



DETROIT LAKES PUBLIC SCHOOLS
AGENDA
REGULAR SCHOOL BOARD MEETING
Monday, December 18, 2023 - 5:30 PM
M State Room C101 , 900 Hwy 34 E, Detroit Lakes, MN 56501

The mission of the Detroit Lakes Public schools is to fill our sails with Laker PRIDE.

District Office ~ 702 Lake Avenue, Detroit Lakes, MN 56501 ~ 218.847.9271 ~ Website: www.dlschools.net
Superintendent: Mark Jenson Director of Finance & Operations: Jason Kuehn Education Director: Renee Kerzman

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I. CALL TO ORDER

Presenter: Steffl, Board Chair

A. Laker Pride

II. ROLL CALL

Presenter: Steffl, Board Chair

III. PLEDGE OF ALLEGIANCE

Presenter: Steffl, Board Chair

IV. APPROVAL OF AGENDA

Presenter: Steffl, Board Chair

A. Agenda Approval

Approval of the Agenda for the December 18, 2023 Regular School Board Meeting as presented.

V. RECOGNITIONS

Presenter: Steffl, Board Chair

A. We want to recognize the following staff for going above and beyond Tammy Fagerlie, Pat Canham, Deb Olk, Branson Lachowitz, Scott Askelson, Cindy Johnson, Tanya Jacobs, Ashley Schober and the remainder of the Food & Nutrition Services Department Staff for smooth sailing.

VI. COMMENTS AND REQUESTS FROM VISITORS

Presenter: Steffl, Board Chair

A fifteen-minute time limit will be allowed for audience comment. Those requesting audiences will inform either the Board Chairman or the Superintendent prior to the meeting that you wish to address the Board.

VII. DONATIONS

A. \$100.00 from The Title Team for the Laker Cupboard

B. \$250.00 from Trinity Lutheran Church WELCA for Laker Cupboard

C. \$366.00 gift cards, hygiene supplies, clothing items, winter coats, and shoes from Battle of the

Badges for Laker Cupboard

D. \$3,950.00 from Detroit Lakes VFW for HS 3D Printer

E. \$8,581.00 worth of Hockey Equipment from Bill Ries.

VIII. **PROGRAM PRESENTATIONS**

Presenter:

A. District Demographic Study

Presenter: Hazel Reinhardt, Hazel Reinhardt Consulting

B. High School

Presenter: Josh Omang, High School Principal

IX. **CONSENT ITEMS**

Presenter: Steffl, Board Chair

Action is requested on the following items of the consent agenda. Consent agenda items are typically adopted without discussion of the individual items because they are routine or ordinary in action. Any consent agenda item may be removed for further discussion and deliberation by any member of the board.

A. Approve the Minutes of the November 27, 2023 Regular School Board Meeting.

B. Approve District Bills

C. Approve District Hand Payable Bills

D. Approve Personnel Agenda Items

E. **Approve Second Reading of Policies:**

1. 510.6- Adding/Eliminating a School Sponsored Activity.

2. 691- Adult Education

3. 712- Video Surveillance Other Than on Buses

4. 713- Student Activity Accounting

5. 714- Fund Balance

6. 720- Vending Machines

7. 721- Uniform Grant Guidance Policy Regarding Federal Revenue Sources

8. 726- Use of Electronic Signature to Conduct Official Business

9. 790- Credit Card Use

10. 791- District Provided Cell Phone Guidelines

F. Approve the MOU between Detroit Lakes Public Schools and Jon Freeman.

G. Rescind Policy 803.

H. Approve the Winter Coaches

X. **DISCUSSION ITEMS**

Discussion items receive individual attention because of the nature of the issues and need for introductory or other discussion in order to review the information prior to taking action. This is also the agenda location for items which simply need school board review, but no formal action on the items is required. Discussion items will typically return to the agenda at a future point for more specific action.

A. Annual Inventory of Fixed Assets

B. First Reading of Policies:

Presenter: Steffl, Board Chair

C. 801- Equal Access to Facilities of Secondary Schools.

D. 802- Disposition of Obsolete Equipment and Material.

E. 805- Waste Reduction and Recycling.

F. 806-Crisis Management Policy.

G. 807- Health and Safety.

H. 820- Memorial.

XI. **ACTION ITEMS**

Action items receive individual attention because of the nature of the issues, the need to discuss or review the information prior to taking action, or the specific kind of action required for the item.

A. Motion to Approve the 2023-2025 Custodians and Bus Drivers (AFSCME) Master Agreement.

B. Motion to Approve the 2023-2025 Detroit Lakes Education Support Professionals (DLESP) Master Agreement

C. Motion to Approve the 2022-2023 Audit Report as presented.

Presenter: Jason Kuehn

D. Conduct Truth and Taxation and Certification of the 2023 Property Tax Levy Payable in 2024 for the 2024-2025 School Year in the amount of \$9,672,387.34.

Presenter: Jason Kuehn

XII. ADMINISTRATIVE AND BOARD REPORTS

A. Superintendent Report

Presenter: Mark Jenson, Superintendent

1. Monthly Enrollment Report
2. District Update

B. Board Committee and Representative Reports

1. Student Report

Presenter: Buboltz/Rogstad, Student Board Representative

2. Activities Committee

Presenter: Erickson- Vice Chair

3. Sports Arena Commission

Presenter: Steffl, Board Chair

4. Finance Committee

Presenter: Rotter, Board Treasurer

XIII. UPCOMING EVENTS AND ACTIVITIES

Presenter: Steffl, Board Chair

A. Organizational Meeting- 01/08/23, Police Station 5:30PM

B. Transportation Committee-TBD

C. Finance Committee - Friday, January 19th, District Office (12:00 PM)

D. Regular School Board Meeting- 01/22/24 5:30PM MState C101.

XIV. MEETING ADJOURNED

Presenter: Steffl, Board Chair

Laker PRIDE

	<p>Purpose our intention, what drives us</p>	<p>Deliver educational excellence.</p>
	<p>Relationships the ways we connect and behave toward each other</p>	<p>Care and communicate positively and respectfully within and across our schools and community.</p> <ul style="list-style-type: none"> • District ↔ parents and community members • District ↔ building • Building ↔ teacher • Building ↔ parents • Teacher ↔ parent • Teacher ↔ students
	<p>Innovation the creation, development and implementation of a new idea or concept to enhance educational opportunities</p>	<p>Embrace creativity and critical thinking.</p> <ul style="list-style-type: none"> • Renew and bring up to date all systems and practices • Utilize growth mindset to hone existing intentions/objectives and explore new ideas • Support diverse ways of thinking and doing • Embed equity continually in every facet of our work
	<p>Development a process that creates growth, progress, positive change or the addition of physical, economic, environmental, social and demographic components</p>	<p>Foster the academic, social, emotional, and cultural needs of all learners.</p> <ul style="list-style-type: none"> • Implement and sustain PBIS at all levels • Hone our support for social/emotional health • Further learning and implementation of equitable feedback, assessment, grading and reporting • Provide professional development that supports PRIDE
	<p>Equity the quality of being fair (not equal) and impartial</p>	<p>Ensure that our values, policies, and practices are equitable for our students, staff, and community.</p> <ul style="list-style-type: none"> • Clarify and support understanding of equity vs. equality for all • Actively promote equity (institutional, personal, and instructional) • Remove systemic barriers • Accommodate different learning styles • Give students a voice

I pledge allegiance to the flag
of the United States of America,
and to the Republic
for which it stands,
one Nation under God,
indivisible,
with Liberty and Justice
for all.



DETROIT LAKES PUBLIC SCHOOLS ISD#22

ENROLLMENT PROJECTIONS

Hazel H. Reinhardt

12/7/2023

DETROIT LAKES PUBLIC SCHOOLS ENROLLMENT PROJECTIONS

Executive Summary

Since 2013

- Detroit Lakes Public Schools' K-12 enrollment decreased by 48 students or -1.7 percent
- Nonresidents make up 13.0 percent of total enrollment in 2023-24
- Resident K-12 enrollment decreased by 75 students or -3.1 percent
 - The district's enrolled school age population increased by 195 students or 6.9 percent
 - The 2023-24 market share of the Detroit Lakes Public Schools is 78.6 percent
- The Detroit Lakes Public Schools had a net gain of 55 students from other public options in 2023-24

In ten years, that is, in 2033-34

- Detroit Lakes Public Schools' K-12 enrollment is projected to increase (except for the lowest two projections), ranging from 2,627 to 2,823 or -4.2 percent less to 3.0 percent more than the 2023-24 enrollment of 2,741 students
- Natural decrease continues, e.g., Kindergarten is smaller than the previous year's Grade 12
- Net **in** migration projected to continue

In five years, that is, in 2028-29

- K-5 enrollment is projected to be 50 students lower to 8 students higher than in 2023-24. (All kindergarten students have been born)
- Middle school enrollment is 3 students lower to 18 students higher than today
- High school enrollment projected to be 34 students less to 3 students more than today

Assumptions underlying these projections

- The decline in resident births in Minnesota and Becker County will result in smaller kindergartens in the next several years
- Becker County's share of Minnesota resident births is not likely to increase
- Detroit Lakes's share of Becker County resident births will not return to its pre-Pandemic shares due to competition

What could occur to make these projections too high or too low

- Too high
 - Projected kindergarten is too high
 - More students chose other enrollment options
- Too low
 - Projected kindergarten is too low because the capture rate returns to pre-Pandemic levels
 - More net in migration due to larger increase in single-family detached housing units

COVID-19 AFFECTS

The COVID-19 Pandemic affected Minnesota public school enrollment in 2020-21. Kindergarten classes were smaller and elementary students, in general, were lost to home schools and or private schools. Middle school and high school enrollment was less affected by the Pandemic.

2022-23 marked the third year that Minnesota public school enrollment was below pre-Pandemic numbers.

The COVID-19 Pandemic affected Detroit Lakes Public Schools' enrollment as follows:

- The 2020-21 kindergarten was smaller than its "expected" size and the kindergarten capture rate remains below its pre-Pandemic levels
- Students shifted to other educational options
 - Nonpublic enrollment increased
 - Home school enrollment increased

In the U.S., 2023-24 public school attendance has not yet returned to pre-Pandemic numbers.

DISTRICT WIDE ENROLLMENT PROJECTIONS

Introduction

Attending school is compulsory; therefore, the number of enrolled students is a demographic phenomenon. Public school enrollment is affected by the size of a school district's school age population and the education choices available to district residents. A district's school age population is closely related to other population characteristics of the district, especially the age of the district's population. For example, the age of adults, especially the number of women of prime childbearing age, affects the number of births, which translates into kindergarten classes five to six years later. The age of adults also affects population mobility because older people move less frequently than younger people. The movement of families with children under 18 years also affects enrollment and in a mobile society, enrollment changes throughout the school year as families with children move. While most population trends find expression in school districts, there is also change that is unpredictable and sometimes very local.

While population changes affect the total number of school age children residing in a school district, Minnesota students and their families have education choices. These choices also affect enrollment in a district's schools. Therefore, when analyzing public school enrollment, choice must be considered as well as population dynamics. Choice includes nonpublic schools, home schools, and the public options of open enrollment, charter schools and alternative schools. Two other choices exist: a) dropping out of high school, and b) delaying starting kindergarten (academic redshirting).

