Regular Monthly Meeting

Monday, August 21, 2023 6:00 PM
R-P Schools Forum Room, 1000 Pine Meadows Lane, Rushford, Minnesota 55971

1. **Call to Order**

2. **Pledge of Allegiance**

3. **Roll Call**

4. **Adoption of Agenda**

5. **Public Comments - Limited to 5 minutes per person**

6. **CONSENT AGENDA - *Roll call vote***

6.A. July 17, 2023 Regular Monthly Meeting Minutes

6.B. July hand payables, wires & payroll liabilities in the amount of $285,462.89.

6.C. July payroll in the amount of $264,488.33

6.D. August board bills in the amount of $218,977.43

6.E. PERSONNEL:

6.E.1. Resignation:
Helen Carney - Foodservice Assistant

6.E.2. Hires:
Kari Blum - Head of Food & Nutrition Services
Lakyn Rasmussen - Kids' Club Director
Jessica Pohlman - Foodservice Assistant
Kendra Vix - JH Volleyball Coach

7. **OLD BUSINESS**

7.A. Superintendent Evaluation Summary

8. **NEW BUSINESS**

8.A. Hiawatha Valley Education District Joint Powers Agreement

8.B. Approve the 2023-2024 Safe Learning Plan.

8.C. Set the date and time for the Truth and Taxation meeting – Monday, December 18, 2023 at 6:00 PM in the Rushford-Peterson Schools Forum Room.

8.D. Set the date and time for the January Organizational and Regular Monthly meetings.

8.E. Approve the hiring of Smith Schafer to complete the audit of the 2022-2023 school year.

8.F. Review and approve handbooks for the 2023-2024 school year.

8.G. Approve the High School Credit Agreement with Good Shepherd Lutheran Services.

9. **ADMIN REPORTS:**

9.A. Superintendent Report

9.B. Elementary Report

9.C. Middle School / High School Report

9.D. Activities/ Community Education/ Facilities Report

10. **INFORMATION**
Strategic Plan: Listening/Work Session - Monday, September 18, 2023 - 5:00 p.m in the Forum Room
Regular Monthly Meeting - Monday, September 18, 2023 - 6:00 p.m. in the Forum Room

11. **ADJOURNMENT**

MINUTES
REGULAR MEETING OF THE SCHOOL BOARD
INDEPENDENT SCHOOL DISTRICT #239

The regular meeting of the Rushford-Peterson School District #239 was called to order by Chairperson Chris Grindland at 6:00 p.m. on Monday, July 17, 2023 in the Rushford-Peterson Schools Forum Room.

The Pledge of Allegiance was recited.

Members Present: Chris Grindland, Jeff Michel, Ken Sawle, Carl Schollmeier, Nancy Snyder and Amy Woxland

Members absent: Matt Helgemoe

Administration Present: Superintendent Ben Bernard, Angela Shepard and Jake Timm

District Personnel: Laura Hahn

Motion by Sawle, seconded by Schollmeier to adopt the agenda with the following addition: Consent agenda: Personnel: Resignation of Amy Woxland – Prom Advisor. Motion carried unanimously.

There were no public comments.

Deb Marcotte, Hiawatha Valley Education District Executive Director gave an update to the board.

Motion by Sawle, seconded by Michel to approve the following consent agenda items: June 20, 2023 Regular Monthly Meeting Minutes; Donations in the amount of $3,400; June hand payables, wires & payroll liabilities in the amount of $404,455.10, June payroll in the amount of $364,022.38, July board bills in the amount of $710,143.41, Fund Summary Reports; PERSONNEL: Resignations: Stanley Johnson - Custodian as of 7/6/23 and Amy Woxland - Prom Advisor; Hires: Lakyn Rasmussen - Interim Kids' Club Coordinator and Nick Agrimson - Head of Buildings & Grounds. With a roll call vote of 6:0, motion carried unanimously.

Motion by Michel, seconded by Schollmeier to approve the resolution approving the Annual 10-year updated Long-Term Facilities Maintenance Plan. With a roll call vote of 6:0, motion carried unanimously.

Motion by Snyder, seconded by Sawle to authorize Superintendent Bernard to secure proposals for snow removal. Motion carried unanimously.

The board reviewed the bids that were submitted for gas, bread and milk for the 2023-2024 school year.

Motion by Michel, seconded by Schollmeier to accept the bids and select the following vendors for the 2023-2024 school year: Gas: Pam's Corner; Bread: Pan-o-Gold; Milk: Kemps. Motion carried unanimously.

Motion by Woxland, seconded by Snyder to approve the Resolution to renew membership with the MSHSL for the 2023-2024 school year. With a roll call vote of 6:0, motion carried unanimously.

Superintendent Bernard presented the Superintendent's report.

Motion by Michel, seconded by Woxland to close the regular meeting at 7:02 p.m. Motion carried unanimously.

There was a closed session to discuss Superintendent Bernard's evaluation. A summary will be read at the August 21, 2023 regular meeting.

Motion by Snyder, seconded by Michel to re-open the regular meeting. Motion carried unanimously.

INFORMATION: Regular Monthly Meeting – Monday, August 21, 2023 - 6:00 p.m. in the Forum Room

Motion by Michel, seconded by Schollmeier, to adjourn the regular meeting at 8:05 p.m. Motion carried unanimously.

Chris Grindland, Chairperson

Matt Helgemoe, Clerk

Bank	Batch	Pmt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Tax Class	Print	Recon	Void	Pay/Void Date	Amount
001	P24011	48355		Wire	1	1341		AMTRUST NORTH AMERICA		No	Yes	No	07/05/2023	8,588.00
001	P24011	48356		Wire	1	2046		TRANSAX		No	Yes	No	07/05/2023	10.00
001	P24011	48357		Wire	1	2151		TUITION EXPRESS		No	Yes	No	07/05/2023	370.31
001	P24011	48358		Wire	1	2249		NELNET PAYMENT SERVICES		No	Yes	No	07/05/2023	66.39
001	P24011	48359		Wire	1	2267		CARDCONNECT		No	Yes	No	07/05/2023	15.00
001	P1AP23	48360		Wire	1	46168		PUBLIC EMPLOYEES RETIREMENT		No	Yes	No	07/06/2023	6.17
001	p2401p	48364		Wire	1	12990		COMMISSIONER OF REVENUE		No	Yes	No	07/10/2023	6,642.40
001	p2401p	48365		Wire	1	2289		AVIBEN		No	Yes	No	07/10/2023	7,542.33
001	p2401p	48366		Wire	1	46168		PUBLIC EMPLOYEES RETIREMENT		No	Yes	No	07/10/2023	4,372.85
001	p2401p	48367		Wire	1	49200		RUSHFORD STATE BANK		No	Yes	No	07/10/2023	40,996.75
001	p2401p	48368		Wire	1	56000		TEACHERS RETIREMENT ASSN		No	Yes	No	07/10/2023	26,219.38
001	P24011	48433		Wire	1	2249		NELNET PAYMENT SERVICES		No	Yes	No	07/18/2023	3.57
001	P24011	48434		Wire	1	2046		TRANSAX		No	Yes	No	07/18/2023	25.00
001	p2401q	48441		Wire	1	49200		RUSHFORD STATE BANK		No	Yes	No	07/20/2023	38,780.68
001	p2401q	48442		Wire	1	12990		COMMISSIONER OF REVENUE		No	Yes	No	07/20/2023	6,137.65
001	p2401q	48443		Wire	1	2289		AVIBEN		No	Yes	No	07/27/2023	7,592.33
001	p2401q	48444		Wire	1	46168		PUBLIC EMPLOYEES RETIREMENT		No	Yes	No	07/27/2023	4,708.42
001	p2401q	48445		Wire	1	56000		TEACHERS RETIREMENT ASSN		No	Yes	No	07/27/2023	24,855.59
001	P1AP23	48446		Wire	1	2262		WEX HEALTH, INC.		No	Yes	No	07/25/2023	19.25
001	P24011	48447		Wire	1	2249		NELNET PAYMENT SERVICES		No	Yes	No	07/21/2023	10.90
001	p2401r	48452		Wire	1	2110		GUARDIAN		No	No	No	07/31/2023	8,262.15
001	p2401r	48453		Wire	1	2132		COLONIAL LIFE & ACCIDENT INSURAN(		No	No	No	07/31/2023	1,330.20
001	p2401r	48454		Wire	1	2133		MN HEALTHCARE CONSORTIUM		No	No	No	07/31/2023	55,831.95
001	P24011	48461		Wire	1	1361		UNITED STATES TREASURY		No	Yes	No	07/31/2023	377.93
001	P24011	48462		Wire	1	1903		KWIK TRIP		No	Yes	No	07/31/2023	3,210.00
001	P24011	48463		Wire	1	1903		KWIK TRIP		No	Yes	No	07/31/2023	4,070.00
001	P24011	48464		Wire	1	2024		ARBITER SPORTS		No	Yes	No	07/31/2023	100.00
001	p2401p	48361	45112	Check	1	2191		MATRIX TRUST COMPANY		Yes	Yes	No	07/06/2023	11,630.00
001	P1AP23	48362	45113	Check	1	04698		QUALI-TEE SCREEN PRINTING		Yes	Yes	No	07/07/2023	3,132.75
001	p2401p	48370	45114	Check	1	48175		RP EDUCATIONAL SUPPORT PERSONI		Yes	Yes	No	07/10/2023	133.35
001	p2401p	48369	45115	Check	1	48100		RUSHFORD-PETERSON EDUCATION		Yes	Yes	No	07/10/2023	2,366.24
001	P1AP23	48371	45116	Check	1	1686		TURF MAINTENANCE		Yes	Yes	No	07/14/2023	2,053.90
001	p2401q	48435	45178	Check	1	1274		MERCHANTS BANK		Yes	Yes	No	07/20/2023	10,673.16
001	p2401q	48436	45179	Check	1	37815		MN SCHOOL EMPLOYEE ASSN		Yes	Yes	No	07/20/2023	50.00
001	p2401q	48437	45180	Check	1	40998		NCPERS GROUP LIFE INS		Yes	No	No	07/20/2023	16.00
001	p2401q	48439	45181	Check	1	48175		RP EDUCATIONAL SUPPORT PERSONI		Yes	Yes	No	07/20/2023	133.35
001	p2401q	48438	45182	Check	1	48100		RUSHFORD-PETERSON EDUCATION		Yes	Yes	No	07/20/2023	2,366.24
001	p2401q	48440	45183	Check	1	48210		RUSHFORD-PETERSON ESCROW ACC		Yes	Yes	No	07/20/2023	1,922.52
001	P24011	48449	45184	Check	1	18100		FERNDALE COUNTRY CLUB		Yes	No	No	07/27/2023	62.50

Bank	Batch	Pmt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Tax Class	Print	Recon	Void	Pay/Void Date	Amount
001	P24011	48450	45185	Check	1	2135		CLIA LABORATORY PROGRAM		Yes	No	No	07/28/2023	180.00
001	P24011	48451	45186	Check	1	48225		RUSHFORD-PETERSON MAT CLUB		Yes	No	No	07/28/2023	380.00
001	p2401r	48455	45187	Check	1	02370		AFLAC		Yes	No	No	07/31/2023	217.68

