	Total 2022	Total 2021
Executive board	\$ 14,674	\$ 1,630	\$ 16,304	\$ 12,895
Officer stipends	37,484	1,973	39,457	42,435
Officer expenses	360	3,240	3,600	3,284
Half time release for president	34,000	-	34,000	34,000
Payroll taxes	5,094	268	5,362	5,364
Starz banquet	500	-	500	1,000
Membership chair	4,806	534	5,340	6,627
Assistant membership	1,020	-	1,020	840
Relicensure	-	219	219	56
Training	351	39	390	2,802
Member rights chair	4,289	476	4,765	5,299
Assistant member rights chair	2,190	-	2,190	4,041
Organizing committee	115	115	230	231
Negotiations expense	7,752	1,938	9,690	4,227
EM rep con	600	-	600	219
Conference and mileage	-	-	-	76
Summer seminar	-	995	995	975
Office rent	-	9,633	9,633	9,000
Insurance	-	651	651	642
Supplies and postage	-	71	71	381
Utilities	-	1,778	1,778	1,615
Webmaster	817	204	1,021	1,020
Professional fees	730	2,920	3,650	3,500
Contingency	6,027	6,026	12,053	741
Other expenses	-	3,573	3,573	6,526
<b>TOTAL EXPENSES</b>	<b>\$ 120,809</b>	<b>\$ 36,283</b>	<b>\$ 157,092</b>	<b>\$ 147,796</b>

**NORTH ST. PAUL-MAPLEWOOD-OAKDALE EDUCATION ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities:**

North St. Paul-Maplewood-Oakdale Education Association (the Association) is a nonprofit professional organization and a union of professionals of the Independent School District 622 (ISD 622). The Association's primary purpose is to keep members informed of current educational issues, assist with educators' professional growth, and advocate for students, public education, professional salaries, and working conditions. Membership includes classroom teachers, art, music, and physical education specialists, school psychologists, school social workers, school nurses, speech and hearing specialists, content area facilitators, special educators, learning resource teachers and any other licensed educators eligible to be in the teachers' bargaining unit. The Association is affiliated on the state level with Education Minnesota, and nationally with the National Education Association (NEA) and the American Federation of Teachers (AFT).

**Basis of Presentation:**

The Association's accounts are maintained, and these statements are presented on the cash basis of accounting under which only support and revenues collected, costs and expenses paid, and financial instruments arising from cash transactions are recognized. This is a comprehensive basis of accounting other than generally accepted accounting principles. Accounts receivable, accrued expenses, accounts payable, deferred expenses and other assets and liabilities which may be material in amount are not reflected; and the financial statements are not intended to present the results of operations and financial position in conformity with generally accepted accounting principles.

*Net Assets without Donor Restrictions* – consist of assets, public support and program revenues, which are available and used for operations and programs. Contributions are considered available for unrestricted use unless specifically restricted by the donor, they may, however, be subject to board designation.

*Net Assets with Donor Restrictions* – include funds with donor-imposed restrictions, which permit the Organization to expend the assets as specified and are satisfied either by the passage of time or by actions of the Organization. Resources of this nature originate from gifts, contribution, and investment income earned on restricted funds. The Association has no net assets with donor restrictions.

**Membership Dues:**

The Association collects annual dues from its members. These amounts are allocated between local dues kept and recorded as membership dues of the Association and those sent to other state and national teacher unions. During the year ended August 31, 2022, the Association collected gross dues of \$750,032 and submitted \$557,175 to other state and national teacher unions.

**NORTH ST. PAUL-MAPLEWOOD-OAKDALE EDUCATION ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

**Support and Revenue:**

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Association reports gifts of goods and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Association reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

**Cash and Cash Equivalents:**

For the purpose of the statements of cash flows, the Association considers all short-term debt instruments purchased with an original maturity of three months or less to be cash equivalents.

**Investments:**

Investments and securities are comprised of publicly traded mutual funds and are reported at cost. For the year ended August 31, 2022, dividends in the amount of approximately \$17,669 were reinvested and are included in cost. As of August 31, 2022, there were unrecorded unrealized gains on the investments in securities of approximately \$83,900.

**Income Taxes:**

The Association is exempt from income taxes under section 501(c)(5) of the Internal Revenue Code, and similar state statutes. No income tax expense has been recognized during the year ended August 31, 2022.

Federal and state tax authorities generally have the right to examine the current and three previous years of income tax returns. The Association is not currently under examination by any taxing jurisdiction.



**NORTH ST. PAUL-MAPLEWOOD-OAKDALE EDUCATION ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES**  
**(continued)**

**Subsequent Events:**

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through February 22, 2023, the date the financial statements were available to be issued.

**NOTE 2. SIGNIFICANT CONCENTRATIONS OF CREDIT RISK**

The Association maintains its cash balances at local financial institutions. Accounts at these institutions are insured by the National Credit Union Administration (NCUA) and the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Association had no uninsured cash balances as of August 31, 2022.

**NOTE 3. OPERATING LEASES**

The Association leases office space in North St. Paul, Minnesota under a month-to-month agreement for \$755 per month plus utilities with an unrelated organization. The rent expense for the year is \$9,064.

**NOTE 4. AVAILABILITY AND LIQUIDITY**

The Association has financial assets of \$637,081 available for general expenditure within one year. The Association's goal is generally to maintain financial assets to meet 90 days of operating expenses.

**NOTE 5. CERTIFICATES OF DEPOSIT**

Certificates of deposit are valued at original cost plus accrued interest to date. At August 31, 2022, the Association had certificates of deposit totaling \$270,231. These certificates mature in February 2023 and earn interest at rates ranging from 1.15% to 2.00%.