Enrollment Trends

K-12 Enrollment in the Detroit Lakes Public Schools

Current Enrollment/Past Trends

K-12 enrollment trends play out over extended periods of time. Both total enrollment and resident enrollment in the Detroit Lakes Public Schools fluctuated from year to year, increasing from 2013-14 to 2016-17 after which enrollment started to decline. The Pandemic saw enrollment drop by 8 percent and enrollment has not recovered. Since 2013-14, total enrollment decreased by 48 students or -1.7 percent while resident enrollment decreased by 75 students or -3.1 percent. Total enrollment increased because nonresident enrollment increased from 330 students to 357 students. In 2023-24, nonresidents make up 13.0 percent of total enrollment. The percentage of nonresidents was 11.8 percent in 2013-14.

K-12 ENROLLMENT										
2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
2,789	2,873	2,907	2,957	2,927	2,914	2,889	2,662	2,690	2,680	2,741

Source: Detroit Lakes School District, Fall Enrollment. Includes ALC

K-12 RESIDENT ENROLLMENT										
2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
2,459	2,521	2,563	2,603	2,565	2,530	2,532	2,317	2,356	2,330	2,384

Resident enrollment is total enrollment less open enrollment in and tuition enrollment in (see page 6)
 Source: Detroit Lakes School District, Fall Enrollment. Includes ALC

Like all population changes, school enrollment changes result from two different phenomena—natural increase/decrease and net migration. The difference between the size of the incoming Kindergarten class and the previous year’s Grade 12, called natural increase or decrease, measures the change in past birth numbers or cohort change. For example, the Baby Boom (1946-1964) and the Baby Bust (1965-1976) set in motion cycles of rising and falling enrollment that are reflected as natural increase/decrease. As the next table shows, since 2013-14, Detroit Lakes Public Schools’ Kindergarten was smaller than the previous year’s Grade 12 for all but four years, which were prior to 2018-19.

Natural decrease cost the Detroit Lakes Public Schools 67 students since 2013-14.

COMPONENTS OF K-12 ENROLLMENT CHANGE				
October To October	Total		Natural Increase/Decrease	Net Migration
	#	%		
2013 to 2014	84	3.0%	10	74
2014 to 2015	34	1.2%	-2	36
2015 to 2016	50	1.7%	19	31
2016 to 2017	-30	-1.0%	4	-34
2017 to 2018	-13	-0.4%	2	-15
2018 to 2019	-25	-0.9%	-7	-18
2019 to 2020	-227	-7.9%	-30	-197
2020 to 2021	28	1.1%	-12	40
2021 to 2022	-10	-0.4%	-13	3
2022 to 2023	61	2.3%	-38	99
Total	-48	---	-67	19

The other phenomenon affecting school enrollment is migration, an indirectly derived estimate. Migration is the term used when people move across a boundary or border, in this case, the school district’s boundaries. Net migration is calculated by the progression from grade-to-grade of public-school students. For example, public school Kindergarten students are moved to Grade 1 in the following year, Grade 1 students to Grade 2, etc. Because the probability of death low among children, the same number of students is expected in the next higher grade the following year. Therefore, if the number of students changes, migration is assumed to have occurred. A positive number indicates a net flow into the public schools and a negative number reflects a net flow out of the public schools.

This method for estimating migration does not distinguish between physical movement across the district’s boundaries and education choices, such as transferring from a nonpublic school to a public school, transferring to a charter school or open enrolling in a public school outside the district. Further,

students who move into or out of a school district but never enroll in the district’s public schools are not reflected in the migration numbers in this report.

Based on the described methodology, **net migration added 19 students to the Detroit Lakes Public Schools since 2013-14.** Except for the Pandemic year (2020-21), net in migration occurred in six of the past ten years. **The combination of net migration and natural increase/decrease is the change in enrollment.**

Student Choices in the Detroit Lakes School District

The number of education options available affects enrollment in a district's public schools. Nonpublic schools have been an option for many years. More recently, home schools have become another option. Since their inception, public school options have been attracting more students every year. Open enrollment allows residents of one district to attend the public schools in another district. Charter schools are another public option. All these choices mean competition for students.

Nonpublic Enrollment and Home Schools

Today, nonpublic enrollment falls into two categories—traditional nonpublic schools and home schools. Most traditional nonpublic schools are associated with religious institutions and many home school curriculums are faith based as well.

In Minnesota in 2022-23, 7.5 percent of all enrolled students were enrolled in traditional nonpublic schools and 2.7 percent of enrolled students were homeschooled. In the Detroit Lakes School District, 6.0 percent of students attended a traditional nonpublic school. Homeschooled students accounted for 4.8 percent of all enrolled students.

NONPUBLIC SETTINGS			
Year	Traditional Nonpublic Schools	Home Schools	Total
2013-14	110	57	167
2014-15	120	71	191
2015-16	129	66	195
2016-17	117	58	175
2017-18	135	67	202
2018-19	141	90	231
2019-20	131	86	217
2020-21	145	159	304
2021-22	162	135	297
2022-23	178	144	322
2023-24	172	154	326

Source: Detroit Lakes School District

The proportion of ISD #22 residents in nonpublic settings is slightly larger than the statewide percentage. Combining home school students and nonpublic students, 10.8 percent of Detroit Lakes School District residents were in nonpublic settings. In Minnesota, 10.2 percent of all students were

enrolled in nonpublic settings. Until the Pandemic, traditional nonpublic enrollment decreased statewide, while the number of homeschooled students increased. In the Detroit Lakes School District, the number of students in traditional nonpublic schools increased in the past ten years and especially in the past four years (Pandemic and post-Pandemic). The number of homeschooled children increased in the Pandemic year (2020-21) and remains at that higher number.

Public Options

Open Enrollment. Open enrollment allows Minnesota students to attend public schools outside their district of residence. The application to open enroll is made by the student and his/her parents and families generally provide their own school transportation. No tuition is charged.

Some students attend public schools outside their home district because their home district enters into an agreement with another district, usually to provide specialized services. This is called a tuition agreement, but this arrangement is not technically a student choice.

Since its beginning, open enrollment has attracted ever more students statewide as well as in the Detroit Lakes School District. In 2022-23, 350 nonresidents enrolled in the Detroit Lakes Public Schools while 279 residents attend a public school elsewhere through open enrollment.

PUBLIC OPTIONS						
Year	In		Out			Net
	Open Enrollment	Tuition Agreements	Open Enrollment	Tuition Agreements	Charter Schools	
2013-14	324	6	175	9	13	136
2014-15	344	8	169	12	6	169
2015-16	336	8	188	14	6	142
2016-17	347	7	192	8	6	149
2017-18	357	5	230	15	9	118
2018-19	381	3	234	16	15	132
2019-20	355	2	250	15	19	86
2020-21	344	1	284	10	23	37
2021-22	334	0	267	16	22	45
2022-23	350	0	279	8	23	48
2023-24	357	0	275	10	27	55

Tuition agreements excluded from the net
Source: Detroit Lakes School District

Nonresident students who open enrolled in the Detroit Lakes Public Schools accounted for 13.1 percent of Detroit Lakes’s total enrollment in 2022-23. Students leaving the district via open enrollment to attend public schools elsewhere represented 9.4 percent of the district’s school age residents. In 2022-23, 9.2 percent of Minnesota students chose open enrollment.

Charter Schools. Charter schools are another public education option. While 7.0 percent of Minnesota students attended charter schools in 2022-23, 0.8 percent of Detroit Lakes School District residents attended a charter school.

As the education choice data show, in 2023-24, excluding tuition agreement students, **the Detroit Lakes Public Schools has a net gain of 55 students from other public options.**

K-12 Market Share of District School Age Residents

Estimating market share requires an estimate of a school district’s school age population. The best estimate results from adding Detroit Lakes Public Schools’ resident students to the district residents attending traditional nonpublic schools, being homeschooled, and opting for open enrollment out, charter schools and other public options.

Based on 2013-14 and 2023-24, the estimated resident enrolled school age population increased from 2,837 to 3,032 students, an increase of 195 students or 6.9 percent. Resident K-12 enrollment in the Detroit Lakes Public Schools decreased by 75 students or -3.1 percent during the same period. Based on the estimated 2023-24 enrolled population of 3,032 the Detroit Lakes Public Schools captured 78.6 percent of the district’s school age population. In 2013-14, market share was 86.7 percent. A decreasing market share is typical in Minnesota.

DETROIT LAKES SCHOOL DISTRICT ESTIMATED RESIDENT SCHOOL AGE POPULATION					
Year	Detroit Lakes Public Schools Resident Enrollment	Nonpublic Settings	Public Options	Tribal	Total
2013-14	2,459	167	197	14	2,837
2014-15	2,521	191	187	13	2,912
2015-16	2,563	195	208	20	2,986
2016-17	2,603	175	206	18	3,002
2017-18	2,565	202	254	25	3,046
2018-19	2,530	231	265	23	3,049
2019-20	2,532	217	284	21	3,054
2020-21	2,317	304	317	17	2,955
2021-22	2,356	297	305	8	2,966
2022-23	2,330	322	310	10	2,972
2023-24	2,384	326	312	10	3,032

History of Enrollment by Grade

The history of enrollment contains patterns with implications for future enrollment. First, kindergarten size fluctuated from year to year as did the corresponding birth years. However, one effect of the Pandemic was a decrease in Detroit Lakes’s share of the Becker County kindergarten pool. **Detroit Lakes’s kindergarten share has not rebounded to its pre-Pandemic shares.**

The number of students per grade varies in the Detroit Lakes Public Schools. A way of expressing grade size differences is to calculate the “average” number of students per grade. For

example, in 2023-24, the average elementary grade (K-5) has 196 students. The average middle school (6-8) has 205 students per grade while high school (9-12) has 238 students per grade. **There is a consistent net inflow of students at the beginning of high school.** With this net inflow, comparing K-5 average grade size to high school average grade size is not a reliable indicator of future enrollment. However, the change in the ratio between kindergarten and Grade 12 suggests that enrollment could decrease. In 2023-24, kindergarten is 74.2 percent the size of Grade 12. In 2013-14, kindergarten was 97.5 percent the size of Grade 12.

Minnesota's largest graduating high school class since 1978 graduated in 2009. Statewide, graduating classes will be getting smaller. Based on Detroit Lakes's enrollment history, its largest recent graduating class could well be the class of 2024 or 2025.

K-12 ENROLLMENT											
Grade	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
K	193	208	223	226	209	218	201	176	196	187	196
1	217	209	214	227	216	207	213	181	180	194	192
2	225	234	208	213	226	212	215	199	186	184	189
3	222	233	241	215	207	227	208	189	208	184	193
4	216	231	245	244	215	212	224	197	195	210	193
5	217	221	235	250	241	208	206	206	209	194	213
6	220	235	223	245	253	246	210	192	204	211	197
7	213	218	241	225	244	247	248	195	180	200	212
8	213	210	215	239	218	233	246	232	194	181	206
9	217	219	215	235	240	231	247	246	256	209	209
10	213	223	228	215	231	244	225	233	248	252	214
11	225	207	212	218	211	221	240	208	234	240	263
12	198	225	207	205	216	208	206	208	200	234	264
Total	2,789	2,873	2,907	2,957	2,927	2,914	2,889	2,662	2,690	2,680	2,741

Source: Detroit Lakes School District, Fall Enrollment. Includes ALC

Enrollment Projections

Projection Background

Some factors affecting future school enrollment are known. However, other crucial factors are less clear. The difficulty in quantifying the effect of these factors is a challenge. First, the trends around which there is confidence.