Bank Total: $285,462.89

Report Total: $285,462.89

Rushford-Peterson Public School
Payment Reg by Bank and Check

AUGUST 2023 BOARD BILLS

Bank	Batch	Pmt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Tax Class	Print	Recon	Void	Pay/Void Date	Amount
001	P24023	48498		Check	1	01561		AIRGAS USA, LLC.		No	No	No	08/21/2023	397.06
001	P24023	48499		Check	1	02660		AMSTERDAM PRINTING & LITHO		No	No	No	08/21/2023	461.53
001	P24023	48500		Check	1	04693		BEST BUY BUSINESS ADVANTAGE ACC		No	No	No	08/21/2023	1,500.00
001	P24023	48501		Check	1	06620		BROWN TIRE & BATTERY		No	No	No	08/21/2023	92.84
001	P24023	48502		Check	1	07018		B & S RENTALS		No	No	No	08/21/2023	300.00
001	P24023	48503		Check	1	08886		CAROLINA BIOLOGICAL SUPPLY CO		No	No	No	08/21/2023	1,587.27
001	P24023	48504		Check	1	1108		ST. CHARLES PUBLIC SCHOOLS		No	No	No	08/21/2023	180.00
001	P24023	48505		Check	1	1231		RYE, WAYNE		No	No	No	08/21/2023	7,600.00
001	P24023	48506		Check	1	1291		EDUCATOR BENEFIT CONSULTANTS, L		No	No	No	08/21/2023	63.47
001	P24023	48507		Check	1	13281		CUSTOM COMMUNICATIONS INC		No	No	No	08/21/2023	253.25
001	P24023	48508		Check	1	1391		ACENTEK		No	No	No	08/21/2023	4,333.41
001	P24023	48509		Check	1	1425		PEARSON CLINICAL ASSESSMENT		No	No	No	08/21/2023	623.18
001	P24023	48510		Check	1	1431		WOXLAND PLUMBING LLC		No	No	No	08/21/2023	1,804.07
001	P24023	48511		Check	1	1450		BSN SPORTS, LLC		No	No	No	08/21/2023	18,028.00
001	P24023	48512		Check	1	1467		TEACHER SYNERGY INC.		No	No	No	08/21/2023	203.66
001	P24023	48513		Check	1	1469		LEARNING A-Z		No	No	No	08/21/2023	128.00
001	P24023	48514		Check	1	1548		THESING, JESSICA		No	No	No	08/21/2023	50.00
001	P24023	48515		Check	1	1581		QUADIENT		No	No	No	08/21/2023	500.00
001	P24023	48516		Check	1	1587		L & R SMALL ENGINE		No	No	No	08/21/2023	134.96
001	P24023	48517		Check	1	1654		ANDERSON AUTO, LLC		No	No	No	08/21/2023	54.70
001	P24023	48518		Check	1	1660		INNOVATIVE OFFICE SOLUTIONS		No	No	No	08/21/2023	25.13
001	P24023	48519		Check	1	1670		ONE DIVERSIFIED LLC		No	No	No	08/21/2023	3,449.78
001	P24023	48520		Check	1	1704		RIVER VALLEY SALES LLC.		No	No	No	08/21/2023	900.00
001	P24023	48521		Check	1	1708		IXL LEARNING		No	No	No	08/21/2023	11,250.00
001	P24023	48522		Check	1	1714		MINNESOTA ENERGY RESOURCES		No	No	No	08/21/2023	1,602.78
001	P24023	48523		Check	1	18398		FILLMORE COUNTY JOURNAL		No	No	No	08/21/2023	550.49
001	P24023	48524		Check	1	1856		AMAZON CAPITAL SERVICES		No	No	No	08/21/2023	15,232.66
001	P24023	48525		Check	1	1860		COULEE CONNECTIONS		No	No	No	08/21/2023	6,000.00
001	P24023	48526		Check	1	18650		FLINN SCIENTIFIC INC		No	No	No	08/21/2023	1,879.76
001	P24023	48527		Check	1	20401		GOPHER SPORT		No	No	No	08/21/2023	510.21
001	P24023	48528		Check	1	2172		BUSINESS ESSENTIALS		No	No	No	08/21/2023	7,500.00
001	P24023	48529		Check	1	2188		NOW MICRO INC.	S Corporation	No	No	No	08/21/2023	17,722.25
001	P24023	48530		Check	1	2207		THREE RIVERS CONFERENCE		No	No	No	08/21/2023	1,300.00
001	P24023	48531		Check	1	2211		LOFFLER		No	No	No	08/21/2023	128.40
001	P24023	48532		Check	1	2220		CANON FINANCIAL SERVICES, INC.		No	No	No	08/21/2023	1,262.14
001	P24023	48533		Check	1	22210		HAMMELL EQUIPMENT INC		No	No	No	08/21/2023	268.37
001	P24023	48534		Check	1	22380		HARRIS REFRIGERATION		No	No	No	08/21/2023	1,017.50
001	P24023	48535		Check	1	22401		HART, ROBERT		No	No	No	08/21/2023	125.00
001	P24023	48536		Check	1	2282		EDYNAMIC LP		No	No	No	08/21/2023	2,590.00

Bank	Batch	Pmt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Tax Class	Print	Recon	Void	Pay/Void Date	Amount
001	P24023	48537		Check	1	2285		RENAISSANCE		No	No	No	08/21/2023	4,201.60
001	P24023	48538		Check	1	2297		HEGGERTY		No	No	No	08/21/2023	99.00
001	P24023	48539		Check	1	2298		GARBANZO LLC		No	No	No	08/21/2023	299.00
001	P24023	48540		Check	1	2302		SMARTSIGN		No	No	No	08/21/2023	565.10
001	P24023	48541		Check	1	2303		DRIFTLESS TRADING POST		No	No	No	08/21/2023	180.00
001	P24023	48542		Check	1	2304		RASMUSSEN, BAILEY		No	No	No	08/21/2023	25.00
001	P24023	48543		Check	1	2305		CORDS, ERIN		No	No	No	08/21/2023	25.00
001	P24023	48544		Check	1	2306		FEINE, MELISSA		No	No	No	08/21/2023	50.00
001	P24023	48545		Check	1	2307		BRAND, DANA		No	No	No	08/21/2023	25.00
001	P24023	48546		Check	1	2308		BADENHORST, KRISTIN		No	No	No	08/21/2023	25.00
001	P24023	48547		Check	1	2309		SPECE, AMBER		No	No	No	08/21/2023	50.00
001	P24023	48548		Check	1	2310		RISTAU, JULIE		No	No	No	08/21/2023	182.25
001	P24023	48549		Check	1	23400		HIAWATHA VALLEY		No	No	No	08/21/2023	4,615.78
001	P24023	48550		Check	1	25001		HOUGHTON MIFFLIN HARCOURT PUBL		No	No	No	08/21/2023	4,483.84
001	P24023	48551		Check	1	28035		HANDWRITING WITHOUT TEARS		No	No	No	08/21/2023	1,999.47
001	P24023	48552		Check	1	29702		JOSTEN'S		No	No	No	08/21/2023	855.98
001	P24023	48553		Check	1	31200		LAKESHORE		No	No	No	08/21/2023	267.84
001	P24023	48554		Check	1	32255		MESPA		No	No	No	08/21/2023	175.00
001	P24023	48555		Check	1	32260		MASA/MASE		No	No	No	08/21/2023	199.00
001	P24023	48556		Check	1	33404		MC GRAW HILL		No	No	No	08/21/2023	1,107.57
001	P24023	48557		Check	1	36606		MASBO		No	No	No	08/21/2023	25.00
001	P24023	48558		Check	1	45380		PIONEER MANUFACTURING COMPANY		No	No	No	08/21/2023	2,975.00
001	P24023	48559		Check	1	46250		R & R CONSTRUCTION		No	No	No	08/21/2023	13,500.00
001	P24023	48560		Check	1	46800		READ NATURALLY		No	No	No	08/21/2023	1,150.00
001	P24023	48561		Check	1	46833		REALLY GOOD STUFF INC		No	No	No	08/21/2023	217.65
001	P24023	48562		Check	1	46954		RTS / ROCHESTER TELECOM SYSTEM		No	No	No	08/21/2023	24.35
001	P24023	48563		Check	1	48020		RUSHFORD, CITY OF		No	No	No	08/21/2023	23,631.51
001	P24023	48564		Check	1	50978		SCHOOL SPECIALTY LLC.		No	No	No	08/21/2023	267.63
001	P24023	48565		Check	1	51110		SCHOLASTIC INC		No	No	No	08/21/2023	1,360.04
001	P24023	48566		Check	1	52157		SELCO		No	No	No	08/21/2023	499.24
001	P24023	48567		Check	1	53410		SOUTHEAST SERVICE COOPERATIVE		No	No	No	08/21/2023	1,632.00
001	P24023	48568		Check	1	56040		PAM'S CORNER		No	No	No	08/21/2023	1,639.46
001	P24023	48569		Check	1	57000		SUPREME SCHOOL SUPPLY		No	No	No	08/21/2023	234.43
001	P24023	48570		Check	1	61278		VERIZON WIRELESS		No	No	No	08/21/2023	123.90
001	P24023	48571		Check	1	61614		WASTE MANAGEMENT		No	No	No	08/21/2023	1,177.34
001	P24023	48572		Check	1	61658		WEST MUSIC		No	No	No	08/21/2023	638.19
001	P24023	48573		Check	1	63025		WHV INC		No	No	No	08/21/2023	37,688.71
001	P24023	48574		Check	1	63056		WINONA NURSERY INC		No	No	No	08/21/2023	378.93

Rushford-Peterson Public School
Payment Reg by Bank and Check

AUGUST 2023 BOARD BILLS

Bank	Batch	Pmt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Tax Class	Print	Recon	Void	Pay/Void Date	Amount
001	P24023	48575		Check	1	64600		ZANER BLOSER		No	No	No	08/21/2023	772.75
													Bank Total:	$218,977.43
												Report Total:	$218,977.43	

2022-23 Superintendent Evaluation Summary

- Closed meeting date: 7/17/23
- Names of attendees
  - Chris Grindland, Amy Woxland, Nancy Snyder, Ken Sawle, Carl Schollmeier, Jeff Michel, Ben Bernard
- Performance areas that were reviewed
  - Standard 1. Governance Team
    - Element 1.a. Roles and Responsibilities
    - Element 1.b. Goals and/or Strategic Plan
    - Element 1.c. Policy Implementation
    - Element 1.d. Information for Decision-Making
    - Element 1.e. School Board Inquiries and Development
  - Standard 2. School District Finances
    - Element 2.a. Budget Development and Maintenance
    - Element 2.b. Financial Statements
    - Element 2.c. Financial Controls
    - Element 2.d. Bond and Levy Campaigns
    - Element 2.e. Asset Protection
  - Standard 3. Communication and Community Relationships
    - Element 3.a. Relationships with the Community
    - Element 3.b. Engagement
    - Element 3.c. Informs the Community as a Whole
    - Element 3.d. Advocacy
    - Element 3.e. Media
    - Element 3.f. Visibility and Approachability
  - Standard 4. School District Operations
    - Element 4.a. Facilities
    - Element 4.b. Transportation*
    - Element 4.c. Food Service**
    - Element 4.d. Technology
    - Element 4.e. Maintenance***
    - Element 4.f. Personnel
  - Standard 5. Human Resources
    - Element 5.a. Internal Communications
    - Element 5.b. Personnel Concerns
    - Element 5.c. Delegation of Duties *
    - Element 5.d. Visibility and Approachability
    - Element 5.e. Hiring and Staff Development
    - Element 5.f. Collective Bargaining**
    - Element 5.g. Evaluation
  - Standard 6. Teaching and Learning
    - Element 6.a. Staff Development
    - Element 6.b. School Improvement
    - Element 6.c. Curriculum and Instruction

    - Element 6.d. Professional Knowledge of Teaching and Learning
    - Element 6.e. Culture of Cooperation
  - Standard 7. Student Support
    - Element 7.a. Student Engagement and Feedback
    - Element 7.b. Student Attendance
    - Element 7.c. Support for Students
    - Element 7.d. Student Discipline
    - Element 7.e. Culture of Cooperation
    - Element 7.f. School Safety and Security
    - Element 7.g. Emotional Health and Social Needs
  - Standard 8. Ethical and Inclusive Leadership
    - Element 8.a. Ethics and Professional Behavior
    - Element 8.b. Interactions with Staff, Students, and Community
    - Element 8.c. Professional Practice
    - Element 8.d. Diverse Communities
    - Element 8.e. Cultural Competency
    - Element 8.f. Equity Plan Implementation
- Summary Statement
  - For all Standards and Elements included in the 2022-23 Superintendent Evaluation, Superintendent Bernard was rated as “Highly Effective” or “Effective” based on the MSBA Superintendent Evaluation model.
    - “Highly Effective” – the superintendent’s performance goes above and beyond proficiency to achieve an exceptionally high level.
    - “Effective” – the superintendent’s performance is fully satisfactory, meeting all expectations at a high level. The superintendent not only meets goals and carries out plans effectively, but also shows flexibility and creativity in adjusting to changed circumstances or unexpected roadblocks and can articulate the progress to date and future plans.
    - “Developing” – the superintendent’s performance demonstrates many of the characteristics associated with effective performance, although a few exceptions and inconsistencies may exist.
    - “Ineffective” – the superintendent’s behavior does not demonstrate the characteristics associated with effective performance. The superintendent may behave contrary to expectations or may fail to show positive behaviors desired.

PRELIMINARY INFORMATION - FOR DISCUSSION ONLY

Hiawatha Valley Education District

Sources and Uses of Funds
Proposed 2023 Purchase of Winona Mall

August 16, 2023

Building & Land Purchase Price	**$4,200,000**
Building Renovation Costs	**$9,380,118**
Total Project Cost	**$13,580,118**
Term	**15**
Dated Date	**12/21/2023**
Lease Amount	**$15,000,000**
Sources of Funds	
Par Amount	15,000,000
Reofering Premium [1]	136,825
Investment Earnings [2]	33,524
Total Sources	15,170,349
Uses of Funds	
Underwriter's Discount [1]	240,000
Capitalized Interest [3]	1,159,056
Legal and Fiscal Costs [4]	191,175
Net Available for Project Costs	**13,580,118**
Total Uses	15,170,349
Proceeds Deposited to Construction Fund	13,546,594

1 The underwriter may receive a premium (price paid that is more than the principal amount). The underwriter's discount amount shown above is the compensation to the underwriter. Ehlers provides independent municpal advisory services as part of the issuance process and is not an underwriting firm.

2 Estimated investment earnings are based on an average interest rate of 0.50% and a construction timeframe of 12 months.

3 The first year's interest payment will be financed with proceeds of the issuance.

4 Amount includes fees for municipal advisor, rating agency, trustee and bond counsel.

Lease Purchase (COP)
15 Year Term

Hiawatha Valley Education District

August 16, 2023

Pay 2025 Lease Levy Capacity and Estimated Tax Impact for Lease Purchase Payments

District	ISD No.	Proportionate Share	Annual Lease Payment Allocation	Co-op Lease Levy Limit $65 per pupil	Current Approved Joint Leases	Available Co-op Authority	Use of Co-Op Lease Levy Authority	Remaining Co-op Authority	Additional Payment	Regular Lease Levy Limit $212 per pupil	Current Approved Non-Joint Leases	Available Regular Authority	Use of Regular Lease Levy Authority	Remaining Regular Lease Levy Authority	General Fund Subsidy
Chatfield	227	9.08%	$140,964.53	$64,142	$2,894	$61,248	$61,248	$0	$79,716	$209,202	$0	$209,202	$79,716	$129,485	-
Lanesboro	229	4.75%	73,664.21	29,042	1,303	27,739	27,739	0	45,925	94,722	4,500	90,222	45,925	44,296	-
Mabel-Canton	228	4.20%	65,257.77	17,758	694	17,064	17,064	0	48,194	57,918	0	57,918	48,194	9,724	-
Rushford-Peterson	239	6.91%	107,174.20	45,188	2,061	43,127	43,127	0	64,047	147,382	0	147,382	64,047	83,335	-
Spring Grove	297	4.37%	67,792.55	24,804	1,105	23,699	23,699	0	44,094	80,899	0	80,899	44,094	36,805	-
Caledonia	299	9.47%	147,019.90	51,064	1,992	49,072	49,072	0	97,948	166,547	0	166,547	97,948	68,599	-
La Crescent-Hokah	300	11.87%	184,182.94	75,699	3,435	72,264	72,264	0	111,919	246,895	0	246,895	111,919	134,976	-
Dover-Eyota	533	9.66%	149,913.68	80,366	3,409	76,957	76,957	0	72,957	262,117	0	262,117	72,957	189,160	-
Wabasha-Kellogg	811	6.91%	107,178.04	35,035	2,950	32,085	32,085	0	75,093	114,268	0	114,268	75,093	39,175	-
Lewiston- Altura	857	8.13%	126,158.85	43,420	2,098	41,322	41,322	0	84,837	141,616	0	141,616	84,837	56,779	-
St. Charles	858	10.14%	157,312.78	75,192	1,115	74,077	74,077	0	83,236	245,242	0	245,242	83,236	162,006	-
Plainview-Elgin-Millville	2899	14.53%	225,468.06	104,078	4,688	99,390	99,390	0	126,078	339,454	0	339,454	126,078	213,376	-
		100%	$1,552,088	$645,788	$27,744	$618,044	$618,044		$934,044	$2,106,262	$4,500	$2,101,762	$934,044	$1,167,719	

Note: Pupil unit estimates and lease levy capacity as of the taxes payable 2023 levy certification worksheets.

** Taxes payable 2023 values are final, taxes payable 2025 assumes a 5% growth in pay 2024 and 0% in pay 2025.

Hiawatha Valley Education District

Analysis of Tax Impact, 15 Year Term

August 16, 2023

		Chatfield	Lanesboro	Mabel-Canton	Rushford-Peterson	Spring Grove	Caledonia	La Crescent-Hokah	Dover-Eyota	Wabasha-Kellogg	Lewiston-Altura	St. Charles	Plainview-Elgin-Millville
Type of Property	**Estimated Market Value**	**Estimated Impact on ANNUAL Taxes Beginning in Taxes Payable 2025**											
Residential Homestead	$75,000	$6	$8	$6	$6	$9	$8	$7	$8	$5	$7	$7	$7
	100,000	9	11	8	9	13	11	10	11	7	10	10	9
	125,000	12	15	12	13	18	16	14	16	10	14	14	13
	150,000	16	20	16	17	24	21	19	21	13	19	19	17
	175,000	20	25	19	21	30	26	23	26	16	23	23	21
	200,000	24	29	23	24	35	31	27	30	19	27	27	25
	225,000	28	34	26	28	41	36	32	35	22	32	32	29
	250,000	31	39	30	32	47	41	36	40	25	36	36	33
	300,000	39	48	37	40	58	51	45	50	31	45	45	41
	400,000	54	67	52	56	80	70	62	69	43	62	62	56
	500,000	69	85	66	71	103	90	79	88	55	79	79	72
Commercial/ Industrial	$50,000	$10	$13	$10	$11	$15	$14	$12	$13	$8	$12	$12	$11
	100,000	21	26	20	21	31	27	24	27	17	24	24	22
	250,000	59	73	57	61	88	77	68	75	47	68	68	62
	500,000	129	158	123	132	191	167	147	164	102	147	147	134
	750,000	198	244	190	203	294	257	227	253	158	227	227	206
Agricultural Homestead** (average value per acre of land & buildings)	$2,000	$0.14	$0.17	$0.13	$0.14	$0.21	$0.18	$0.16	$0.18	$0.11	$0.16	$0.16	$0.14
	4,000	0.28	0.34	0.27	0.29	0.41	0.36	0.32	0.35	0.22	0.32	0.32	0.29
	6,000	0.42	0.51	0.40	0.43	0.62	0.54	0.48	0.53	0.33	0.48	0.48	0.43
	8,000	0.56	0.68	0.53	0.57	0.82	0.72	0.64	0.71	0.44	0.64	0.64	0.58
	10,000	0.70	0.86	0.67	0.71	1.03	0.90	0.80	0.89	0.55	0.80	0.80	0.72
	12,000	0.83	1.03	0.80	0.86	1.24	1.08	0.96	1.06	0.66	0.96	0.96	0.87
Agricultural Non-Homestead** (average value per acre of land & buildings)	$2,000	$0.28	$0.34	$0.27	$0.29	$0.41	$0.36	$0.32	$0.35	$0.22	$0.32	$0.32	$0.29
	4,000	0.56	0.68	0.53	0.57	0.82	0.72	0.64	0.71	0.44	0.64	0.64	0.58
	6,000	0.83	1.03	0.80	0.86	1.24	1.08	0.96	1.06	0.66	0.96	0.96	0.87
	8,000	1.11	1.37	1.07	1.14	1.65	1.44	1.28	1.42	0.89	1.27	1.27	1.16
	10,000	1.39	1.71	1.33	1.43	2.06	1.81	1.59	1.77	1.11	1.59	1.59	1.45
	12,000	1.67	2.05	1.60	1.71	2.47	2.17	1.91	2.13	1.33	1.91	1.91	1.74

* Estimated tax impact includes principal and interest payments. The amounts in the table are based on school district taxes for this project only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the homeowner's Homestead Credit Refund ("Circuit Breaker") program. Owners of homestead property may qualify for a refund, based on their income and total property taxes. This will change the net effect of the proposed bond issue for those property owners.

** For all agricultural property, estimated tax impact includes a 70% reduction due to the School Building Bond Agricultural Credit. Average value per acre is the total estimated market value of all land & buildings divided by total acres. If the property includes a home, then the tax impact on the house, garage, and one acre of land will be calculated in addition to the taxes per acre, on the same basis as a residential homestead or non-homestead property. If the same property owner owns more than approximately $3.5 million of agricultural homestead land and buildings, a portion of the property will be taxed at the higher non-homestead rate.

EHLERS
PUBLIC FINANCE ADVISORS

JOINT POWERS AGREEMENT

EDUCATION FACILITY IN WINONA, MINNESOTA

This Agreement is made and entered into this___ day of _______ 2023, by and among Independent School District No. 299 (Caledonia); Independent School District No. 227 (Chatfield); Independent School District No. 533 (Dover-Eyota); Independent School District No. 300 (La Crescent-Hokah); Independent School District No. 229 (Lanesboro); Independent School District No. 857 (Lewiston-Altura); Independent School District No. 238 (Mabel-Canton); Independent School District No. 2899 (Plainview-Elgin-Millville); Independent School District No. 239 (Rushford-Peterson); Independent School District No. 297 (Spring Grove); Independent School District No. 858 (St. Charles); Independent School District No. 811 (Wabasha-Kellogg), and the Hiawatha Valley Education District (hereinafter referred to as the "HVED"), all being school districts and governmental units of the State of Minnesota. Each of the foregoing independent school districts shall hereinafter be referred to as a "Participating Independent District" or collectively the "Participating Independent Districts." The Participating Independent Districts and the HVED shall hereinafter collectively be referred to as the "Collaborating Districts."

RECITALS

WHEREAS, the HVED provides special education and related services, alternative education programs and other education-related programs and services to children who are enrolled in the Participating Independent Districts; and

WHEREAS, the Participating Independent Districts are members of the HVED; and

WHEREAS, the parties hereto desire to cooperatively and jointly exercise their powers to establish a framework to finance (i) the acquisition of land and an existing building located in the City of Winona, Minnesota, and (ii) the construction, renovation and equipping of the existing building into a new education facility (hereinafter the "Education Facility") which shall be used by the HVED to provide special education and related services, alternative education programs and other services to the Participating Independent Districts, pursuant to the terms and conditions described below.

NOW, THEREFORE, in consideration of the promises and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

(The remainder of this page is intentionally left blank.)

ARTICLE I

AUTHORITY; PURPOSE

Section 1. AUTHORITY. This Agreement is entered into by and among the Collaborating Districts pursuant to Minn. Stat. § 471.59, as amended, which authorizes two or more governmental units, by agreement entered into through action of their governing bodies, to jointly or cooperatively exercise any power common to the contracting parties or any similar powers.

Section 2. PURPOSE. The purpose of this Agreement is to establish a framework to finance the acquisition of real property and the construction, renovation and equipping of the Education Facility, which shall be used by the HVED to provide special education and related services, alternative education programs and other education-related programs and services to the Participating Independent Districts.

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ARTICLE II

GOVERNANCE

Section 1. GOVERNING BOARD. The HVED was created pursuant to a Joint Powers Agreement dated September 1, 1988, as amended (the "HVED Agreement"). The member school districts of the HVED are the Participating Independent Districts in this Agreement. The control and management of the HVED is vested in a Governing Board established pursuant to the HVED Agreement. The Governing Board has the authority to function as an entity separate and apart from any of the Participating Independent Districts and generally to act in furtherance of the Participating Independent Districts' joint interests and intentions hereunder.

Section 2. POWERS OF THE GOVERNING BOARD. The Governing Board has the general charge of the business of the HVED and the ownership of its facilities, fixtures and personal property. The Governing Board shall take such action as it deems necessary and proper to accomplish the purposes of the HVED, or any other action necessary and incidental to the implementation of said purposes or actions. The Governing Board shall have such additional powers as specified in this Agreement, including all powers necessary to provide recommendations on issues relating to the acquisition, establishment, operation, management and control of the Education Facility.

(The remainder of this page is intentionally left blank.)

ARTICLE III

ACQUISITION OF PROPERTY; MAINTENANCE AND UTILITIES; CONSTRUCTION CONTINGENCY FUND

Section 1. PURCHASE AND SALE OF REAL PROPERTY. Subject to approval by the governing board of the HVED and the satisfaction or waiver contingences set forth in the purchase agreement, Winona Mall, LLC, a Minnesota limited liability company, (hereinafter "Seller") shall convey to the HVED, and the HVED will purchase from the Seller, for the purchase price of $4,200,000.00, land and an existing building located in the City of Winona, Minnesota, and more particularly described in the attached **EXHIBIT A** (hereinafter the "Property") which is incorporated herein by reference. The existing building that is to be constructed, renovated, improved and equipped to serve as the Education Facility is located on the Property.

Section 2. MAINTENANCE OF EDUCATION FACILITY GROUNDS. The HVED shall provide usual and customary lawn mowing and lawn maintenance services on the Property. HVED shall maintain the parking lots, driveways, and the sidewalks of the Education Facility in reasonable repair which shall include such activities as seal coating, striping, crack filling and similar maintenance, resurfacing, or reconstruction. HVED shall provide snow removal for the parking lots, driveways and sidewalks located on the Property. The foregoing maintenance costs for the Education Facility shall be apportioned between all the Participating Independent Districts as operating costs in the manner set forth in Article V, Section 4(a).

Section 3. UTILITY COSTS. The HVED will be responsible for utility costs for the Education Facility. The utility costs for the Education Facility shall be apportioned between all the Participating Independent Districts as operating costs in the manner set forth in Article V, Section 4(a).

Section 4. CONSTRUCTION CONTINGENCY FUND. The HVED shall use funds on hand (not proceeds from the lease-purchase financing described in Article IV hereof) to establish a construction contingency fund in an amount not to exceed One Million Five Hundred Thousand Dollars ($1,500,000) (the "Contingency Fund"). Funds in the Contingency Fund may be allocated by the HVED to pay for unforeseen or unexpected costs related to the construction, renovation, improvement and equipping of the Education Facility. Any funds remaining in the Contingency Fund upon final completion of the project shall be transferred to the general fund.

ARTICLE IV

PROJECT FINANCING AND PARAMETERS; RIGHTS SUBORDINATE TO LEASE AGREEMENT

Section 1. LEASE-PURCHASE FINANCING; RIGHTS OF THE LESSOR OR TRUSTEE. It is mutually agreed and understood that the Property, including the Education Facility, is contemplated to be acquired, constructed, renovated, improved and equipped by entering into a Lease-Purchase Agreement (the "Lease Agreement") between the HVED and a lessor or an indenture trustee (the "Trustee") to be named, to finance said acquisition, construction, renovation, improvement and equipping. The rights of the parties under this Agreement shall be subject to and subordinate to the rights of the lessor or the Trustee under the Lease Agreement.