Trends Where Confidence is High

- Aging. The population in the U.S. and Minnesota is aging. In 2020, 15.6 percent of Minnesota's population was 65 years old or older. In 2010, the elderly made up 12.9 percent of the population. In this decade, for the first time in history, Minnesota's 65+ population is expected to exceed the 5-17 population (K-12 population). There is no historical precedent for this high

proportion of older population; therefore, society is entering uncharted waters as to the effects of this change. However, we know that aging will affect the housing market and reduce geographic mobility because older people move less frequently than younger people. Further, the percentage of households with school age children will decline.

- Fertility. Today, completed fertility (1.73) is below replacement level and there is little reason to think this will change soon. Completed fertility refers to the number of children born per woman throughout her childbearing years. (Replacement is 2.11 children per female at the end of childbearing.) In Minnesota, White non-Hispanic women have below replacement fertility. Fertility rates for Asian and Hispanic women are near replacement. Black women (African American and African-born) have the highest fertility level, just below 3, that is, just less than 3 children per woman at the end of childbearing.

Unknowns

The unknowns reflect changes in the housing market, the economy and in international immigration.

- Long-term effects of the COVID-19 Pandemic and economic shutdown. Unknown; however, births have fallen, unemployment is low, and several economic sectors have been hit hard. Some changes due to the Pandemic seem to be lasting, e.g., remote work and education choices.
- The housing markets. The district has seen a modest increase in housing units and continued modest growth is projected. A robust housing market results in more mobility and this influences enrollment.
- Immigration. Both the economy and public policy affect international immigration. Future students from international migration are impossible to predict.
- Delay/postponement of childbearing. The Millennials delayed marriage, childbearing, and home ownership. More recently, a higher percentage of 18–49-year-olds report that it is not likely they will have children or have additional children.
- Competition. The establishment of charter schools is hard to predict, and open enrollment continues to increase.

Cohort Survival Method

The most common and most robust model for projecting school enrollment is the cohort survival method. The first step in the cohort survival method is aging the population. In a standard cohort survival model, aging the population involves estimating the number of deaths expected in an age group before it reaches the next older age group. When the cohort survival method is used to project school enrollment, the first step is to move a grade to the next higher grade. Because mortality is so low in the school age population, **the entire grade is assumed to “survive” to the next higher grade in the following year.**

After aging the current enrollment, two key assumptions must be made. These assumptions concern the size of future kindergartens and the number of students who will move in or out of the district's schools. Some of these students may physically move in or out of the district. Other students may transfer between the Detroit Lakes Public Schools and other education options available to them. Both these phenomena effect the "survival rates."

Once a grade or cohort has been "aged" to the next higher grade, net migration is added to or subtracted from that grade. Using survival rates accomplishes both "aging" and migration in a single step. **Over time, the size of a cohort will increase or decrease because of migration as it progresses through the grades.** For example, the 2013-14 kindergarten class had 193 members. This same cohort had 214 members in Grade 10 in 2023-24.

The future size of kindergarten is especially important in long-term enrollment projections because these students will be in school over the life of the projections. If a school census exists, it is a resource for short-term kindergarten projections, i.e., a couple of years. However, school censuses are notoriously inaccurate for children less than four years of age, in part, because the preschool population is more mobile than the school age population.

To project kindergarten, the best theoretical approach, but the least practical, is to project births based on the age of the female population. These birth projections then must be survived to age five and then adjusted for migration to yield kindergarten projections. Determining the age of females in a school district is the first challenge, and then many assumptions must be made, making this approach impractical.

A simpler approach is to use resident births as a **proxy** for kindergarten five to six years later. Of course, not every child born in the district will enter the district's kindergarten classes five to six years later. However, some "district born" children who move out before enrolling in kindergarten will be replaced by children born elsewhere who move in before entering kindergarten. If the number of "ins" and "outs" are equal, the net effect is zero and the kindergarten class would be 100 percent of resident births. However, no public-school system captures all the potential students. Some kindergarten students attend private schools or are homeschooled. Others may attend a charter school or open enroll at another district. Therefore, a public school's kindergarten to birth ratio is expected to be less than 100 percent. If the ratio is 100 percent or higher, more preschool children are moving into the district or open enrolling into the district (in migration) than leaving (out migration).

If births are used as a kindergarten proxy, kindergarten projections are available for only a few years into the future. To extend kindergarten projections for another five years, Detroit Lakes Public Schools' kindergarten will be projected based on the Minnesota State Demography Center's projections of Minnesota 0-year-olds.

Kindergarten Assumptions

After 1990, births fell in the U.S. and in Minnesota; however, from 2003 through 2007, births increased and in 2007, U.S. births were higher than at any time since 1964. Then from 2008 through 2011, births fell in the U.S. and Minnesota. These declines are attributed to the poor economy (Great Recession). Beginning in 2012, Minnesota resident births began to increase but did not return to their 2007 level. Then, births began to decline again in 2015. From 2015 through 2020 Minnesota resident births were lower than births in 2014.

As the history of resident births shows, in 2020, Minnesota resident births were 10,224 births or -13.9 percent lower than in 2007. Becker County resident births were 67 births or -15.6 percent lower thirteen years later.

About one-third (33 percent) of births occur between September 1 and December 31 every year. Therefore, about two-thirds of those eligible for kindergarten were born 5 years earlier and one-third were born 6 years earlier. **Adjusting calendar year resident births to fit the age requirement for kindergarten will be referred to as the kindergarten pool.**

RESIDENT LIVE BIRTHS		
Calendar Year	Minnesota	Becker County
2007	73,675	429
2008	72,382	477
2009	70,617	442
2010	68,407	427
2011	68,416	399
2012	68,783	445
2013	69,183	418
2014	69,916	422
2015	69,835	395
2016	69,746	448
2017	68,603	399
2018	67,348	431
2019	66,033	374
2020	63,451	362
2021	64,398	n.a.

Source: Minnesota Department of Health

Becker County resident births will be used as the proxy for district resident births. The next table shows the Becker County kindergarten pool along with Detroit Lakes Public Schools’ kindergarten percentage of that pool. Like many other percentages, the ratio of kindergarten students to the pool fluctuates. Typically, a more stable trend appears when rates are averaged. (Calculating the average of the kindergarten to birth ratio for two or more years smooths out annual fluctuations and produces a more “typical” ratio for that period.)

Detroit Lakes’s share of the Becker County kindergarten pool fluctuated between 41.77 percent (2013-14) to 55.39 percent (2016-17) of the pool during the past 11 years. The Pandemic lowered the kindergarten capture rate to 43.56 percent. The following three years saw the rate move upward but not reach pre-Pandemic levels.

The capture rate for the past three years averaged 45.73 percent. The past five years omitting the Pandemic year averaged 46.24 percent, while the past seven years omitting the Pandemic year averaged 47.43 percent. The average of the past three years (45.73 percent) will be used for the low kindergarten assumption. For a high kindergarten assumption, the ratio of 47.43 percent, which is the

average of the past seven years omitting the Pandemic year will be used. **These rates assume that the kindergarten capture rate will not return to its pre-Pandemic level because of increased competition.**

DETROIT LAKES'S KINDERGARTEN AS A PERCENT OF THE BECKER COUNTY KINDERGARTEN POOL			
Birth Years	Becker County Pool	Percentage	Kindergarten Year
2007; 2008	462	41.77%	2013-14
2008; 2009	453	45.92%	2014-15
2009; 2010	432	51.62%	2015-16
2010; 2011	408	55.39%	2016-17
2011; 2012	430	48.60%	2017-18
2012; 2013	427	51.05%	2018-19
2013; 2014	421	47.74%	2019-20
2014; 2015	404	43.56%	2020-21
2015; 2016	430	45.58%	2021-22
2016; 2017	415	45.06%	2022-23
2017; 2018	421	46.56%	2023-24
2018; 2019	393		2024-25
2019; 2020	366		2025-26

PROJECTED MINNESOTA 0-YEAR OLDS		
Year	Projected Number	Adjusted Number
2017 Actual	68,603	
2017	70,312	
2018 Actual	67,348	
2018	70,395	
2019 Actual	66,033	
2019	70,373	
2020 Actual	63,451	
2020	70,325	65,965
2021 Actual	64,398	
2021	70,274	65,917
2022	70,227	65,873
2023	70,191	65,814
2024	70,164	65,811
2025	70,161	65,811
2026	70,161	65,811

Source: Minnesota Demographic Center

To extend kindergarten projections beyond 2025-26, projected Minnesota 0-year-olds will be used as a guide. In 2019, resident births were 4,340 births lower than the projected 2019 0-year-olds or 93.8 percent of the projected number while 2020 births were only 90.2 percent of the projected number. However, the Pandemic lowered 2020 births. Still, there is no reason to believe that births will

increase to equal the 2019 projection. Therefore, the projected number of 0-year-olds will be adjusted to be 93.8 percent of the projections for 2021 and beyond. Note that the projections of Minnesota 0-year-olds are flat between 2020 and 2026. Even these projections may be too high. Most demographers predict the global pandemic will depress births in the United States and worldwide for several years, although U.S. births were up by one percent in 2021 but flat in 2022.

In the past thirteen years, Becker County resident births fluctuated but decreased slightly from 0.58 percent in 2007 to 0.57 percent in 2020. During this period, the percentages ranged from a low of 0.57 in 2015, 2019 and 2020 to a high of 0.65 in 2012. In the past five years Becker County’s share averaged 0.60 percent. Assuming Becker County’s share of Minnesota 0-year-olds is 0.60 percent in the next several years, the kindergarten pool would be as shown below. While the projections show how “flat” these numbers are likely to be, the actual numbers will not be constant but will fluctuate from year to year as they have in the past. Note the decrease in the pool’s size after 2023-24.

BECKER COUNTY KINDERGARTEN POOL	
2023-24	421
2024-25	393
2025-26	366
2026-27	378
2027-28	392
2028-29	395
2029-30	395
2030-31	395
2031-32	395
2032-33	395
2033-24	395

Pool based on actual births bolded

KINDERGARTEN PROJECTIONS		
	@45.73%	@47.43%
2023-24	196	196
2024-25	180	186
2025-26	167	174
2026-27	173	179
2027-28	179	186
2028-29	181	187
2029-30	181	187
2030-31	181	187
2031-32	181	187
2032-33	181	187
2033-34	181	187
Total	1,785	1,847

When the kindergarten to birth ratio is applied to the kindergarten pool, kindergarten projections result. Through 2025-26, the kindergarten projections are based on actual births. The

lowest kindergarten projection (based on the 45.73 percent ratio) results in 1,785 kindergarten students over ten years while the highest kindergarten projection (47.43 percent ratio) yields 1,847 kindergarten students over ten years. In the past ten years there were 2,040 kindergarten students. **Compared to the past ten years, these projections show a decrease in kindergarten resulting from the decline in the kindergarten pool size.**

Net Migration Assumptions

The method for calculating migration was explained earlier in this report. However, the limitations of the methodology are worth repeating. The method of calculating migration does not distinguish between physical movement across a district’s boundaries and education choices, such as transferring from a nonpublic school to a public school, transferring to a charter school or open enrolling in another district’s public schools. Further, students who move into or out of a school district but never enroll in the district’s public schools are not reflected in the migration numbers in this report.