Section 2. FINANCING PARAMETERS. It is mutually agreed and understood that the principal amount of the Lease Agreement shall not exceed Fifteen Million Dollars ($15,000,000) and the term of the Lease Agreement shall not exceed fifteen (15) years. The provisions of this section shall not apply to any refunding of the Lease Agreement.

(The remainder of this page is intentionally left blank.)

ARTICLE V

LEASE PAYMENT ALLOCATION; CONTINUING CAPITAL COSTS; OPERATING COSTS; DISSOLUTION

Section 1. LEASE PAYMENT ALLOCATION. The lease payments on the Lease Agreement described in Article IV hereof shall be apportioned among the Participating Independent Districts using the method of apportionment specified in **Exhibit B**, attached hereto and fully incorporated herein by reference. Each Participating Independent District may pay its share of the payments under the Lease Agreement from proceeds of a lease levy or from other school district fund sources. To the extent lease levy authority is exercised by one or more of the Participating Independent Districts in any year during the term of the Lease Agreement, prior to August 15 of each year, the HVED shall give written notice to each Participating Independent District of the maximum amount of the leasing levy, calculated based on the formula specified in **Exhibit B**, authorized to be certified by that Participating Independent District under this section for the following fiscal year. This section may be amended by resolutions adopted by the school boards of the Collaborating Districts if the amendment does not violate the provisions of the Lease Agreement or other documents relating to financing for the Property, including the Education Facility.

Section 2. TITLE AFTER PAYMENT OF LEASE. Unless this Agreement is amended to the contrary, at the termination of the Lease Agreement and after the repayment of the financing described above, the title to the real and personal property financed shall vest in the HVED.

Section 3. OBLIGATION TO MAKE LEASE PAYMENTS; TIMING OF PAYMENTS TO HVED. The Collaborating Districts recognize that the payments under the Lease Agreement will be paid by the Participating Independent Districts through lease levies and other fund sources pursuant to the formula in Article V Section 1, hereof. Lease payments pursuant to the Lease Agreement which are not eligible for the lease levy shall be paid by the Participating Independent Districts using other fund sources. Each Participating Independent District shall pay to the HVED one-half of the amount of its apportioned share of that year's payment under the Lease Agreement by not later than August 15, and one-half of its apportioned share of that year's payment under the Lease Agreement by not later than January 15. Each payment may consist of proceeds from a lease levy, funds from other school district fund sources, or both.

Section 4. CONTINUING CAPITAL COSTS; OPERATING COSTS

(a) The Participating Independent Districts shall be apportioned operating costs for the Education Facility and the Property in accordance with the HVED's current practice and procedure for allocating operating costs.

(b) The Participating Independent Districts shall be apportioned continuing capital costs for the Education Facility and the Property pursuant to the formula set forth in **Exhibit B**, attached hereto.

Section 5. DISSOLUTION OF HVED AFTER TERMINATION OF THE LEASE AGREEMENT. In the event the HVED elects to dissolve after repayment of the financing described above, the Property, including the Education Facility, shall be sold and the proceeds of the sale apportioned in accordance with the HVED Agreement, as amended, or such other written agreement of all Collaborating Districts. The terms of this section shall survive the withdrawal of any Participating Independent District from this Agreement or the termination of this Agreement.

ARTICLE VI

DURATION; MEMBERSHIP; TERMINATION; BREACH; LIABILITY; INSURANCE

Section 1. DURATION. This Agreement shall be perpetual in duration unless terminated pursuant to provisions of this Agreement, as amended, or any state law terminating the Agreement.

Section 2. ADDITION OF OTHER DISTRICTS; REALLOCATION. An independent school district seeking membership in the HVED shall, as a condition of being approved as a member pursuant to applicable state law and the HVED Agreement, agree in writing to be added to this Agreement as a Participating Independent District and to be bound by the terms of this Agreement. Upon becoming a Participating Independent District under this Agreement, the percentages apportioned pursuant to Article V, Section 1 of this Agreement shall be adjusted to account for the additional Participating Independent District.

Section 3. WITHDRAWAL OF PARTICIPATING INDEPENDENT DISTRICTS.

Subdivision, 1. Procedure. A Participating Independent District may only withdraw from this Agreement if it also withdraws as a member school district of the HVED in the manner provided in the HVED Agreement. Subject to the terms of Article VI, Section 3, Subdivision 2, below, a Participating Independent District may withdraw from this Agreement effective at the end of any fiscal year by resolution adopted by a majority vote of the full membership of its school board and by formal written notice to the school board of each other Participating Independent District and to the Executive Director of the HVED (the "Executive Director"). Such formal written notice shall be provided to each school board and the Executive Director no less than six (6) months prior to the effective date of withdrawal. The notice shall include a certified copy of the adopted withdrawal resolution. A withdrawal shall only be permitted as specified in this section.

Subdivision 2. No Withdrawal Permitted During Lease Term. A Participating Independent District shall not be permitted to withdraw from this Agreement prior to June 30 of the year in which full payment of the Lease Agreement, or any refunding of the Lease Agreement, is made.

Subdivision 3. No Distribution to Withdrawing Participating Independent District. Except as provided in this Article VI, Section 3, Subdivision 3, a withdrawing Participating Independent District shall not be eligible for the distribution of any property or assets at the time of withdrawal. A Participating Independent District who has withdrawn from this Agreement shall be entitled to receive its apportioned share of the proceeds from the sale of the Education Facility (and the Property) in accordance with Article V, Section 5, hereof.

Section 4. TERMINATION OF AGREEMENT. After the payment in full of the Lease described in Article IV hereof, this Agreement may be terminated if the boards of all Collaborating Districts adopt written resolutions approving such termination. Upon termination, all funds and property remaining after payment of all outstanding debts and obligations, including the Education Facility, the Property, and equipment of any nature, shall become the property of the HVED. To the extent permitted by law, the termination shall not affect the continuing liability of present or former Collaborating Districts for indebtedness incurred prior to the termination, or for other continuing obligations, including unemployment compensation.

Section 5. BREACH OF AGREEMENT; MEET AND CONFER. Any Collaborating District breaching this Agreement and given written notice of the breach and the nature thereof shall have fifteen (15) days in which to cure the breach. The breaching Collaborating District shall be liable for any expenses incurred by any other Collaborating District to enforce the provisions of this Agreement and any damages incurred by other Collaborating Districts as a result of the breach. In the event a breach of this Agreement involves the failure by a Participating Independent District to pay any or all of its apportioned share of any payment under the Lease Agreement, representatives of each Collaborating District shall meet as soon as practicable following said breach and determine how to address any resulting shortfall in the ability to make payments under the Lease Agreement. The unpaid apportioned share of the breaching Participating Independent District shall be apportioned among the non-breaching Participating Independent Districts in the manner set forth in Article V, Section 1, hereof. The payment of the breaching Participating Independent District's apportioned share by the non-breaching Participating Independent Districts shall not relieve the breaching Participating Independent District from liability for payment of the unpaid share or from any damages incurred by a Participating Independent District as a result of the breach.

Section 6. LIABILITY. No Participating Independent District shall be liable for the acts or omissions of the HVED and the HVED shall not be liable for the acts or omissions of a Participating Independent District. Except as provided in Article VI, Section 5, hereof, no Participating Independent District shall be liable for the acts or omissions of another Participating Independent District. The liability and the monetary limits of liability of the HVED, the Participating Independent Districts, their officers, employees, representatives, and agents shall be governed by the Municipal Tort Claims Act, (Minnesota Statutes, Chapter 466, as amended) and other applicable law.

Section 7. INSURANCE.

Subdivision 1. Property Insurance. The HVED shall maintain at its expense property insurance on the Education Facility and its personal property, which will be an operating cost under Article V, Section 4(a) of this Agreement.

Subdivision 2. Liability Insurance. The HVED shall maintain at its expense liability insurance in not less than the statutory maximum liabilities for school districts, which will be an operating cost under Article V, Section 4(a) of this Agreement.

(The remainder of this page is intentionally left blank.)

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 1. CAPTIONS. The captions of the provisions of this Agreement are for convenience only and shall not be considered or referred to concerning questions of interpretation or construction.

Section 2. AMENDMENTS TO THIS AGREEMENT. Amendments to this Agreement may be proposed by the board of any Collaborating District. Notice of proposed amendments shall be sent to all Collaborating Districts. The proposed amendment shall not become effective until it has been approved and executed by not less than two-thirds of all the Collaborating Districts. An amendment approved under this Section shall be an addendum to this Agreement.

Section 3. SAVINGS CLAUSE. Should any provision or article of this Agreement be found unlawful, the other provisions of this Agreement shall remain in full force and effect if by doing so the purposes of this Agreement, taken as a whole, can be made operative. Should any such provision or article be found unlawful, representatives of the boards of the Collaborating Districts shalt meet for the purpose of arriving at an agreement on a lawful provision to replace the unlawful provision or article. The newly agreed upon provision or amendment must be approved by the boards of the Collaborating Districts by resolutions adopted in the manner specified in this Article VII for the adoption of amendments.

Section 4. NOTICES. All notices required or permitted to be given by a Collaborating District shall be given by the clerk of its board. The notice shall be in writing and shall be sent by first class mail or electronic mail to the administrative offices of the board of a Collaborating District. A notice shall be timely if postmarked or emailed on the day it is due.

In the case of a notice requiring board action, a certified copy of the resolution, motion or minutes of the school board specifying the board action shall be sent with the notice.

Section 5. ENTIRE AGREEMENT; APPLICABLE LAW. This Agreement contains the entire agreement between the parties. No party has relied upon any statements or promises that are not stated in this Agreement. This Agreement shall be construed and interpreted in accordance with and be subject to the laws of the State of Minnesota.

Section 6. EXECUTION IN COUNTERPARTS; ELECTRONIC SIGNATURES; EFFECTIVE DATE OF AGREEMENT. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when taken together shall constitute the same and whole instrument. This Agreement shall become effective upon its approval by the boards of each Collaborating District. The electronic signatures of the Board Chair and the Clerk to this Agreement shall be as valid as an original signature of such party and shall be effective to bind the Collaborating District.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the officers indicated below of the Collaborating Districts have signed this Agreement by authority of their respective boards.

Approved at a meeting of the Governing Board thereof held on the _______ day of ___________________, 2023

HIAWATHA VALLEY EDUCATION DISTRICT

By: ____
Board Chair

By: ____
Clerk

Approved at a meeting of the School Board thereof held on the _______ day of ___________________, 2023

INDEPENDENT SCHOOL DISTRICT NO. 299 (CALEDONIA)

By: ____
Board Chair

By: ____
Clerk

Approved at a meeting of the School Board thereof held on the _______ day of ___________________, 2023

INDEPENDENT SCHOOL DISTRICT NO. 227 (CHATFIELD)

By: ____
Board Chair

By: ____
Clerk

Approved at a meeting of the School Board thereof held on the _______ day of ____________________, 2023

INDEPENDENT SCHOOL DISTRICT NO. 533 (DOVER-EYOTA)

By: ____
Board Chair

By: ____
Clerk

Approved at a meeting of the School Board thereof held on the _______ day of ____________________, 2023

INDEPENDENT SCHOOL DISTRICT NO. 300 (LA CRESCENT-HOKAH)

By: ____
Board Chair

By: ____
Clerk

Approved at a meeting of the School Board thereof held on the _______ day of ____________________, 2023

INDEPENDENT SCHOOL DISTRICT NO. 229 (LANESBORO)

By: ____
Board Chair

By: ____
Clerk

Approved at a meeting of the School Board thereof held on the _______ day of ____________________, 2023

INDEPENDENT SCHOOL DISTRICT NO. 857 (LEWISTON-ALTURA)

By: ____
Board Chair

By: ____
Clerk

Approved at a meeting of the School Board thereof held on the _______ day of ____________________, 2023	**INDEPENDENT SCHOOL DISTRICT NO. 238 (MABEL-CANTON)** By: ____________________ Board Chair By: ____________________ Clerk
Approved at a meeting of the School Board thereof held on the _______ day of ____________________, 2023	**INDEPENDENT SCHOOL DISTRICT NO. 2899 (PLAINVIEW-ELGIN-MILLVILLE)** By: ____________________ Board Chair By: ____________________ Clerk
Approved at a meeting of the School Board thereof held on the _______ day of ____________________, 2023	**INDEPENDENT SCHOOL DISTRICT NO. 239 (RUSHFORD-PETERSON)** By: ____________________ Board Chair By: ____________________ Clerk
Approved at a meeting of the School Board thereof held on the _______ day of ____________________, 2023	**INDEPENDENT SCHOOL DISTRICT NO. 297 (SPRING GROVE)** By: ____________________ Board Chair By: ____________________ Clerk

Approved at a meeting of the School Board thereof held on the _______ day of ___________________, 2023

INDEPENDENT SCHOOL DISTRICT NO. 858 (ST. CHARLES)

By: ____
Board Chair

By: ____
Clerk

Approved at a meeting of the School Board thereof held on the _______ day of ___________________, 2023

INDEPENDENT SCHOOL DISTRICT NO. 811 (WABASHA-KELLOGG)

By: ____
Board Chair

By: ____
Clerk

EXHIBIT A

DESCRIPTION OF REAL ESTATE

Lot 1, Block 1, Winona Mall Second Subdivision, according to the plat thereof on file in the office of the County Recorder, Winona County, Minnesota.