The next two tables show net migration in raw numbers. As these numbers show, net out migration began before the Pandemic year; however, since the Pandemic, net migration has been positive.

The next table shows net migration for every grade transition. In the Pandemic year, every grade transition except for Grade 8 to Grade 9 showed a loss. From 2016-17 through 2019-20, there was a net loss of students, especially in the elementary grades suggesting competition. Historically, net migration between Kindergarten and Grade 1 has been a mix of positive and negative numbers. Surprisingly, in the year following the Pandemic year, Kindergarten to Grade 1 net migration shows no recovery suggesting that students lost during the Pandemic did not return to the Detroit Lakes Public Schools. Net in migration in the other elementary grades is most often positive. **There is a consistent net inflow of students at Grade 9, the beginning of high school.** After the Pandemic, net migration after Grade 9 has been positive. In Minnesota it is typical to have a loss of students after Grade 9 as students move to other options or drop out of high school.

NET MIGRATION YEAR TO YEAR										
	13 to 14	14 to 15	15 to 16	16 to 17	17 to 18	18 to 19	19 to 20	20 to 21	21 to 22	22 to 23
K to 1	16	6	4	-10	-2	-5	-20	4	-2	5
1 to 2	17	-1	-1	-1	-4	8	-14	5	4	-5
2 to 3	8	7	7	-6	1	-4	-26	9	-2	9
3 to 4	9	12	3	0	5	-3	-11	6	2	9
4 to 5	5	4	5	-3	-7	-6	-18	12	-1	3
5 to 6	18	2	10	3	5	2	-14	-2	2	3
6 to 7	-2	6	2	-1	-6	2	-15	-12	-4	1
7 to 8	-3	-3	-2	-7	-11	-1	-16	-1	1	6
8 to 9	6	5	20	1	13	14	0	24	15	28
9 to 10	6	9	0	-4	4	-6	-14	2	-4	5
10 to 11	-6	-11	-10	-4	-10	-4	-17	1	-8	11
11 to 12	0	0	-7	-2	-3	-15	-32	-8	0	24
Total	74	36	31	-34	-15	-18	-197	40	3	99
Percent	2.7	1.3	1.1	-1.1	-0.6	-0.6	-6.8	1.5	0.1	3.7

The next table summarizes net migration by aggregating net migration to the elementary grades (K-5), the middle school grades (6-8) and the high school grades (9-12). These data suggest competition took elementary students prior to the Pandemic. Middle school (Grades 6-8) and high school (Grades 9-12) show a mixed pattern of net in and net out years.

NET MIGRATION YEAR TO YEAR										
	13 to 14	14 to 15	15 to 16	16 to 17	17 to 18	18 to 19	19 to 20	20 to 21	21 to 22	22 to 23
K-5	55	28	18	-20	-7	-10	-89	36	1	21
6-8	13	5	10	-5	-12	3	-45	-15	-1	10
9-12	6	3	3	-9	4	-11	-63	19	3	68
Total	74	36	31	-34	-15	-18	-197	40	3	99

Includes ALC

Net migration numbers when compared to the number of students in a grade result in the percent of students retained, that is, survival rates. Survival rates are an effective way to analyze the number of students retained, added, or lost each year at each grade. For example, 1.000 indicates no change or 100 percent of the grade progressed to the next highest grade. Any number over 1.000 reflects the percentage increase while a number below 1.000 reflects the percentage decrease. For example, 0.98 indicates a 2 percent decrease.

SURVIVAL RATES YEAR TO YEAR										
	13 to 14	14 to 15	15 to 16	16 to 17	17 to 18	18 to 19	19 to 20	20 to 21	21 to 22	22 to 23
K to 1	1.083	1.029	1.018	0.956	0.990	0.977	0.900	1.023	0.990	1.027
1 to 2	1.078	0.995	0.995	0.996	0.981	1.039	0.934	1.028	1.022	0.974
2 to 3	1.036	1.030	1.034	0.972	1.004	0.981	0.879	1.045	0.989	1.049
3 to 4	1.041	1.052	1.012	1.000	1.024	0.987	0.947	1.032	1.010	1.049
4 to 5	1.023	1.017	1.020	0.988	0.967	0.972	0.920	1.061	0.995	1.014
5 to 6	1.083	1.009	1.043	1.012	1.021	1.010	0.32	0.990	1.010	1.015
6 to 7	0.991	1.026	1.009	0.996	0.976	1.008	0.929	0.938	0.980	1.005
7 to 8	0.986	0.986	0.992	0.969	0.955	0.996	0.935	0.995	1.006	1.030
8 to 9	1.028	1.024	1.093	1.004	1.060	1.060	1.000	1.103	1.077	1.155
9 to 10	1.028	1.041	1.000	0.983	1.017	0.974	0.943	1.008	0.984	1.024
10 to 11	0.972	0.951	0.956	0.981	0.957	0.984	0.924	1.004	0.968	1.044
11 to 12	1.000	1.000	0.967	0.991	0.986	0.932	0.867	0.962	1.000	1.100

Includes ALC

Detroit Lakes Public Schools' survival rates are usually above 1.000. However, like many other enrollment measures, survival rates fluctuate from year to year. Calculating an average of two or more years is a way to smooth out these annual fluctuations.

Calculating survival rates for projections should avoid the Pandemic year. An average of the past three years looks like one reasonable option for projected survival rates. Another reasonable option is the average for the past three years, omitting the lowest year. Going farther back in time may tap into trends that are no longer relevant.

PROJECTED SURVIVAL RATES		
Grade	Low Past Three Years	High Past Three Years Omitting Lowest of the Three Years
K to 1	1.013	1.025
1 to 2	1.008	1.001
2 to 3	1.028	1.047
3 to 4	1.030	1.041
4 to 5	1.023	1.038
5 to 6	1.005	1.003
6 to 7	0.974	0.972
7 to 8	1.010	1.013
8 to 9	1.112	1.129
9 to 10	1.005	1.016
10 to 11	1.005	1.024
11 to 12	1.021	1.031

The differences between these survival rates can be seen in the projections below. By using the low kindergarten assumption, the number of kindergarten students is the same in the two projections, so the differences are solely the result of the survival rates.

There is a 126-student difference between the two migration assumptions. The difference at K-5 is 24 students or 4 students per grade. At Grades 6-8, the difference is 27 students or 9 students per grade while at Grades 9-12, the difference is 76 students or 19 students per grade. The biggest difference between the two projected survival rates is in the high school grades.

SUMMARY OF EFFECTS OF SURVIVAL RATES IN TEN YEARS WITH LOW KINDERGARTEN ASSUMPTION				
Survival Rates	Total	K-5	6-8	9-12
Past 3 Years	2,627	1,135	569	923
Past 3 Years Omitting the Lowest Year	2,753	1,159	596	999

Because the reasonable options are limited, the average of the past three years will be the low assumption, which reflects in migration, and the average of the past three years, omitting the lowest year, will be the high assumption for enrollment projections.

Projection Results

The kindergarten and net migration assumptions are trend lines, which remove annual fluctuations. However, the future, like the past, will be characterized by annual fluctuation, sometimes large. Because there is no reasonable way to forecast when fluctuations around trend lines will occur, it is arbitrary to project them. Furthermore, long-term projections are designed to approximate a future point in time, not to yield the best projection for each intervening year between the present and the projection end date. For this reason, **long-term projections should not be used for annual budgeting purposes.** The district should continue to use its version of the cohort survival methodology for annual enrollment projections.

Four cohort projections are shown in the next table. In ten years, there is a 196-student difference between the lowest projection and the highest projection. The kindergarten assumptions account for a 67-70-student difference in ten years while the migration assumptions account for a 126-129-student difference in ten years. These numbers show that the migration assumptions account for more of the difference among the projections than the kindergarten assumptions. Both assumptions are important but selecting the “best” projection requires carefully considering the net migration assumptions (survival rates).

The lowest projection is based on the low kindergarten and low migration assumptions. In this projection, enrollment decreases by 114 students or -4.2 percent by 2033-34. In five years, enrollment is 88 students or -3.2 percent lower than today. Most of the decrease is in the first five projection years.

The highest projection is based on the high kindergarten and high migration assumptions. In ten years, enrollment increases by 82 students or 3.0 percent, however, in the first five years, enrollment increases by only 28 students or 1.0 percent.

K-12 ENROLLMENT PROJECTIONS				
Year	Low K Low Mig	High K Low Mig	Low K High Mig	High K High Mig
2023-24	2,741	2,741	2,741	2,741
2024-25	2,705	2,711	2,727	2,733
2025-26	2,652	2,665	2,693	2,706
2026-27	2,651	2,670	2,709	2,728
2027-28	2,663	2,689	2,735	2,762
2028-29	2,653	2,686	2,735	2,769
2029-30	2,634	2,674	2,725	2,765
2030-31	2,639	2,685	2,740	2,787
2031-32	2,625	2,678	2,737	2,791
2032-33	2,631	2,690	2,761	2,812
2033-34	2,627	2,694	2,753	2,823

Includes ALC

In between the highest and lowest projections are two other projections. In 2033-34, these two projections differ by 59 students. As a group, the four projections reflect a range of possibilities with two projections showing enrollment decreasing and two projections showing enrollment increasing with most of the increase in the last five projection years.

The ten-year projections reflect the following components of enrollment change. The Detroit Lakes Public Schools will experience **natural decrease** as it has in the past five years. (Natural decrease results from the incoming Kindergarten being smaller than the previous years' Grade 12.) In the past five years natural decrease averaged 20 students per year, however, in the past two years it averaged 25 students per year. In the next ten years, natural decrease averages 58 to 69 students per year in the low kindergarten projections and 52 to 63 per year in the high kindergarten projections. **Natural decrease is projected to be larger than in the past as kindergarten decreases in size.**

COMPONENTS OF PROJECTED K-12 ENROLLMENT CHANGE				
Oct. to Oct. 2023 to 2033	Total		Natural Increase/ Decrease	Net Migration
	#	%		
Low K/Low Mig	-114	-4.2%	-584	470
High K/Low Mig	-47	-1.7%	-522	475
Low K/High Mig	12	0.4%	-688	700
High K/High Mig	82	3.0%	-626	708

Includes ALC

Net migration will continue to be positive. The low migration assumption averages a net in migration of 47 to 48 students per year. The high migration assumption averages a net in migration of 70 to 71 students per year. Net in migration averaged 47 students in the past three years. **Projected net in migration is larger than in the past three years, except for the past year.**

ENROLLMENT PROJECTIONS				
	K-5	6-8	9-12	Total
2023-24	1,176	615	950	2,741
2028-29				
Low K/Low Mig	1,126	612	916	2,653
High K/Low Mig	1,159	612	916	2,686
Low K/High Mig	1,150	633	953	2,735
High K/High Mig	1,184	633	953	2,769
2033-34				
Low K/Low Mig	1,135	569	923	2,627
High K/Low Mig	1,173	591	931	2,694
Low K/High Mig	1,159	596	999	2,753
High K/High Mig	1,196	619	1,006	2,823

Includes ALC

Looking at the projections based on the elementary, middle school and high school grades is instructive. In the first five projection years, K-5 enrollment is from 50 students lower to 8 students higher than today. In ten years, K-5 enrollment ranges from 41 students lower to 20 students higher than today. **For the first five projection years, the kindergarten students have already been born.**

In the first five projection years, middle school enrollment is 3 students lower to 18 students higher than today. In the second five projection years, middle school enrollment ranges from 46 students less to 4 more than today. In the second five projection years, the kindergarten assumptions affect the middle school projections but **in the first five years only current grade size and the migration assumptions are affecting the size of the middle school grades.**

High school (Grades 9-12) enrollment is projected to be 34 students smaller to 3 students larger in the first five projection years. In 2033-34, high school enrollment ranges from 27 students smaller to 56 students larger than today. **Grades 9-12 projections are almost totally a result of the migration assumptions because the kindergarten assumptions have only a small effect on the high school projections.**

In 2033-34, the 2023-24 kindergarten will be in Grade 10, which means that all the grades below Grade 10 are products of the projection assumptions.