EXHIBIT B

ALLOCATION FORMULA

Each of the lease payments on the Lease Agreement described in Article IV, hereof, shall be apportioned among the Participating Independent Districts using the following method of apportionment:

1. A dollar amount representing twenty percent (20%) of each annual lease payment shall be evenly divided among the Participating Independent Districts; and

2. A dollar amount representing eighty percent (80%) of each annual lease payment shall be allocated among the Participating Independent Districts based on the average of each Participating Independent District's percentage of the total adjusted pupil units and unduplicated child count of all Participating Independent Districts.

3. In the event that the number of Participating Independent Districts changes, the "12" in this equation will be changed to reflect the then current number of Participating Independent Districts.

4. For purposes of this Exhibit B, the number of "Adjusted Pupil Units" for each Participating Independent District shall be obtained from the most recent report of actual (not estimated) adjusted pupil units in the General Education Report (or any successor report or document providing the same information) prepared by the Minnesota Department Education ("MDE"). By way of example, currently (as of July 17, 2023) the most recent report of actual (not estimated) adjusted pupil units is MDE's General Education Report dated December 2022.

5. For purposes of this Exhibit B, the "Unduplicated Child Count" for each Participating Independent District shall be obtained from the December 1 child count maintained by MDE for the calendar year prior to the year that a Lease Payment is made. By way of example, if a Lease Payment were made in calendar year 2023, the December 1 unduplicated child count report by MDE for the 2022 calendar year would be used.

The following mathematical formula illustrates foregoing allocation method:

(.2 x Amount of Annual Lease Payment / 12) ~~[1]~~ + (.8 x Amount of Annual Lease Payment x (Adjusted Pupil Units%~~[2]~~ + Unduplicated Child Count%~~[3]~~) /2).

By way of example, and assuming that there are twelve Participating Independent Districts, if a Participating Independent District has twelve percent (12%) percent of the Participating Independent Districts' total adjusted pupil units and ten percent (10%) percent of the Participating Independent Districts' total unduplicated child count, the Participating Independent District will be responsible for one twelfth (1/12) of the first twenty percent (20%) percent of the lease payment and the Participating Independent District's allocation of the remaining eighty percent (80%) of the lease payment will be eleven percent (11%).

EXTRACT OF MINUTES OF MEETING
OF THE SCHOOL BOARD OF
INDEPENDENT SCHOOL DISTRICT NO. ___
([DISTRICT NAME])
___________________ COUNT[Y][IES], MINNESOTA

Pursuant to due call and notice thereof, a [regular][special] meeting of the School Board of Independent School District No. ___ ([DISTRICT NAME]_), ________________ Count[y][ies], Minnesota, was duly held in the School District on _____________, 202___, commencing at _______ o'clock p.m.

The following members were present:

and the following were absent:

Member _____________________ introduced the following resolution and moved its adoption:

RESOLUTION APPROVING A JOINT POWERS AGREEMENT FOR THE ACQUISITION AND BETTERMENT OF AN EDUCATION FACILITY IN WINONA, MINNESOTA; AND TAKING OTHER ACTIONS WITH RESPECT THERETO

BE IT RESOLVED by the School Board (the "Board") of Independent School District No. ____ ([DISTRICT NAME]), _____________ Count[y][ies], Minnesota (the "District"), as follows:

1. Background.

(a) The District is a member of the Hiawatha Valley Education District (the "HVED"). HVED is an education district duly formed and organized pursuant to Minnesota Statutes, Sections 123A.15-123A.19, and a Joint Powers Agreement dated September 1, 1988, as amended.

(b) The members of HVED (including the District) are: Independent School District No. 299 (Caledonia); Independent School District No. 227 (Chatfield); Independent School District No. 533 (Dover-Eyota); Independent School District No. 300 (La Crescent-Hokah); Independent School District No. 229 (Lanesboro); Independent School District No. 857 (Lewiston-Altura); Independent School District No. 238 (Mabel-Canton); Independent School District No. 2899 (Plainview-Elgin-Millville); Independent School District No. 239 (Rushford-Peterson); Independent School District No. 297 (Spring Grove); Independent School District No. 858 (St. Charles); Independent School District No. 811 (Wabasha-Kellogg) (collectively, the "Member Districts").

(c) The HVED provides special education and related services, alternative education programs and other education-related programs and services to children who are enrolled in the Member Districts.

(d) The governing board of the HVED (the "Governing Board") has determined that it is in the best interests of the HVED and the Member Districts to (i) acquire land and an existing building located in the City of Winona, Minnesota (the "Property"), and (ii) construct, renovate, improve and equip the existing building and site to serve as a new education facility (hereinafter the "Education Facility") which will be used by the HVED to provide special education and related services, alternative education programs and other services to the Member Districts.

(e) The Governing Board has proposed that each of the Member Districts and the HVED enter into a certain Joint Powers Agreement (the "Joint Powers Agreement") to establish a framework for financing the acquisition, betterment, and maintenance of the Education Facility through a lease-purchase financing (the "Lease Agreement").

(f) The Board has been informed by the administration and the HVED of the terms and conditions of the Joint Powers Agreement, including the requirement that the lease payments on the Lease Agreement shall be apportioned among the Member Districts using the method of apportionment specified in the Joint Powers Agreement, and the requirement that no Member District shall be permitted to withdraw from the Joint Powers Agreement prior to June 30 of the year in which the full payment of the Lease Agreement, or any refunding of the Lease Agreement, is made.

(g) The Board hereby finds and determines that it is necessary and expedient to the sound financial management of the affairs of the District to enter into the Joint Powers Agreement for the purpose of financing the acquisition, betterment, and maintenance of the Education Facility in accordance with the terms and conditions of the Joint Powers Agreement. The Board further finds that execution of the Joint Powers Agreement and the District's performance of its obligations thereunder are necessary and desirable and are in the best interests of the District.

2. Approval of Joint Powers Agreement. The Joint Powers Agreement is hereby approved in substantially the form now on file with the Board, subject to modifications as shall be deemed necessary, desirable, or appropriate, the execution thereof to constitute conclusive evidence of approval of any and all modifications therein. The Board Chair and Clerk are hereby authorized and directed to execute and deliver the Joint Powers Agreement on behalf of the District.

3. Concurrence with Lease Agreement. The Board concurs with the financial obligation represented by the Lease Agreement, including any refunding of the Lease Agreement, as set forth in the Joint Powers Agreement.

4. No Closing; Resolution Void. If the purchase and sale of the Property contemplated by the Joint Powers Agreement does not close, this Resolution shall automatically be deemed null and void without further action by the Board.

The motion for the adoption of the foregoing resolution was duly seconded by Member __________________________. The vote of the Board members is recorded as follows:

The following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
)
COUNT[Y][IES] OF _______) ss.
[AND __________)]
)
INDEPENDENT SCHOOL)
DISTRICT NO. ______)

I, the undersigned, being the duly qualified and acting Clerk of Independent School District No. ___ ([DISTRICT NAME]), _____________ Count[y][ies], Minnesota (the "District"), hereby certify that I have carefully compared the attached and foregoing extract of minutes of a [regular][special] meeting of the School Board of the District held on ____________, 202__, with the original minutes on file in my office and the extract is a full, true and correct copy of the minutes insofar as they relate to approving a joint powers agreement for the acquisition and betterment of an education facility in Winona, Minnesota.

WITNESS My hand as Clerk this ____ day of _____________, 202___.

____
Clerk of the School Board
Independent School District No. ___
([DISTRICT NAME]),
________________ Count[y][ies], Minnesota

]

PURCHASE AGREEMENT

THIS AGREEMENT is made as of _______________, 2023 (the "Effective Date") between **Winona Mall, LLC,** a Minnesota limited liability company ("Seller"), and the **Hiawatha Valley Education District ("HVED")**, a Minnesota education district under Minnesota Statutes §§ 123A.15 through 123A.19 (as amended) ("Buyer").

RECITALS:

A. Seller is the fee owner of real and commercial property located in Winona County, Minnesota ("Property"), the legal description of which is as follows:

Lot 1, Block 1, WINONA MALL SECOND SUBDIVISION, according to the plat thereof on file in the office of the County Recorder, Winona County, Minnesota.

[Legal description to be verified by title company.]
[PID ____]

B. Seller wishes to convey, and Buyer wishes to purchase the Property, as illustrated in the attached Exhibit A, together with all rights, privileges, easements, and appurtenances belonging thereto.

AGREEMENT:

In consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Purchase of Property. Seller hereby agrees to sell, and Buyer hereby agrees to purchase the Property including all easements and rights of every kind and nature benefiting or appurtenant to the Property, subject to the Permitted Encumbrances as provided herein, from the Seller on the date of Closing.

2. Purchase Price and Manner of Payment. The total purchase price ("Purchase Price") to be paid by Buyer to Seller for the Property shall be $4,200,000.00, and shall be paid to Seller at Closing, subject to the terms of this Agreement.

Earnest Money. Within 14 business days after the Effective Date, Buyer must deposit the sum of $____ (the "Earnest Money) with a title company of its choice ("Escrow Agent"). At Closing, Escrow Agent shall disburse to Seller the Earnest Money and Buyer shall receive a credit against the Purchase Price in an amount equal to the amount of the Earnest Money.

3. Buyer Contingencies. The obligations of Buyer under this Agreement are contingent upon each of the following:

a. Available Surveys, Tests, and Reports. Within ten (10) days following the Effective Date, Seller shall cause to be delivered to Buyer (a) copies of any surveys, soil tests, environmental reports, and any other studies and/or site analyses previously conducted on the Property and in the possession of Seller, (b) copies of existing title work for the Property and in the possession of Seller, (c) copies of leases still effective on the property, including any and all amendments to these leases, and (d) any other documents creating obligations to Seller with respect to tenants (the "Due Diligence Materials"). Seller makes no representations or warranties regarding the accuracy of the Due Diligence Materials. If Buyer so requests, Seller shall request the preparers of any such surveys, soil tests, environmental reports, and any other studies and/or site analyses to re-issue or re-certify the same for the direct benefit of Buyer, at Buyer's expense except as otherwise provided in this Agreement, so that Buyer may rely on such site analyses or surveys as if prepared for Buyer in the first instance, but Seller makes no representation as to whether any such reissuance or recertification will be available.

b. Representation and Warranties. The representations and warranties of Seller contained in this Agreement must be accurate in all material respects now and on the Closing Date as if made on the Closing Date.

c. Title. Title shall have been found marketable, or been made marketable, in accordance with the requirements and terms of Section 7 below.

d. Performance of Seller's Obligations. Seller shall have performed all of the obligations required to be performed by Seller under this Agreement as and when required by this Agreement.

e. Inspection. Buyer shall have the right to enter the Property through _______________, 2023 (the "Due Diligence Period") and perform such surveys, tests and investigations as Buyer deems advisable, all at Buyer's sole expense. Buyer shall keep the Property free from mechanic's liens arising from such work. Buyer shall be responsible for any property damage or personal injury arising from such work. Buyer shall promptly restore the Property to substantially the same condition in which it existed immediately prior to any physical tests conducted by or on behalf of Buyer. Buyer shall determine, in its sole judgment, whether the condition of the Property is suitable for Buyer's intended use, and may terminate this Agreement without liability through the end of the Due Diligence Period.

f. Government Approvals

(1) **Contingency.** Buyer's obligation to purchase the Property is expressly subject to and contingent upon Buyer obtaining all final and unappealable approvals from the City and any other governmental authority having jurisdiction over the Property as Buyer may deem necessary to proceed with Buyer's intended use of, and improvements to, the Property (***"Governmental Approvals"***).

(2) **Buyer's and Seller's Obligations.** From the date hereof, Buyer shall proceed with the application for Governmental Approvals. Notwithstanding any provisions of this Agreement to the contrary, the extent to which Buyer undertakes activities, decisions, effort, expense and any other matter with respect to Buyer's application for Governmental Approvals shall be at Buyer's sole and absolute discretion, including, but not limited to, the schedule for obtaining the Governmental Approvals, the level and type of Governmental Approvals Buyer seeks to obtain, and the amount of money Buyer expends to obtain such Governmental Approvals. At any time through the end of the Due Diligence Period, Buyer shall have the right to terminate this Agreement for any reason, in Buyer's sole and absolute discretion, by written notice to Seller. Upon any termination of this Agreement, any obligation of Buyer to seek Governmental Approvals for any portion of the Property shall also terminate with no remedy of any kind to Seller. To the extent required by the Government, Seller shall, as the property owner, execute applications required for Buyer to obtain necessary approvals.

(3) **Notice of Governmental Approvals.** If said Governmental Approvals are achieved within sixty (60) days after the effective date of this Contract (the "***Governmental Approvals Period***") or Buyer elects to waive such matters, Buyer shall send written notice (***"Notice of Governmental Approvals"***) to Seller on or before the expiration of the Governmental Approvals Period.

(4) **Termination.** If (i) Buyer fails to send Seller the Notice of Governmental Approvals on or before the last day of the Governmental Approvals Period, or (ii) Buyer sends to Seller written notice terminating this Contract prior to the expiration of the Governmental Approvals Period, this Contract shall automatically terminate.

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g. **Access Easement.** Buyer shall obtain the right to access the Property through Seller's property naming direction of access easement, pursuant to the Access Easement set forth in Exhibit B.

h. Parking Lot Easement. Seller shall obtain an agreement with the owner of the property directly to the south, the legal description of which is Lot 3, Block 1, Winona Mall Subdivision, Winona County, Minnesota (hereinafter, "Lot 3"), on terms and conditions acceptable to Buyer, providing access to existing parking spaces on the south side of the Property.

If any contingency set forth above has not been satisfied on or before the Closing Date, then this Agreement may be terminated, at Buyer's option, by written notice from Buyer to Seller. Upon such termination, the Earnest Money shall be refunded to Buyer and neither party will have any further rights or obligations regarding this Agreement or the Property. All the contingencies set forth in this Section are for the sole and exclusive benefit of the Buyer and the Buyer shall have the right to waive any contingency by written notice to Seller.

4. Closing. The closing of the purchase and sale contemplated by this Agreement ("Closing") shall be held at such place as may be agreed upon by the parties, on or before, ________________, 2023 ("Closing Date"). At the Closing, Buyer shall pay the Purchase Price to Seller and the following closing documents shall be executed and delivered.

a. Seller shall deliver a warranty deed conveying the Property to Buyer, free and clear of all encumbrances, except the "Permitted Encumbrances" as defined herein.

b. A title insurance policy, or a suitably marked-up commitment for title insurance initialed by the Title Insurer, in the form required by this Agreement.

c. An Affidavit by Seller indicating no adverse matters.

d. A closing statement detailing the financial terms of the closing.

e. The Access Easement set forth in Exhibit B.

d. All other documents necessary to transfer the Property to Buyer free and clear of all encumbrances except the Permitted Encumbrances.

5. Insurance; Risk of Loss. Seller assumes all risk of destruction, loss or damage to the Property prior to the Closing Date. If, prior to the Closing Date, all or any portion of

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the Property or access thereto is condemned, taken by eminent domain, or damaged by cause of any nature, Seller shall immediately give Buyer written notice of such condemnation, taking or damage. After receipt of written notice of such condemnation, taking or damage (from Seller or otherwise), Buyer shall have the option either (a) to require Seller to (i) convey the Property at Closing (as defined in Section 6) to Buyer in its damaged condition, upon and subject to all of the other terms and conditions of this Agreement without reduction of the Purchase Price, (ii) assign to Buyer at Closing all of Seller's right, title and interest in and to any claims Seller may have to insurance proceeds, condemnation awards and/or any causes of action with respect to such condemnation or taking of or damage to the Property or access thereto, and (iii) pay to Buyer at Closing by certified or official bank check all payments made prior to the Closing Date under such insurance policies or by such condemning authorities, or (b) to terminate this Agreement by giving written notice of such termination to Seller and thereafter neither party shall have any further obligations or liabilities to the other, except for such obligations as survive termination of this Agreement. If the right to terminate this Agreement is not exercised in writing, such right shall be deemed to have been waived. Seller shall not designate counsel, appear in, or otherwise act with respect to the condemnation proceedings without Buyer's prior written consent, which consent shall not be unreasonably withheld.

6. Costs and Prorations. Seller and Buyer agree to the following prorations and allocation of costs:

a. Title Insurance and Closing Fee. Seller will pay all costs of issuing the title insurance commitment. Buyer will pay all title insurance premiums and surcharges required for the issuance of any title insurance policy. Buyer and Seller will each pay one half of all reasonable and customary closing fees charged by the Title Insurer.

b. Documentary Taxes. Seller shall pay the state tax for the deed to be delivered by Seller under this Agreement.

c. Real Estate Taxes and Levied and Pending Assessments. General real estate taxes due and payable in 2023 shall be prorated by Seller and Buyer to the Closing Date based upon a calendar fiscal year. Any deferred property taxes or otherwise unpaid taxes, penalties and interest accrued prior to 2023 shall be paid by Seller. Seller shall pay all special assessments levied or pending against the Property as of the date of this Agreement.

d. Attorney's Fees. Each party will pay its own attorney's fees, except that a party defaulting under this Agreement or any closing document will pay the reasonable attorney's fees and court costs incurred by the non-defaulting party to enforce its rights regarding such default.

7. **Title.**

a. **Quality of Title.** Seller shall convey good and marketable fee title to the Property to Buyer, subject to no liens, easements, encumbrances, conditions, reservations or restrictions other than the Permitted Encumbrances.

b. **Title Evidence.** Seller shall obtain a commitment ("Title Commitment") for the most current form of ALTA owner's policy of insurance in the amount of the Purchase Price insuring title to the Property subject only to the Permitted Encumbrances. In the event a Survey, or any recertification thereof, shows any encroachments or any improvements upon, from, or onto the Property, or on or between any building setback line, lot line, or any easement, or other condition unacceptable to Buyer, in Buyer's sole discretion, said encroachment, easement, or other condition shall be treated in the same manner as Title Defect(s). The Title Commitment and Survey, if any, are collectively referred to as Title Evidence.

c. **Buyer's Objections.** Within ten (10) days after receiving the last of the Title Evidence, Buyer shall make written objections ("Objections") to the form and or contents of the Title Evidence; provided, however, that Buyer shall not be obligated to object to any mortgages, mechanics and other monetary liens created during Seller's period of ownership of the Property (collectively, "Monetary Liens"), which Monetary Liens shall be satisfied or released by Seller at or prior to Closing. Buyer's failure to make Objections within such time will constitute a waiver of Objections. Any matter shown on such Title Evidence and not objected to by Buyer shall be deemed an additional "Permitted Encumbrance" hereunder. Within ten (10) days after receipt of Buyer's Objections ("Response Deadline"), Seller shall notify Buyer if Seller will undertake to cure each of the Objections prior to Closing. If Seller fails to respond by the Response Deadline or notifies Buyer that Seller is unable or unwilling to satisfy one or more Objections (except for Monetary Liens, which Seller hereby agrees shall be removed at or prior to Closing), then Buyer may either (x) terminate this Agreement by providing Seller with a written termination notice within ten (10) days after the Response Deadline, in which event the Earnest Money shall be returned to Buyer and this Agreement will be of no further force and effect except as expressly set forth in this Agreement, or (y) waive the objections and proceed to the Closing on the Closing Date, in which case such matters shall be additional "Permitted Encumbrances." In the event

Buyer does not terminate this Agreement within ten (10) days after the Response Deadline, Buyer will be deemed to have elected option (y) herein. If Seller notifies Buyer prior to the Response Deadline that Seller will undertake to cure an Objection, but fails to cure such objection prior to Closing, then Buyer may either terminate this Agreement by providing Seller with a written termination notice prior to Closing, in which event the Earnest Money shall be returned to Buyer and this Agreement will be of no further force and effect except as expressly set forth in this Agreement, or waive the objections and proceed to the Closing.

d. **Title Policy.** Title Insurer shall deliver to Buyer at the closing a title policy issued pursuant to the commitment, or a suitably marked–up commitment initialed by the Title Insurer undertaking to issue such a title policy in the form required by the commitment as approved by Buyer.

8. **Representations and Warranties by Seller.** Seller represents and warrants to Buyer as follows:

a. **Authority.** Seller has the requisite power and authority to enter into and perform this Agreement.

b. **Title to Property.** Seller owns the Property and will deliver it free and clear of all encumbrances except the Permitted Encumbrances.

c. **Rights of Others to Purchase Property.** Seller has not entered into any other contracts for the sale of the Property which remain in effect.

d. **FIRPTA.** Seller is not a "foreign person," "foreign partnership," "foreign trust" or "foreign state" as those terms are defined in § 1445 of the Internal Revenue Code.

e. **Proceedings.** To Seller's actual knowledge, without duty to investigate, there is no action, litigation, investigation, condemnation or proceeding of any kind pending or threatened against Seller or the Property.

f. **Hazardous Materials.** To Seller's actual knowledge, without duty to investigate, no toxic or hazardous substances (including, with limitation, asbestos, urea foam formaldehyde, the group of organic compounds known as polychlorinated biphenyls, and any hazardous substance as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. § 9601-9657, as amended) have been generated, treated, stored, released, or disposed of, or otherwise deposited in or located on the Property, including with limitation, the surface or subsurface waters of the Property, nor has any activity been undertaken on the Property which would cause (i) the Property to become a hazardous waste treatment, storage or disposal facility within the meaning of, or otherwise bring the Property within the ambit of the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. § 6901, et. seq., or any similar state law or local ordinance or any other environmental law; (ii) a release or threatened release of hazardous waste from the Property within the meaning of, or otherwise bring the Property within the ambit of CERCLA, or any similar state law or local ordinance, or any other environmental law; or (iii) the discharge of pollutants or effluents into any water source or system, or the discharge into the air or any emissions, which would require a permit under the Federal Water Pollution Control Act, 33 U.S.C. § 7401, et.seq., or any similar state law or local ordinance or any other environmental law. To Seller's actual knowledge, without duty to investigate: (i) there are no substances or conditions in or on the Property which may support a claim or cause of action under RCRA, CERCLA, or any other federal, state, or local environmental statutes, regulations, ordinances, or other environmental regulatory requirements, and (ii) no underground deposits which cause hazardous wastes or underground storage tanks are located on the Property.

g. **Wells and Septic Systems.** To Seller's actual knowledge, there are no private sewage systems or wells located on the Property.

h. **Use of Property.** To Seller's actual knowledge, no methamphetamine production has occurred on the Property.

Seller will defend, indemnify and hold harmless Buyer from and against any expenses or damages, including reasonable attorney's fees that Buyer incurs because of the breach of any of the above representations and warranties. Consummation of this Agreement by Buyer with knowledge of any such breach by Seller will constitute a waiver or release by Buyer of any claims due to such breach. Each of the representations and warranties contained herein shall survive the Closing for a period of one (1) year, and any claim arising out of a breach of any representation or warranty in this Agreement or any document referenced in this Agreement not asserted in an action filed and served on or before the first anniversary date of Closing Date shall be barred and deemed waived.

9. Representations and Warranties by Buyer. Buyer has the requisite power and authority to enter into and perform this Agreement. This Agreement is subject to formal approval of HVED Joint Powers Board.

10. Control of Property. Subject to the provisions of this Agreement, until the Date of Closing, Seller shall have full responsibility and the entire liability for any and all damages or injuries of any kind whatsoever to the Property, to any and all persons, whether employees or otherwise, and to any other property from and connected to the Property, except liability arising from Buyer's surveys, tests, and investigations, or the negligence or willful acts of Buyer, its agents, contractors, or employees, and except as may otherwise be provided by separate agreement between the Parties.

11. As-Is, Where-Is. Buyer hereby expressly acknowledges that it has or will have, prior to the end of the Due Diligence Period, thoroughly inspected and examined the Property to the extent deemed necessary by the Buyer in order to enable the Buyer to evaluate the purchase of the property. Buyer represents that it is a knowledgeable buyer of real property such as the Property and that it is relying solely on its own expertise and that of Buyer's consultants, and that Buyer will conduct such inspections and investigations of the Property, including, but not limited to, the physical and environmental conditions thereof, and shall rely upon the same, and, upon closing, shall assume the risk of any adverse matters, including, but not limited to, adverse physical and environmental conditions, that may not have been revealed by Buyer's inspections and investigations. Buyer further acknowledges and agrees that Buyer is acquiring the Property on an as-is, where-is and with all faults basis, without representations, warranties or covenants, express or implied, except as stated herein.

12. Broker's Commission. Seller and Buyer represent and warrant to each other that they have dealt with no broker, finder or other person entitled to a commission, finder's fee or similar fee in connection with this transaction.

13. Assignment. Neither party may assign its rights under this Agreement without prior written consent of the other party. Any such assignment will not relieve such assigning party of its obligations under this Agreement.

14. Survival. All the terms of this Agreement will survive and be enforceable after the Closing.

15. Notices. Any notice required or permitted to be given by any party to the other shall be given in writing, and shall be (i) hand delivered to the specified addressee, or (ii) mailed in a sealed wrapper by United States registered or certified mail, return receipt requested, postage prepaid, or (iii) properly deposited with a nationally recognized, reputable overnight courier, properly addressed as follows:

If to Seller: John Alexander
Winona Mall, LLC
ADDRESS
Winona, MN

If to Buyer: Debbra C. Marcotte

Hiawatha Valley Education District
1410 Bundy Boulevard
Winona, MN 55987

With copy to: Ratwik, Roszak & Maloney, P.A.
Attention: Christian R. Shafer
444 Cedar St., Suite 2100
St. Paul, MN 55101

Notices shall be deemed effective on the earlier of the date of receipt, or in the case of such deposit in the mail or with an overnight courier, on the first business day following such deposit. Any party may change its address for the service of notice by giving written notice of such change to the other party.

16. Entire Agreement. This written Agreement constitutes the complete agreement between the parties and supersedes any and all other oral or written agreements, negotiations, understandings and representations between the parties regarding the Property.