Housing Unit Method

The housing unit method provides another way of projecting population and school enrollment. While the number of dwelling units (housing units) is related to the number of school age children, dwelling units alone do not determine the number of school age children. The number of school age children per unit is also a key variable in the projection equation.

The main reason to use the housing unit method is to understand the effect of additional housing units on enrollment. It could be said that housing stock is like DNA. It influences the size and characteristics of the resident school age population.

After dwelling unit type, year built and market value emerge as the most important housing characteristics. Year built reflects how families lived in that era and is a proxy for square feet and characteristics such as number of bedrooms, number of bathrooms and number of garage spaces. The presence of a master suite, walk-in closets, etc. can also be inferred from year built. Value implies some of these same characteristics plus lot size, location, and interior amenities such as kitchen and bathroom appointments and finishes.

The relationship between housing unit characteristics and enrollment has been established by findings based on school districts in four states (Minnesota, Wisconsin, Illinois, and Colorado). These findings are in italics.

- *Dwelling unit type affects the school age child per unit yield. Single-family detached units have the highest school age child per unit yield. Single-family attached, such as townhouses, have significantly fewer children per unit than single-family detached units, while apartment units have even fewer school age children per unit, although there are some local exceptions.*
- *Newer single-family detached units yield more students per unit than older single-family detached units.*
- *As single-family detached units sell (turnover), student yield usually increases in the newer units. In older units, yield is likely to decrease.*

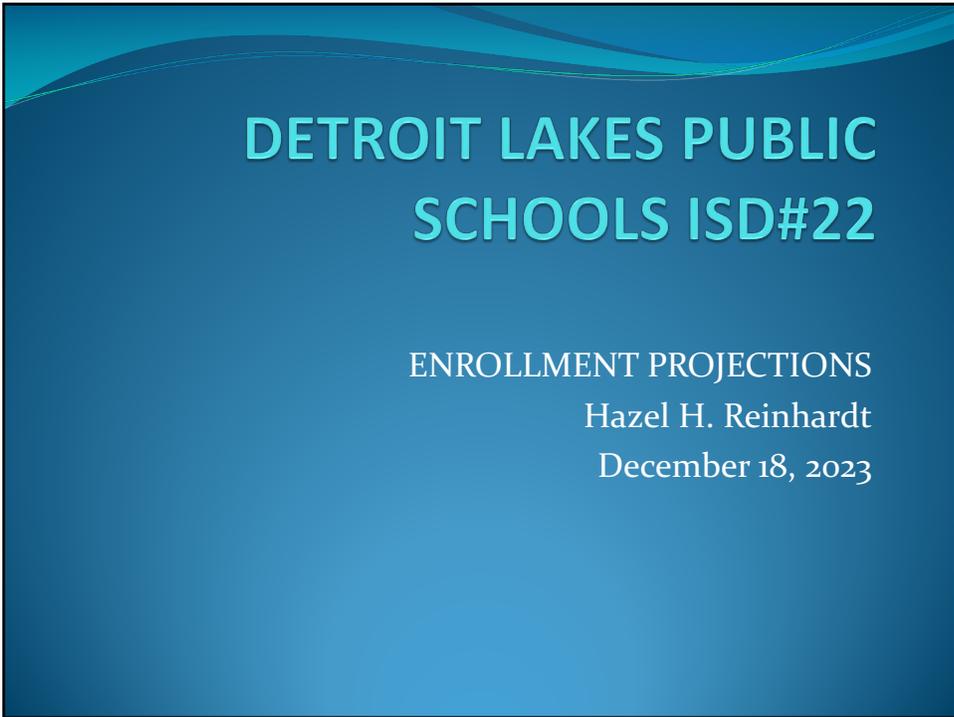
- *The market value of single-family detached units affects the school age child per unit yield. Moderately priced to higher priced units yield more school age children than the lowest priced units.*
- *As the population ages, more dwelling units are being built for mature adults (55+ years) and for seniors. These units will have zero school age children per unit.*

Analyzing housing data and student yield from housing units provides insight into the effect of future residential development. However, projecting enrollment from housing units is not as simple as it might appear. While this method can highlight the number of students resulting from new housing units, **these students do not automatically translate into additional students**. No housing unit method is sensitive to changes in births or to the difference in grade sizes as they age out of school (natural decrease) or competition from other education options.

Based on past residential unit increases and projected unit increases, the small number of projected additional housing units is not likely to have any meaningful affect on Detroit Public School enrollment.

ADDITIONAL HOUSING UNITS ACTUAL AND PROJECTED		
Year	Single-Family Detached Units	Multi-Family
2018	53	1
2019	35	0
2020	35	0
2021	33	3
2022	23	0
2023	25	0
Projected		
2024	20	1
2025	20	1
2026	25	1
2027	25	1
2027	25	1

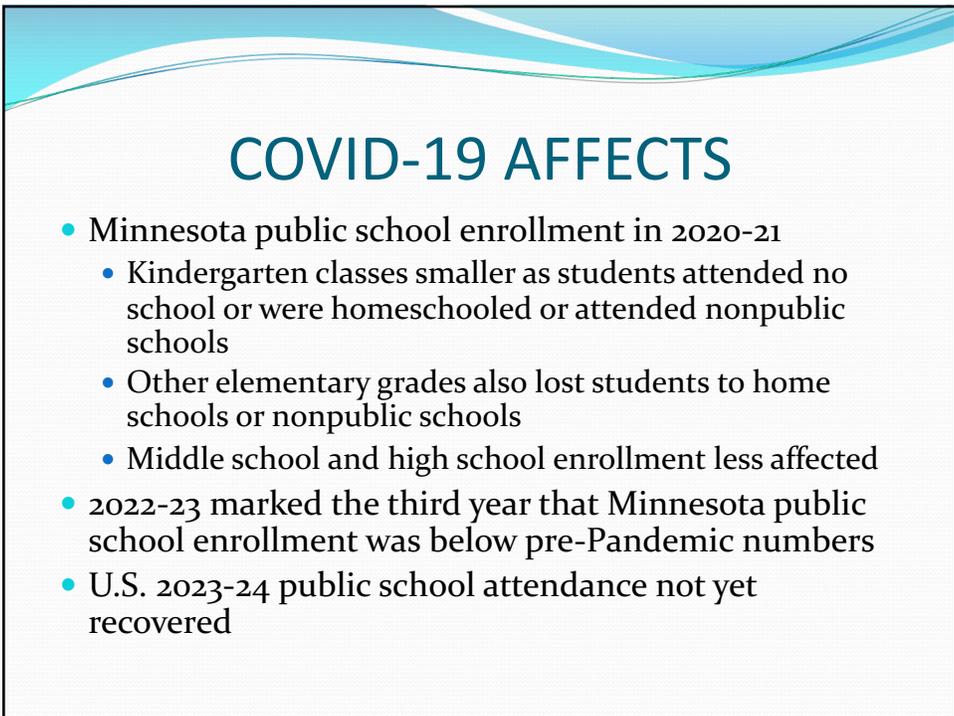
Source: Detroit Lakes School District



**DETROIT LAKES PUBLIC
SCHOOLS ISD#22**

ENROLLMENT PROJECTIONS
Hazel H. Reinhardt
December 18, 2023

1



COVID-19 AFFECTS

- Minnesota public school enrollment in 2020-21
 - Kindergarten classes smaller as students attended no school or were homeschooled or attended nonpublic schools
 - Other elementary grades also lost students to home schools or nonpublic schools
 - Middle school and high school enrollment less affected
- 2022-23 marked the third year that Minnesota public school enrollment was below pre-Pandemic numbers
- U.S. 2023-24 public school attendance not yet recovered

2

COVID-19 AFFECTS

- Detroit Lakes Public Schools
 - 2020-21 kindergarten below its “expected” size. Kindergarten remains below its pre-Pandemic “expected” size
 - Students shifted to other education options
 - Home school increased, but has since decreased
 - Nonpublic enrollment increased
 - Affects of Pandemic linger

3

PROJECTION ENVIRONMENT

- Low fertility
 - Fertility below replacement (2.11 children per woman at the end of childbearing). Minnesota at 1.73 in 2020 and falling
 - Number of births decreasing in U.S. and Minnesota
 - 2020 U.S. births lowest since 1979 but births up 1% in 2021; flat in 2022
 - Fertility varies by race/ethnicity
- Population aging
 - Housing mix different; more apartments, condos, and townhomes. Unit types with few school age children per unit
 - Smaller percentage of households have children
- Population growing very slowly

4

PROJECTION ENVIRONMENT

- Less mobility
 - U.S. fewer than 10 percent (8.4 percent) moved last year
 - Was 20 per cent per year since WWII
 - Mobility creates demand for housing
- Immigration from abroad slowed
 - Minnesota was very dependent on immigration for population growth in the past 25 years
- Minnesota population back to pattern of net out migration
 - Losing young adults—affects number of births
- Competition for students increasing in Minnesota

5

K-12 ENROLLMENT HISTORY

- From 2013-14 to 2023-24—Small enrollment decrease
 - K-12 enrollment decreased by 48 students or -1.7%
 - Resident K-12 enrollment decreased by 75 students or -3.1%
 - **Estimated school age population in district increased by 195 students or 6.9% (2013-14 to 2023-24)**
 - Nonresidents make up 13.0% of enrollment in 2023-24
 - The Detroit Lakes Schools had a net gain of 55 students from other public options in 2023-24
 - Market share is 78.6%
 - Competition for students increasing

6

CHANGE IN OTHER EDUCATION OPTIONS

Year	Nonpublic	Home School	Open Out	Charters
2013-14	110	57	175	13
2019-20	131	86	250	19
2023-24	172	154	275	27

7

CHANGES SINCE 2013-14

ESTIMATED ENROLLED SCHOOL AGE POPULATION IN DISTRICT #22	
Year	Number
2013-14	2,837
2023-24	3,032

8

EDUCATION CHOICES

2022-23

	Minnesota	Detroit Lakes Public Schools
Nonpublic settings	10.2%	10.8%
Traditional schools	7.5%	6.0%
Home schools	2.7%	4.8%
Public Options		
Open enrollment	9.2%	
In		13.1%
Out		9.4%
Charter schools	7.0%	0.8%
Capture Rate	73.6%	78.6%

9

K-12 ENROLLMENT

Year	Total	Resident	Nonresident
2013-14	2,789	2,459	330
2014-15	2,873	2,521	352
2015-16	2,907	2,563	344
2016-17	2,957	2,603	354
2017-18	2,927	2,565	362
2018-19	2,914	2,530	384
2019-20	2,889	2,532	357
2020-21	2,662	2,317	345
2021-22	2,690	2,356	334
2022-23	2,680	2,330	350
2023-24	2,741	2,384	357