17. Amendment; Waiver. No amendment of this Agreement, and no waiver of any provision of this Agreement, shall be effective unless set forth in a writing expressing the intent to so amend or waive, and the exact nature of such amendment or waiver, and signed by both parties (in the case of amendment) or the waiving party (in the case of waiver). No waiver of a right in any one instance shall operate as a waiver of any other right, nor as a waiver of such right in a later or separate instance.

18. Governing Law. This Agreement is made and executed under and in all respects is to be governed and construed under the laws of the State of Minnesota.

19. Binding Effect. This Agreement binds and benefits the parties and their respective successors and assigns.

20. Remedies.

- **a. Default by Buyer.** If Buyer defaults under this Agreement, Seller shall have the right to sue for specific performance of this Agreement or actual damages caused by Buyer’s default, or terminate this Agreement by giving a 30-day written notice to Buyer pursuant to Minnesota Statutes § 559.21.

- **b. Default by Seller.** If Seller defaults under this Agreement, Buyer may sue for specific performance of this Agreement or actual damages caused by Seller’s default, or terminate this Agreement by giving a 30-day written notice to Seller with opportunity to cure such default within such 30-day period.

[Signatures on the next page]

SELLER: Winona Mall, LLC

By: ______________________________ Date: ________________________
Its:

By: ______________________________ Date: ________________________
Its:

BUYER: Hiawatha Valley Education District

By: ________________________________ Date: ________________________
Debbra C. Marcotte, Executive Director

By: ________________________________ Date: ________________________

EXHIBIT A
TO PURCHASE AGREEMENT

Illustration

EXHIBIT B
TO PURCHASE AGREEMENT

Access Easement – see attached document

8/21/23

Rushford-Peterson
2023-2024
Safe Learning Plan

This plan will be reviewed every six months until: September 30, 2023.
The R-P Safe Learning Plan has been formulated in consultation
with information from the
Minnesota Department of Health (MDH) and the Centers of Disease Control (CDC).

FACE COVERINGS/MASKS

- Masks are recommended, not required, on school grounds, inside and outside of the building to include all events and activities. Please consult the CDC web page for the most recent COVID-19 Levels in Fillmore County.
- CDC COVID-19 Community Levels
- R-P Schools have masks available if students/staff request a mask while on school property.

SCREENING PROTOCOLS

- All staff and students should stay home if they aren't feeling well.
- Staff and students are encouraged to self-monitor symptoms throughout the day. Anyone who begins to experience symptoms should inform the office. Any student with a fever will be sent home and should not return until fever-free for 24 hours irregardless of what type of illness they are experiencing.
- A sign will be placed on the main entrance of the building, stating anyone who is not feeling well should not enter the building.

SUSPECTED/CONFIRMED CASE of COVID-19 PROTOCOL

- Per MDH guidance, individuals will be asked to stay home until all three of the following are true; symptoms are resolving, it has been 5 days since they first felt sick or tested positive, and they have been fever-free for at least 24 hours, without using fever-reducing medication.. A negative antigen-test along with absence of symptoms would allow any staff or student to come back before 5 days.
- Students will continue to engage with teachers via Google Classroom at the MS/HS level and teacher/parent communication at the elementary level.

CLOSE CONTACTS

- Close Contact Guidance
- Isolation Guide
- Quarantine Guide

- Rushford-Peterson Public Schools will not contact trace students in the school setting during the 2022-2023 school year.

    - Staff, students, and visitors to the building are encouraged to follow the Close Contact, Isolation, and Quarantine Guidance that MDH has created.
- Household close contacts will be asked to choose one of the following options; mask for 10 days, test on Day 1 and Day 5 (no mask) or stay home during quarantine period which will be determined based on last exposure to the COVID positive household member.
- In the event that more than two students in any classroom or activity test positive for COVID-19, families will be notified to watch their students more closely for symptoms.

CLEANING PROTOCOLS

- Routine cleaning will occur to sufficiently remove potential viruses that may be on the surfaces.
- School/programs will continue to promote personal hygiene and social distancing, to the extent possible, best practices in order to limit the spread of COVID-19

The District Covid team will utilize a 7% positivity rate (between board meetings) to make adjustments to the plan and potentially increase mitigation measures.

July 24, 2023

To the Board of Education
Independent School District #239
1000 Pine Meadows Lane
Rushford, Minnesota 55971

The following represents our understanding of the services we will provide Independent School District #239.

You have requested that we audit the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District #239, as of June 30, 2023, and for the year then ended, and the related notes, which collectively comprise Independent School District #239's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 auditing standards generally accepted in the United States of America (GAAS) and, in accordance with *Government Auditing Standards*, always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP), as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information (RSI), such as management's discussions and analysis (MD&A) and budgetary comparison information be presented to supplement the basic financial statements. Such information, 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. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's discussion and analysis
2. Schedule of Changes in the District's Total OPEB Liability and Related Ratios
3. Schedule of District and Non-Employer's Proportionate Share of Net Pension Liability-General Employees Retirement Fund
4. Schedule of District and Non-Employer's Proportionate Share of Net Pension Liability-TRA
5. Schedule of District's Contributions to Pension Plans-General Employees Retirement Fund
6. Schedule of District's Contributions to Pension Plans-TRA

Supplementary information other than RSI will accompany Independent School District #239's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and perform certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with U.S. GAAS. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

1. Financial data included in the management's discussion and analysis
2. Supplementary financial information
3. UFARS Compliance Table

Also, the document we submit to you will include the following other additional information that *will not* be subjected to the auditing procedures applied in our audit of the basic financial statements:

1. Introductory section and Board of Education and Administration

Auditor Responsibilities

We will conduct our audit in accordance with GAAS and *Government Auditing Standards*. As part of an audit in accordance with GAAS and *Government Auditing Standards* we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the basic financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the basic financial statements that we have identified during the audit.
- Evaluate accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements, including the disclosures, and whether the basic financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We may advise management about appropriate accounting principles and their application, and we may assist in the assembly of your basic financial statements. However, management has the final responsibility for the selection and application of accounting policies and the fair presentation of basic financial statements that reflect the nature and operation of Independent School District #239.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Independent School District #239's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards.*

Our engagement is not designed to detect immaterial misstatements, including those caused by error, fraud, theft, illegal acts, any wrongdoing within the entity, or noncompliance with laws and regulations. However, we will inform the appropriate level of management and those charged with governance, as AICPA professional standards require, of material errors, evidence of fraud, or information that come to our attention that indicates fraud may have occurred.

Auditor Responsibilities (continued)

In addition, we will discuss with you and, when appropriate, those charged with governance, matters involving noncompliance or suspected noncompliance with laws and regulations that come to our attention during the course of the audit, or through information provided by other parties, unless they are clearly inconsequential.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of Independent School District #239's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

a. For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
c. To provide us with:
    i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements, such as records, documentation, and other matters;
    ii. Additional information that we may request from management for the purpose of the audit;
    iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.
d. For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by Smith, Schafer & Associates, LTD;
e. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;
f. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
g. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
h. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
i. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
j. For the accuracy and completeness of all information provided.

Management Responsibilities (continued)

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Nonattest Services

With respect to any nonattest services we perform:

1. Assist in preparing the basic financial statements and related notes of Independent School District #239, Minnesota's in conformity with U.S. generally accepted accounting principles based on information provided by you
2. Recommendation of bookkeeping adjusting journal entries
3. Assist District in documenting their procedures related to Implementation of GASB 96, Subscription Based Information Technology Arrangements
4. Other general consultation as requested by you from time to time

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

We will not assume management responsibilities on behalf of Independent School District #239. However, we will provide advice and recommendations to assist management of Independent School District #239 in performing its responsibilities.

Independent School District #239's management is responsible for (a) making all management decisions and performing all management functions; (b) designating an individual who possesses suitable skill, knowledge, and/or experience, preferably within senior management, to oversee our services; (c) evaluating the adequacy of the services performed; (d) accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

With regard to including the auditor's report in an exempt offering document, you agree that the aforementioned auditor's report, or reference to Smith, Schafer & Associates, LTD's, will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement.

Nonattest Services (continued)

With regard to an exempt offering document with which Smith, Schafer & Associates, LTD's is not involved, you agree to clearly indicate in the exempt offering document that Smith, Schafer & Associates, LTD's is not involved with the contents of such offering document.

Reporting

We will issue a written report upon completion of our audit of Independent School District #239's basic financial statements. Our report will be addressed to the board of education of Independent School District #239. We cannot provide assurance that an unmodified opinion will be rendered. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement without expressing an opinion. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing of internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

You agree to provide us with a draft of any document that will contain, accompany or incorporate by reference the audited basic financial statements and our auditor's report thereon prior to the issuance of such document to third parties. You agree not to issue such document until we have provided our permission to do so.

Our responsibility for other information in documents containing the audited basic financial statements and our auditor's report does not extend beyond the financial information identified in our report. We have no responsibility for determining whether such other information contained in these documents is fairly stated and will not express an opinion or provide any form of assurance thereon. We will read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or whether the other information appears to be materially misstated. If we receive the other information prior to the date of our auditor's report on the basic financial statements, our auditor's report will describe our responsibilities related to the other information. If, based on procedures we perform, we conclude that an uncorrected material misstatement of the other information exists, we will describe it in our report.

In the interest of facilitating our services to you, we may send data over the Internet, temporarily store electronic data via computer software applications hosted remotely on the Internet, or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communications and electronic data secure in accordance with our obligations under applicable laws, regulations, and professional standards.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us. You consent to our use of these electronic devices and applications during this engagement.

Other (continued)

Regarding the electronic dissemination of audited basic financial statements, including basic financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Provisions of Engagement Administration, Timing and Fees

We expect to begin preliminary audit procedures in September 2023 and to issue our reports no later than December 31, 2023.

Jason Boynton is the engagement principal for the audit services specified in this letter. His responsibilities include supervising the engagement team's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

The fee for the audit of the District's basic financial statements for the year ended June 30, 2023 will not exceed $18,500, including expenses. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. In addition to our fees for the audit services described above, all matters related to the assistance to the District's management related to documenting their procedures related to Implementation of GASB 96, Subscription Based Information Technology Arrangements will be accounted for and billed separately. Our invoices for these fees will be rendered each month as work progresses and are payable within thirty days. A finance charge at an annual rate of 18% will be added to any balance over thirty days old.

We will communicate to management and those charged with governance in a separate letter those significant deficiencies or material weaknesses in internal control relevant to the audit of basic financial statements that we have identified during our audit and that are required to be communicated under AICPA professional standards. This communication of internal control related matters is intended solely for the information and use of management, the audit committee or those charged with governance. The communication is not intended to be, and should not be, distributed to anyone other than these specified parties.

The audit documentation for this engagement is the property of Smith, Schafer & Associates, LTD and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Smith, Schafer & Associates, LTD's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulators. The regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the basic financial statements are issued.

It is our policy to keep records related to this engagement for seven years. However, Smith, Schafer & Associates, LTD does not keep any original client records, so we will return those, if any, to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

Provisions of Engagement Administration, Timing and Fees (continued)

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

We reserve the right to withdraw from the engagement without completing services for any reason, including, but not limited to, non-payment of fees, your failure to comply with the terms of this Agreement, or as we determine professional standards require.

If our work is suspended or terminated, you agree that we will not be responsible for your failure to meet governmental and other deadlines, or for any liability, including but not limited to, penalties or interest that may be assessed against you resulting from your failure to meet such deadlines. If this engagement is terminated before services are completed, you agree to compensate us for the services performed and expenses incurred through the effective date of termination.

Smith, Schafer & Associates, LTD's liability for all claims, damages, and costs arising from this engagement is limited to two times the total amount of fees paid by you to Smith, Schafer & Associates, LTD for the service giving rise to this liability. If there are no fees charged to you by Smith, Schafer & Associates, LTD, notwithstanding anything to the contrary in this agreement, Smith, Schafer & Associates, LTD shall not be liable for any lost profits, indirect, special, incidental, punitive or consequential damages of any nature even if we have been advised by you of the possibility of such damages.

You agree to hold us harmless from any and all claims which arise from knowing misrepresentations to us, or the intentional withholding or concealment of information from us by your management. You also agree to indemnify us for any claims made against us by third parties, which arise from any of these actions by your management. The provisions of this paragraph shall apply regardless of the nature of the claim.

To ensure that Smith, Schafer & Associates, LTD's independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement principal before entering into any substantive employment discussions with any of our personnel.

Provisions of Engagement Administration, Timing and Fees (continued)

Any dispute (other than our efforts to collect an outstanding invoice) that may arise regarding the meaning, performance or enforcement of this engagement or any prior engagement that we have performed for you, will, prior to resorting to litigation, be submitted to mediation, and the parties will engage in the mediation process in good faith. Any mediation initiated as a result of this engagement shall be administered within Olmsted County, Minnesota, by a mutually agreed upon mediator, according to its mediation rules, and any ensuing litigation shall be conducted within said county, according to Minnesota law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The parties participating in the mediation shall bear their own costs, except that any charges assessed by the mediation organization shall be shared equally by the participating parties.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your basic financial statement auditors and look forward to working with you and your staff.

Very truly yours,

Jason Boynton, CPA
SMITH, SCHAFER & ASSOCIATES, LTD
Principal

RESPONSE:
This letter correctly sets forth our understanding of Independent School District #239.

Acknowledged and agreed on behalf of Independent School District #239 by:

Officer signature: ______________________

Title: Superintendent

KerberRose
Certified Public Accountants

Report on the Firm's System of Quality Control

March 18, 2021

To the Shareholders of Smith, Schafer & Associates, Ltd.
and the Peer Review Committee of the Minnesota Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Smith, Schafer & Associates, Ltd. (the firm) in effect for the year ended May 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act, audits of employee benefit plans, and an audit of a broker-dealer.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Smith, Schafer & Associates, Ltd. in effect for the year ended May 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Smith, Schafer & Associates, Ltd. has received a peer review rating of *pass*.

KerberRose SC

KerberRose SC

115 E. Fifth Street, Shawano, WI 54166
P: 715-526-9400
www.kerberrose.com

CLICK HERE to view the 2023-2024 Elementary Handbook

CLICK HERE to view the 2023-2024 Middle School / High School Handbook

Rushford-Peterson Public Schools
Independent School District No.239

1000 Pine Meadows Lane, P.O. Box 627
Rushford, MN 55971
Phone (507) 864-7785 | Fax (507) 864-2085
www.r-pschools.com

Benjamin Bernard, Ph.D.
Superintendent
Ext. 1001

Jacob Timm
MS / HS Principal
Ext. 1006

Angela Shepard
EC-5 Principal
Ext. 1005

John Loney
Activities Director
Community Ed Program Director
Ext. 1012

Rushford-Peterson High School and Good Shepherd Lutheran Services – High School Credit Agreement

Per Minnesota Statues 124D.475 a student in grade 11 or 12 who is employed by an institutional long-term care or licensed assisted living facility, a home and community-based services and supports provider, a hospital or health system clinic, or a child care center may earn elective credits each year toward graduation. A student may earn one elective credit for every 350 hours worked, including hours worked during the summer.

Rushford-Peterson Schools agrees to give ___________________ a half (.5) graduation credit for every 175 hours worked at Good Shepherd Lutheran Services from July 1, 2023 to June 30, 2024. The maximum number of credits earned during this time is 1 credit. Hours and credits will be verified by Good Shepherd Lutheran Services and Rushford-Peterson Schools.

____
Student Signature

____
Sam Colbenson – Good Shepherd Lutheran Services

____
Jake Timm – Rushford-Peterson Schools

Superintendent's Report
8/21/23

Facilities

There have been multiple changes this summer and I would like to thank all of the staff that have worked on these, especially the work that the custodial staff have put in the summer to get the building ready for the kids and staff to come back.

- Accessibility
    - We have added ramps to two areas along the front of the school sidewalks to help with accessibility. Thank you to Robin Rislove and his employees for this and other concrete work this summer.

- New Path
    - The new path is functional and is a very nice addition to the grounds. Thank you to the city, their workers, and contractors that have completed this this summer.

- Sledding Hill
    - We have mowed a path and added dirt to smooth out the bottom of the hill so that students will be able to utilize a sledding hill during recess this winter.

Strategic Plan

The first meeting is scheduled for 8/21/23 at 5:00 PM in the forum room. The remaining scheduled meetings are included below.

- Aug 27th - Sept 9th Survey completion and analysis.
- Sep 17th - 23rd Listening / Committee Work Session
- Oct 1st - 7th Listening / Committee Work Session
- Oct 15th - 21st Committee Work Session
- Nov 5th - 11th Committee Work Session
- Nov 20th Present the Strategic Plan to the School Board for approval

Clarification on the School Contract with BSN

I have had some questions about if the R-P booster club is part of the uniform contract with BSN. They are not participating in this contract with us. We discussed the possibility of partnering in an online apparel store with them prior to initiating this contract with BSN and they chose to remain independent.

Please contact me with questions.

Ben Bernard

Elementary School Board Report
August 21, 2023
Mrs. Angela Shepard
Respect. Integrity. Excellence.

Angela Shepard-

~Kindergarten Camp – July 31 – August 3
- -Krissy Kelly, Lacey Drinkall, Carissa George
- -30 students attended

~Open House – August 30th 4:00 – 7:00
~K-5 Student Count - 255
~K-5 New Students – 11
~Elementary Handbook
~CPI Renewal Training – August 28 from 8:00 – 12:00
  13 staff attending
~Online Staff Trainings – Type 3 Driver, Employee Right-to-Know Training, ALICE Training
~Bus Safety - Students

Early Childhood- Emily Johnson, Alison Kjos
Kindergarten- Krissy Kelly, Lacey Drinkall, Carissa George
  Student Count – 51
1st- Becky Lind, Jessica Burt
  Student Count - 39
2nd- Shannon Kopperud, Clay Olstad
  Student Count - 39
3rd- Hannah Pape, Jade Olstad
  Student Count – 40
4th- Jon Theuer, Meredith Johnson
  Student Count - 48
5th- Chris Drinkall, Emily Charlebois
  Student Count - 38

K-2 Intervention- Margaret Marklowitz
3-5 Intervention- Dave Lind
Title- Mary Wolter
PE- K, 1, 2, 4– Teresa Brown
PE- 3, 5- Nikki Schultz
Special Education –Aspen Blum, Amber Meisch, Tracy Agrimson/Jenny Thompson

Middle/High School Board Report
August 21, 2023
Mr. Timm
Respect - Integrity - Excellence

2023-2024 MS/HS Student Handbook:

- I attended a student handbook workshop last spring put on by the Minnesota Secondary Principals Association in collaboration with MSBA. Based on that workshop and updated legislation, handbook was reworked and revamped to ensure inclusion of all needed material and updated legislation. The entire handbook is part of your board packet for approval.

Concurrent Enrollment / College Credit Update:

At R-P we will be offering the following college credit opportunity classes/programs this year:

- Concurrent Enrollment Classes (Taught by R-P Staff, student is concurrently enrolled in R-P and MN State-SE)
    - Statistics – Mr. Hatch
    - College Algebra – Mr. Hatch
    - English 12 – Mrs. Michel
    - College Speech – Mrs. Michel
    - Sociology – Mr. Mlsna
    - Chemistry – Mr. Mulholland

- Advanced Placement Courses (Taught by R-P Staff, students take a test at the end of the year to earn college credit)
    - AP Psychology – Mr. Mlsna

- Articulate Courses (Collaboration between MN State Colleges and high schools to earn college credit in CTE courses. Currently have the below listed on their website and will work this year to get more of our CTE courses added to this regional articulation)
    - Child Development I – Mrs. Thompson
    - Child Development II – Mrs. Thompson
    - Intro to Welding – Mr. Lind

- Contracted PSEO (Agreement with MN State-SE allowing our students to take on-line PSEO courses at a reduced rate. Still considered our students, MN State-SE bills R-P schools for the courses)

MS/HS Current Class Sizes (as of August 11)

6^{th} – 46
7^{th} – 43
8^{th} – 58
9^{th} – 64
10^{th} – 63
11^{th} – 56
12^{th} – 46
Total – 376

Updates based on Minnesota Legislation Passed

- Nonexclusionary disciple prior to suspension of students – updated handbook and will inform students at individual class meetings

- Students Safe at School – Inform of Active Shooter Drills (we do not do active shooter drills at R-P)

- New Science standards – Earth/Space Science now taught at freshman level – Mr. Kramer will teach a trimester of Earth and Dr. Mullholand will teach a trimester of Space

- Students must complete a course in government/citizenship in grades 11 or 12 – Social 12 with Mr. Mlsna covers this legislation.

- Students must complete a course in personal finance in grades 10, 11 or 12 – Senior Seminar with Mr. Hinkie covers this legislation.

- Beginning in 2026-27 school year school must offer an ethnic studies course – Mrs. Bieberdorf currently teaches/offers an Ethnic Studies elective.

- Beginning in 2026-27 school must offer Holocaust and genocide education to middle and high school students – Our social studies department will be evaluating curriculum during PLC time this year and will embed the required standards into their curriculum alignment

- Credit for Employment with Health Care Providers – Partnering with Good Shepard Lutheran Services to offer students high school credit for employment (please see draft document)

Upcoming Important Dates:
August 28 – New Teacher Workshop
August 29 - 30 – Teacher Workshop
August 30 – Open House (4:00-7:00)
September 5 – First Day of School
October 2 - 7 – Homecoming Week
October 12 – Fall Parent/Teacher Conference
October 19-20 – MEA Break

John Loney
Trojan Activities/Community Ed.

August Board Report

Fall Sports practices began on 9/14/23:

- LA/RP/H Cross Country- 32-34 total participants
- Volleyball- Varsity, JV & 9th- 36-40 participants
- Football- Varsity, JV & 9th- 52-54 participants
- Fall Cheer- 14-16 participants
- Our trainer Kirsten Hogan will be working on setting up impact testing for our fall sports.
- We sent out an interest/sign-up email last week for 2nd-4th grade flag and 5th & 6th Grade tackle football.
- I will be meeting with all head coaches this fall to go over our Coaches Handbook
- HUDL cameras were installed in the HS Gym last week and the other camera will be installed in the pressbox on the track/football press box next week.

Co-ops:

- Over the past 2 months, I have been working with Houston and Lewiston-Altura (LA) on the following potential co-op opportunities for the following sports:
    - Dance- We currently co-op with LA for dance. All of our dance coaches from last season have resigned for a variety of personal reasons.
        - The dance positions have been posted at both RP & LA for a very long time with no interest from either community.
        - Our former Head Dance Coach Tiffany, suggested I reach out to Houston about adding them to our co-op as she said they have 2 very good dance coaches.
        - All 3 schools will meet before the school begins to discuss the potential of a 3 school co-op.

        - I contacted the MSHSL and if we were to form a LA/RP/H dance team we would remain in single A for dance.
        - If all 3 schools are in agreement to a 3 school co-op, a resolution from the MSHSL will be presented to each school board no later than the September board meetings at each school.

    - Track
        - Lewiston-Altura has approached our current Track co-op of RP/H about potentially adding LA to our co-op, because of LA's smaller numbers in track and not being able to fill out a complete team to compete in meets
        - I met with our current RP/H track coaches this summer to discuss adding LA to our co-op.
        - I then met with the LA Principal and AD to discuss LA wanting to join our co-op.
        - All 3 schools will meet in the near future AD's and Head Coaches from each school to discuss this potential co-op.
        - I contacted the MSHSL and if we were to form a LA/RP/H track team we would remain in single A for dance.
        - If all 3 schools are in agreement to a 3 school co-op, a resolution from the MSHSL will be presented to each school board no later than the October board meetings at each school.

Trojans Lead

- I will be starting an activities leadership program here at RP this fall.
- Purpose: To provide educational opportunities and activities for student leaders in grades 9-12 that choose to attend monthly LEAD Meetings
- Mission Statement: " We stand to be a positive influence for our community. To communicate our beliefs, and carry ourselves with a positive demeanor of confidence, composure, and commitment to our teams and community."
- Desired Outcomes:
    - that student leaders become more aware of the role and responsibilities of the position on a team or activity,
    - to realize the effect that student leaders have in their school and community,
    - to understand the importance of being a leader at all times,
    - to develop tactics to make students more effective leaders,
    - to create a "community" of leaders within our teams or activities,
    - to share information between students and adult leaders to assist in developing positive leadership skills.
- Monthly Meeting Date:
    - 9/21, 10/26, 11/16, 12/14, 1/18, 2/15, 3/14, 4/11

- TIME: 7:30am-8:10am
- LOCATION: Forum Room

- Rushford-Peterson is hosting the 1st annual TRC Student Leadership Conference on 9/13/23 from 8:30am-12:30pm

- **Important Dates:**
  - 8/21-Varsity VB Scrimmage @ RP 5pm-9pm (HS & MS Gyms)
    - Schools-Houston,Spring Grove, Lewiston-Altura, Cotter & LaCrescent-Hokah
  - 8/22-JV VB Scrimmage @ RP 9am-12pm (HS Gym)
    - Schools- Houston, Lewiston-Altura, LaCrescent-Hokah
  - 8/24-Varsity, JV, 9, 8 & 7 VB Home games vs. Medford 7:15/6/4:45/(4:30 jr. high, games played side/side).
  - 8/26- 9th grade VB Tourney @ Lanesboro 8am
  - 8/26-Varsity/JV FB Scrimmage @ St. Charles 9am
  - 8/26- Old Time Baseball Games hosted by Fillmore Fungi 12pm-5pm (RP #2 practice field & open field in Brooklyn)
  - 8/28- LA/RP/H CC meet in Wabasha @ Coffee Mill 4pm
  - 8/29- Varsity, JV, 9, 8 & 7 VB @ Dover-Eyota 7:15/6/4:45/(4:30 jr. high, games played side/side).
  - 8/31-Varsity, JV, 9, 8 & 7 VB @ Fillmore Central 7:15/6/4:45/(4:30 jr. high, games played side/side).
  - 9/1- Varsity Football @ Blooming Prairie 7pm

Just a reminder of the RP Twitter Account: @RPTrojansJLoney if you want to keep track of RP activities..
GO TROJANS!
Sincerely,

John Loney,
RP Activities/Community Ed. Program Director