Includes ALC

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COMPONENTS OF K-12 ENROLLMENT CHANGE

Fall to Fall	Total		Natural Increase/Decrease	Net Migration
	#	%		
2013 to 2014	84	3.0%	10	74
2014 to 2015	34	1.2%	-2	36
2015 to 2016	50	1.7%	19	31
2016 to 2017	-30	-1.0%	4	-34
2017 to 2018	-13	-0.4%	2	-15
2018 to 2019	-25	-0.9%	-7	-18
2019 to 2020	-227	-7.9%	-30	-197
2020 to 2021	28	1.1%	-12	40
2021 to 2022	-10	-0.4%	-13	3
2022 to 2023	61	2.3%	-38	99
Total	-48	---	-67	19

Includes ALC

11

K-12 ENROLLMENT

Grade	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
K	193	208	223	226	209	218	201	176	196	187	196
1	217	209	214	227	216	207	213	181	180	194	192
2	225	234	208	213	226	212	215	199	186	184	189
3	222	233	241	215	207	227	208	189	208	184	193
4	216	231	245	244	215	212	224	197	195	210	193
5	217	221	235	250	241	208	206	206	209	194	213
6	220	235	223	245	253	246	210	192	204	211	197
7	213	218	241	225	244	247	248	195	180	200	212
8	213	210	215	239	218	233	246	232	194	181	206
9	217	219	215	235	240	231	247	246	256	209	209
10	213	223	228	215	231	244	225	233	248	252	214
11	225	207	212	218	211	221	240	208	234	240	263
12	198	225	207	205	216	208	206	208	200	234	264
Total	2,789	2,873	2,907	2,957	2,927	2,914	2,889	2,662	2,690	2,680	2,741

Includes ALC

12

COHORT SURVIVAL METHOD PROJECTIONS

- Cohort Survival Method
 - Both simple and complex
 - Ages each grade by moving it to the next higher grade in the following year
 - Requires making kindergarten projections
 - Resident births are a proxy
 - Requires making assumptions about net migration or the survival rates from grade to grade

13

ENROLLMENT PROJECTIONS

From a base year enrollment

- Students added
 - Incoming kindergarten (pipeline from births)
 - Students moving into the district (increase in housing units one factor) or district residents transferring from other education options to the district's schools
- Students subtracted
 - Graduating seniors
 - Students leaving the district's schools either by moving out of the district or opting for a different education option

14

DISTRICT PROJECTIONS

- Assumptions underlying these projections
 - The decline in resident births in Minnesota and Becker County will result in smaller kindergartens in the next several years
 - Becker's County's share of Minnesota resident births not likely to increase in the next five years
 - Detroit Lakes Public Schools' share of Becker County resident births will not return to its pre-Pandemic shares
 - Detroit Lakes Public Schools will continue to face competition

15

DECLINE IN RESIDENT LIVE BIRTHS

- 2007-2020
 - -13.9% Minnesota
 - -15.6% Becker County
- 2021 U.S. up 1%. Minnesota up to 64,398 resident live births, no county data to date
- 2022 U.S. flat; Minnesota likely to follow this pattern
- WHY?
 - Decline in fertility rates
 - Aging of the population

16

RESIDENT BIRTHS

Years	Minnesota	Becker County
2007	73,675	429
2008	72,382	477
2009	70,617	442
2010	68,407	427
2011	68,416	399
2012	68,783	445
2013	69,183	418
2014	69,916	422
2015	69,835	395
2016	69,746	448
2017	68,603	399
2018	67,348	431
2019	66,033	374
2020	63,451	362
2021	64,398	n.a.

17

PROJECTED MINNESOTA 0-YEAR OLDS

Year	Projected Number	Adjusted Number
2017	70,312	
2017 Actual	68,603	
2018	70,395	
2018 Actual	67,348	
2019	70,373	
2019 Actual	66,033	
2020	70,325	65,965
2020 Actual	63,451	
2021	70,274	65,917
2021 Actual	64,398	
2022	70,227	65,873
2023	70,191	65,814
2024	70,164	65,811
2025	70,161	65,811

Adjusted number is 93.8 percent of projected number

18

KINDERGARTEN PROJECTIONS

- Projected births (o-year-olds) statewide is very flat
- Detroit Lakes Public Schools’ share of Becker County resident births has fluctuated but trends down

19

KINDERGARTEN AS A PERCENTAGE OF THE BECKER COUNTY KINDERGARTEN POOL

Birth Years	Pool	Percentage	Kindergarten Year
2007; 2008	462	41.77%	2013-14
2008; 2009	453	45.92%	2014-15
2009; 2010	432	51.62%	2015-16
2010; 2011	408	55.39%	2016-17
2011; 2012	430	48.60%	2017-18
2012; 2013	427	51.05%	2018-19
2013; 2014	421	47.74%	2019-20
2014; 2015	404	43.56%	2020-21
2015; 2016	430	45.58%	2021-22
2016; 2017	415	45.06%	2022-23
2017; 2018	421	46.56%	2023-24
2018; 2019	393		2024-25
2019; 2020	366		2025-26
2020; 2021	n.a.	n.a.	2026-27

20

KINDERGARTEN PROJECTIONS

- Kindergarten assumptions
 - Kindergarten/birth ratios
 - Low is 45.73% (average of the past three years)
 - High is 47.43% (average of the three years omitting the lowest year)
 - Longer-term—2027-28 through 2033-34
 - In past 13 years, Becker County resident births decreased from 0.58% to 0.57% of Minnesota resident births. Assumed Becker County's share would be 0.60 percent (average of the past five years) in the next five years

21

KINDERGARTEN PROJECTIONS

- In the next ten years, the projected number of kindergarten students is lower than in the past ten years

22

KINDERGARTEN PROJECTIONS

Year	@45.73%	@47.43%
2023-24	196	196
2024-25	180	186
2025-26	167	174
2026-27	173	179
2027-28	179	186
2028-29	181	187
2029-30	181	187
2030-31	181	187
2031-32	181	187
2032-33	181	187
2033-34	181	187
Total	1,785	1,847
Past ten years 2,040 Kindergarten students		

23

- ## NET MIGRATION
- Net **out** migration before the Pandemic
 - Net **in** migration since the Pandemic
 - A consistent net inflow at the beginning of high school. Typical in Minnesota
 - 6-7% increase at Grade 9

24

NET MIGRATION YEAR TO YEAR

Grade	13 to 14	14 to 15	15 to 16	16 to 17	17 to 18	18 to 19	19 to 20	20 to 21	21 to 22	22 to 23
K to 5	55	28	18	-20	-7	-10	-89	36	1	21
6-8	13	5	10	-5	-12	3	-45	-15	-1	10
9-12	6	3	3	-9	4	-11	-63	19	3	68
Total	74	36	31	-34	-15	-18	-197	40	3	99

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NET MIGRATION YEAR TO YEAR

Grade	13 to 14	14 to 15	15 to 16	16 to 17	17 to 18	18 to 19	19 to 20	20 to 21	21 to 22	22 to 23
K to 1	16	6	4	-10	-2	-5	-20	4	-2	5
1 to 2	17	-1	-1	-1	-4	8	-14	5	4	-5
2 to 3	8	7	7	-6	1	-4	-26	9	-2	9
3 to 4	9	12	3	0	5	-3	-11	6	2	9
4 to 5	5	4	5	-3	-7	-6	-18	12	-1	3
5 to 6	18	2	10	3	5	2	-14	-2	2	3
6 to 7	-2	6	2	-1	-6	2	-15	-12	-4	1
7 to 8	-3	-3	-2	-7	-11	-1	-16	-1	1	6
8 to 9	6	5	20	1	13	14	0	24	15	28
9 to 10	6	9	0	-4	4	-6	-14	2	-4	5
10 to 11	-6	-11	-10	-4	-10	-4	-17	1	-8	11
11 to 12	0	0	-7	-2	-3	-15	-32	-8	0	24
Total	74	36	31	-34	-15	-18	-197	40	3	99

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PROJECTED SURVIVAL RATES

Grade	Low (Past Three Years)	High (Past Three Years Omitting the Lowest Year)
K to 1	1.013	1.025
1 to 2	1.008	1.001
2 to 3	1.028	1.047
3 to 4	1.030	1.041
4 to 5	1.023	1.038
5 to 6	1.005	1.003
6 to 7	0.974	0.972
7 to 8	1.010	1.013
8 to 9	1.112	1.129
9 to 10	1.005	1.016
10 to 11	1.005	1.024
11 to 12	1.021	1.031

27

EFFECT OF SURVIVAL RATES IN TEN YEARS WITH LOW K ASSUMPTION

Survival Rates	Total	K-5	6-8	9-12
Past 3 Years	2,627	1,135	569	923
Past 3 Years Omitting the Lowest Year	2,753	1,159	596	999

28

K-12 ENROLLMENT PROJECTIONS

- In ten years (2032-33)
 - K-12 enrollment projected to increase (one exception)
 - 2023-24 = 2,741
 - 2033-34
 - 2,627 to 2,823 or -4.2% to 3.0%
 - Why so little increase?
 - Natural decrease (Kindergarten smaller than the previous year's Grade 12)
 - Competition
 - Projected natural decrease larger than in the past two years
 - Net in migration projected to continue

29

K-12 ENROLLMENT PROJECTIONS

Year	Low K Low Mig	Low K High Mig	High K Low Mig	High K High Mig
2023-24	2,741	2,741	2,741	2,741
2024-25	2,705	2,711	2,727	2,733
2025-26	2,652	2,665	2,693	2,706
2026-27	2,651	2,670	2,709	2,728
2027-28	2,663	2,689	2,735	2,762
2028-29	2,653	2,686	2,735	2,769
2029-30	2,634	2,674	2,725	2,765
2030-31	2,639	2,685	2,740	2,787
2031-32	2,625	2,678	2,737	2,791
2032-33	2,631	2,690	2,751	2,812
2033-34	2,627	2,694	2,753	2,823

Includes ALC

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K-12 ENROLLMENT PROJECTIONS

	K-5	6-8	9-12	Total
2023-24	1,176	615	950	2,741
2028-29				
Low K/Low Mig	1,126	612	916	2,653
Low K/High Mig	1,159	612	916	2,886
High K/ Low Mig	1,150	633	953	2,735
High K/High Mig	1,184	633	953	2,769
2033-34				
Low K/Low Mig	1,135	569	923	2,627
Low K/High Mig	1,173	591	931	2,694
High K/ Low Mig	1,159	596	999	2,753
High K/High Mig	1,198	619	1,006	2,823
Includes ALC				

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K-12 ENROLLMENT PROJECTIONS

What could make these district wide projections

- Too high
 - Projected kindergarten is too high
 - More students chose other education options
- Too low
 - Projected kindergarten is too low because the kindergarten capture rate returns to pre-Pandemic levels
 - Net in migration is larger
 - More single-family detached housing units than projected

32

WHAT ABOUT HOUSING?

- Relationship between housing and K-12 enrollment is complex
 - **Unit type** affects school age child per unit yield
 - Single-family detached units have the highest student yield per unit
 - Newer single-family detached units yield more students per unit than older single-family detached units
 - As single-family detached units sell, student yield usually increases in the new units. In older units, yield is likely to decrease
 - Market value of single-family detached units affect yield. Moderately to higher priced units have higher per unit yield
 - Senior units—no students

33

YIELD PER UNIT TYPE

- Results of studies in four states—Minnesota, Wisconsin, Illinois, and Colorado
 - **Single family detached K-12 yield varies by school district and by attendance area within school districts**
 - Townhome yield is very consistent across all school districts across states—0.22
 - Apartments yield is very consistent across all school districts across states—0.11 to 0.15
 - Condominiums yield almost no school age children—0.02 to 0.05

34



35



*Welcome to Detroit Lakes
High School*

DETROIT LAKES PUBLIC SCHOOLS

Caring. Collaboration. Creativity.

THE GRAD PARTNERSHIP

Advancing Student
Success Systems

Sparking a Movement

The GRAD Partnership is a collaborative effort of nine national education organizations coming together to advance student success. Our work represents the culmination of more than a decade of research and efforts to develop and validate student success systems.



American Institutes for Research



BARR Center



Carnegie Foundation for Advancement
of Teaching

EVERYONE
GRADUATES
CENTER

Everyone Graduates Center, Johns
Hopkins University School of Education



National Center for Learning
Disabilities



Rural Schools Collaborative



Schott Foundation



Talent Development Secondary



UChicago Network for College Success

CRPE

REINVENTING
PUBLIC EDUCATION



The State of the American Student

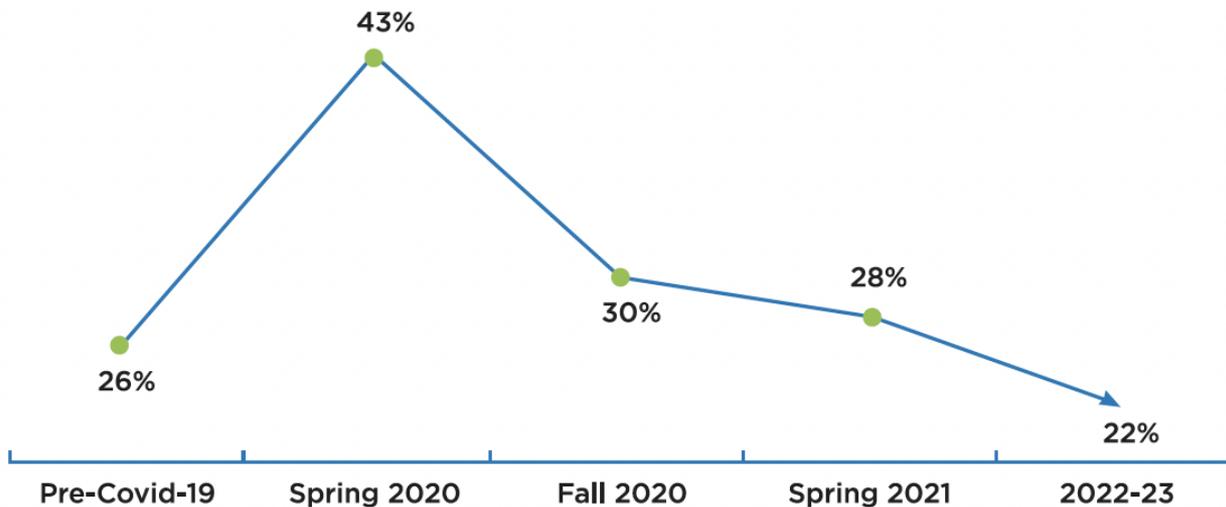
| We are failing older students:
Bold Ideas to change course

Fall 2023

ASU Mary Lou Fulton
Teachers College
Arizona State University

Waning adult-student relationships. High school should be a place of strong and trusted adult-student relationships, but it is not. Survey after survey shows that students do not believe adults in their schools know or care about their lives outside of school.

Figure 7. How many of your teachers make an effort to understand what your life is like outside of school? (“Many” or “all”)



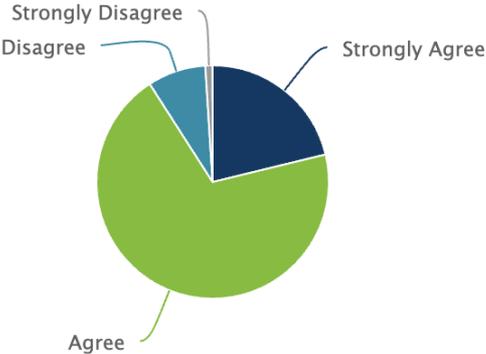
Source: [Youth Truth](#) Learning & Well-Being After Covid-19, a survey of secondary students.

Look At What Our Implementation of BARR Has Done Here!

91% of students report that their teachers care about them at DLHS!

At my school, teachers care about students (2022)

Export to PDF



Strongly Agree Agree Disagree Strongly Disagree

	Strongly agree	Agree	Disagree	Strongly disagree
Detroit Lakes Senior High	21%	69%	8%	1%

IV. We must adjust course

- **Provide transparency about how successfully schools are ensuring that every child is on track to master core skills.**
 - **Our BARR System does this if we are communicating to parents effectively and honestly!**
 - **Use Data ALL THE TIME**
 - **Mindset: Be curious about what you are doing and if it is working (Using Metrics other than just personal opinion). If something doesn't seem to be working adjust course, try something new or different.**
- **Invest in a national youth intervention strategy** that develops, tests, and promotes new interventions (such as strengthening adult-student relationships) and innovative methods (such as AI technology) for struggling adolescents and young adults.
 - **OUR AIT SYSTEM DOES THIS, HOW CAN WE EXPAND THIS?**
- **Invest in high school and college mastery programs**
 - **We are a Direct Admissions School (continue this)**
 - **Expand participation in AP/CE**
- **Rethink high school-to-career pathways.**
 - We need to reinvest in the school wide implementation of our Academy Model.
 - How can we all be involved?



“This moment of disruption should be a moment of reinvention. It should be a moment when leaders rise up and say: Let’s get beyond stale debates over charters, vouchers, gender neutral bathrooms and the like. We’re going to rethink the nuts and bolts of how we teach in America.” –“America Should Be in the Middle of a Schools Revolution,”

David Brooks, New York Times columnist

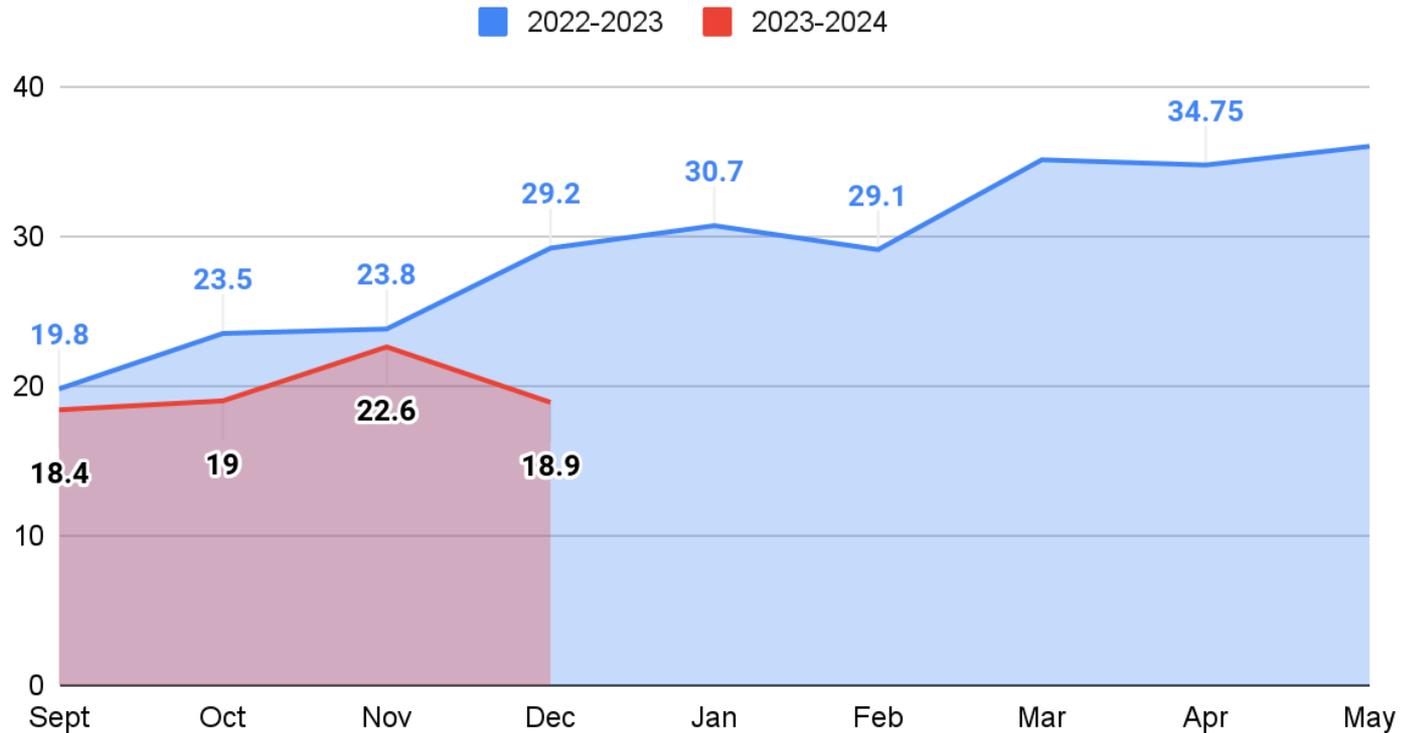
DLHS Data Metrics

Attendance Data

Number of Students Chronically Absent

***What does chronically absent mean?=Absent more than 10% of school days**

Percent of Students Chronically Absent by Month 2022-Present





Meet your Presenters



Rob Metz
Deputy Director
BARR Center



Megan Reder-Schopp
Director of Research
BARR Center



Wendy Mullen
Principal, J. Sterling
Morton Freshman
Center



Tammy Calhoun
Assistant Principal
Banks K-8 School



Josh Omang
Principal
Detroit Lakes High School



Kelly Kalina
BARR Coordinator
Detroit Lakes High School

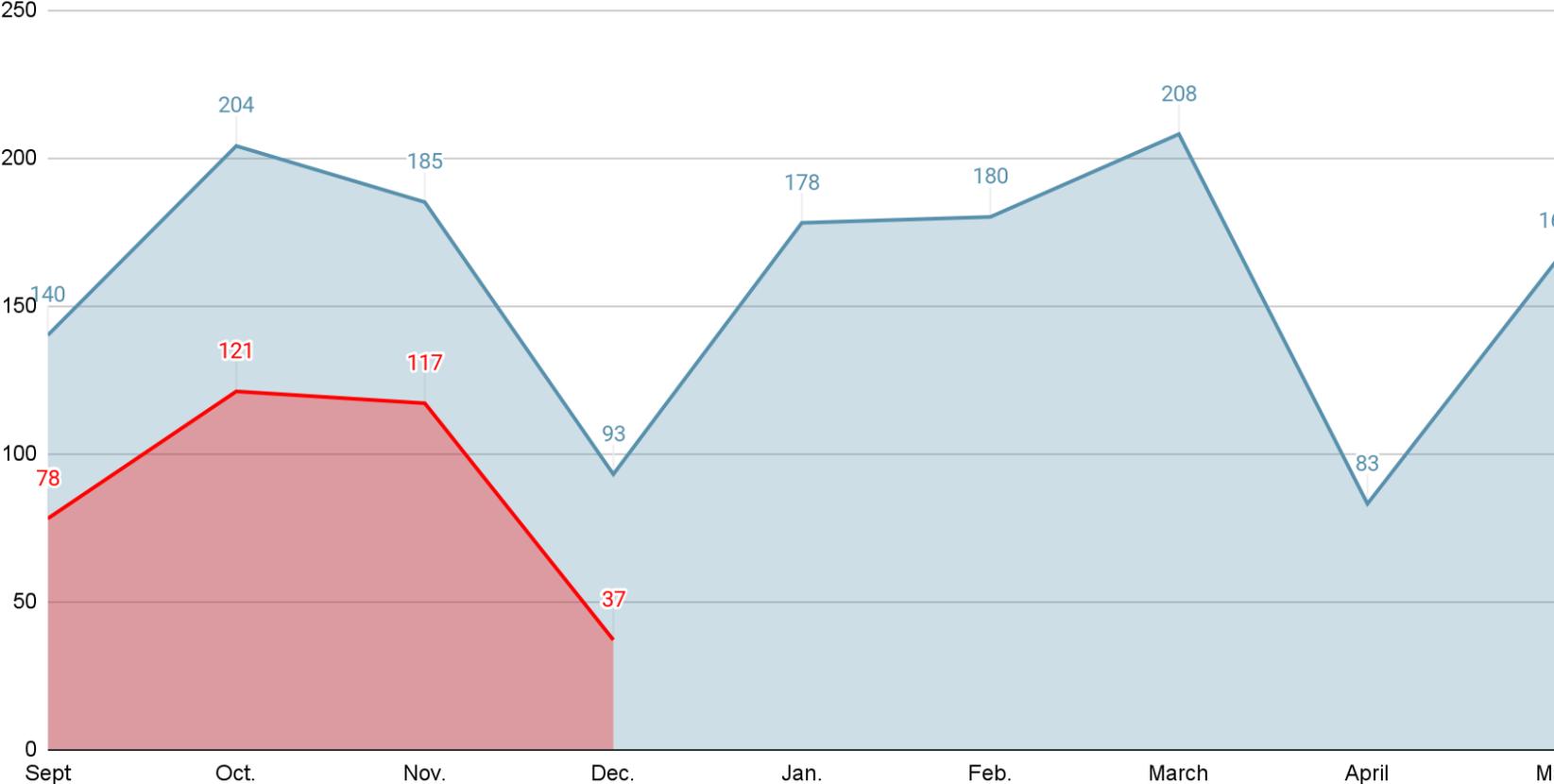


Noel Crum
Assistant Superintendent
Johnson County Schools

Behavior Data

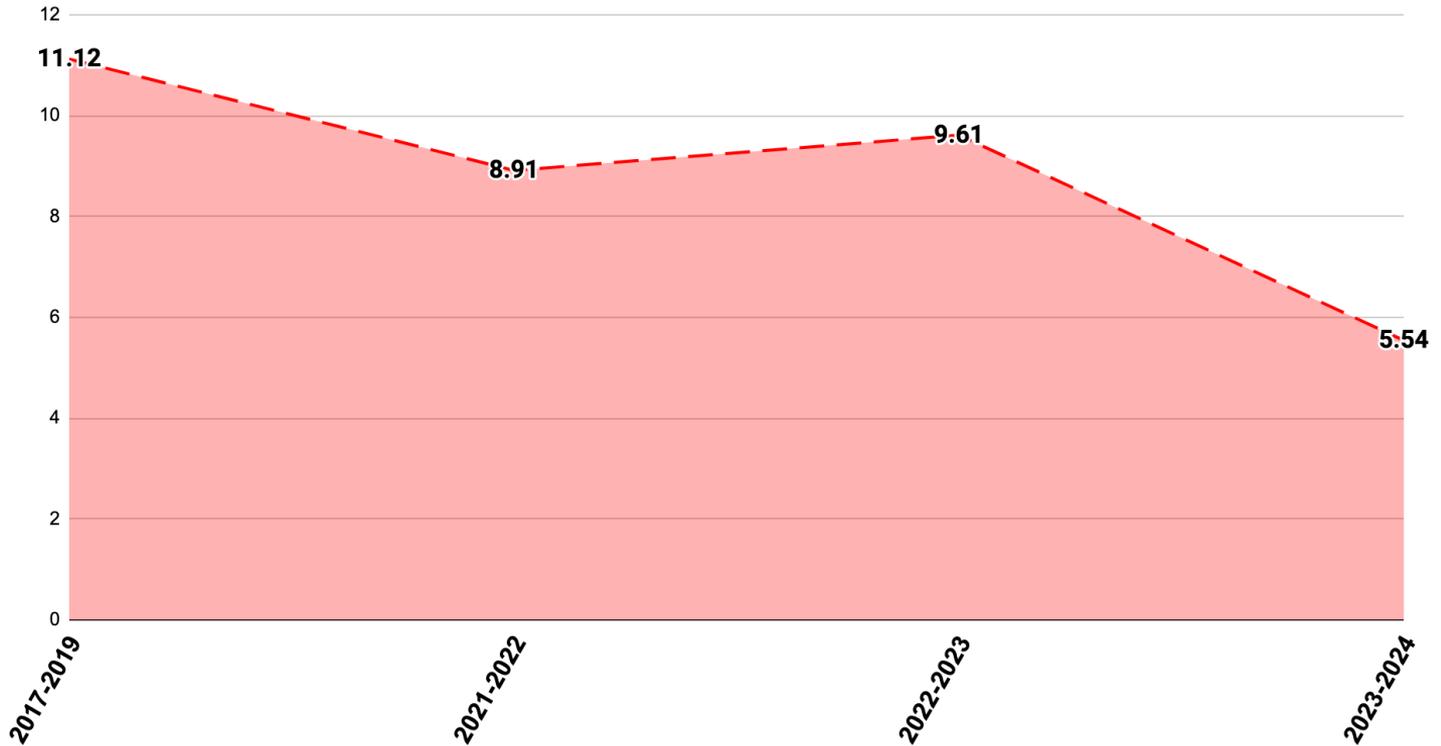
DLHS Office Discipline Data 2022-Present

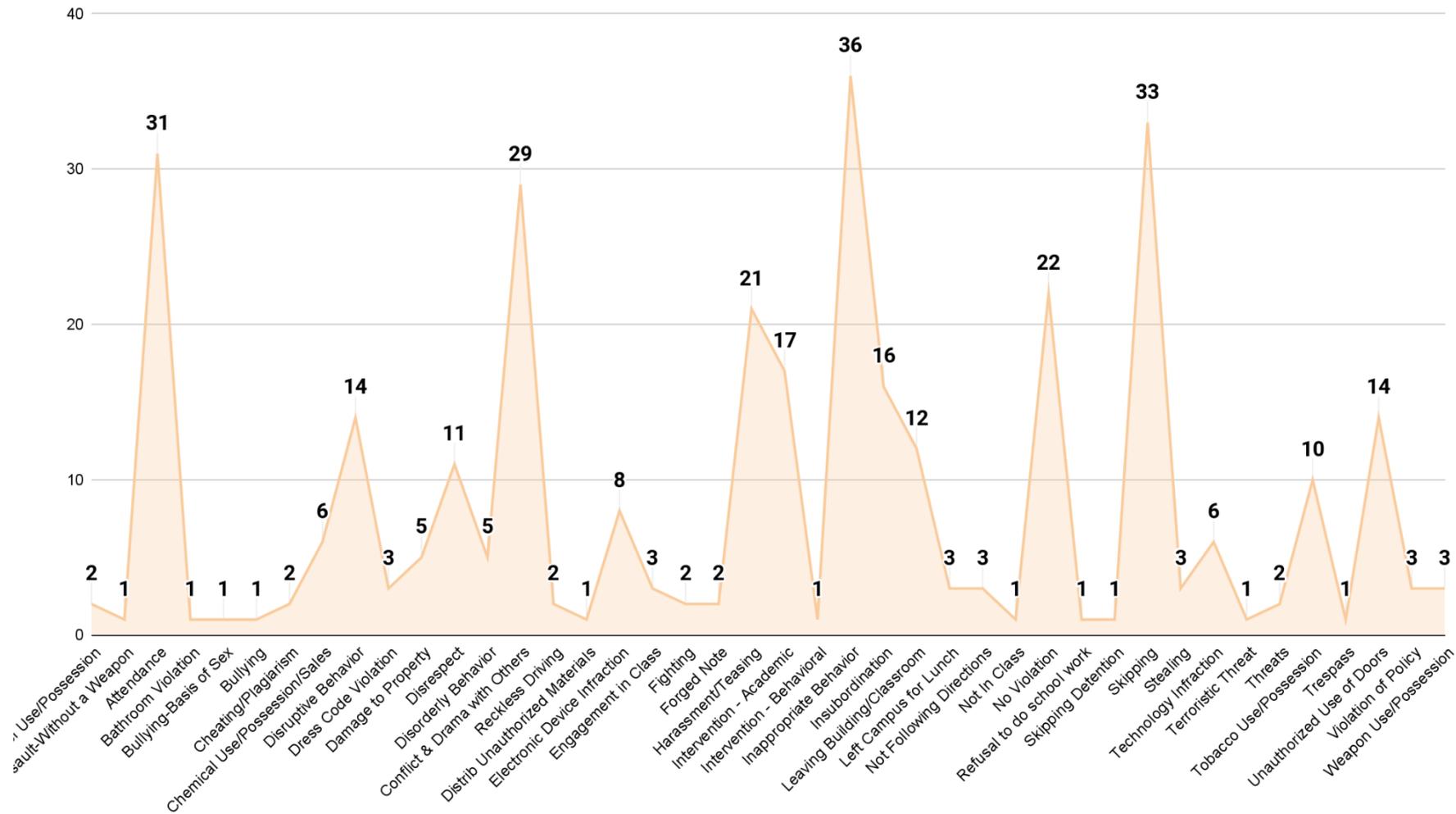
■ 2022-23 ■ 2023-24



2017-2019	2021-2022	2022-2023	2023-2024
11.12 ODR/Day	8.91 ODR/Day	6.72 ODR/Day	5.54 ODR/Day

Avg. Office Referrals/Day





Top Behaviors By Type

Inappropriate Behavior	36
Skipping	33
Attendance	31
Conflict/Drama with Others	29
Harassment/Teasing	21

Academic Data

Caring. Collaboration. Creativity

BARR LEVEL 1-3 STUDENTS

Level 1: 76 (Teacher Teams)

Level 2: 29 (Teacher/Admin/Counselor)

Level 3: 11 (Community Connect)

***41 Kids back to LEVEL “0”-Thriving**

****5 Kids from Level 2 back to Level 1 (typically 16 Weeks)**

*****11 Level 3 kids (typically 20 Weeks)**

DLHS “Street” Data

Sent out every week (Sunday) in our Staff Bulletin

Street Data

Communication

BARR Communication Emails Sent: **153**

Attendance Communications Sent: **130**

Laker Prides Given: **913**

Course Failures

The current Number is Students With A Failing Grade: **197** (report ran on Sunday 12.3.23)

of A's in Courses

12th Grade= 617 A's. An Average of 3.26/Student

11th Grade=643 A's. An Average of 3.31/Student

10th Grade=617 A's. An Average of 3.85/Student

9th Grade=869 A's. An Average of 4.64/Student

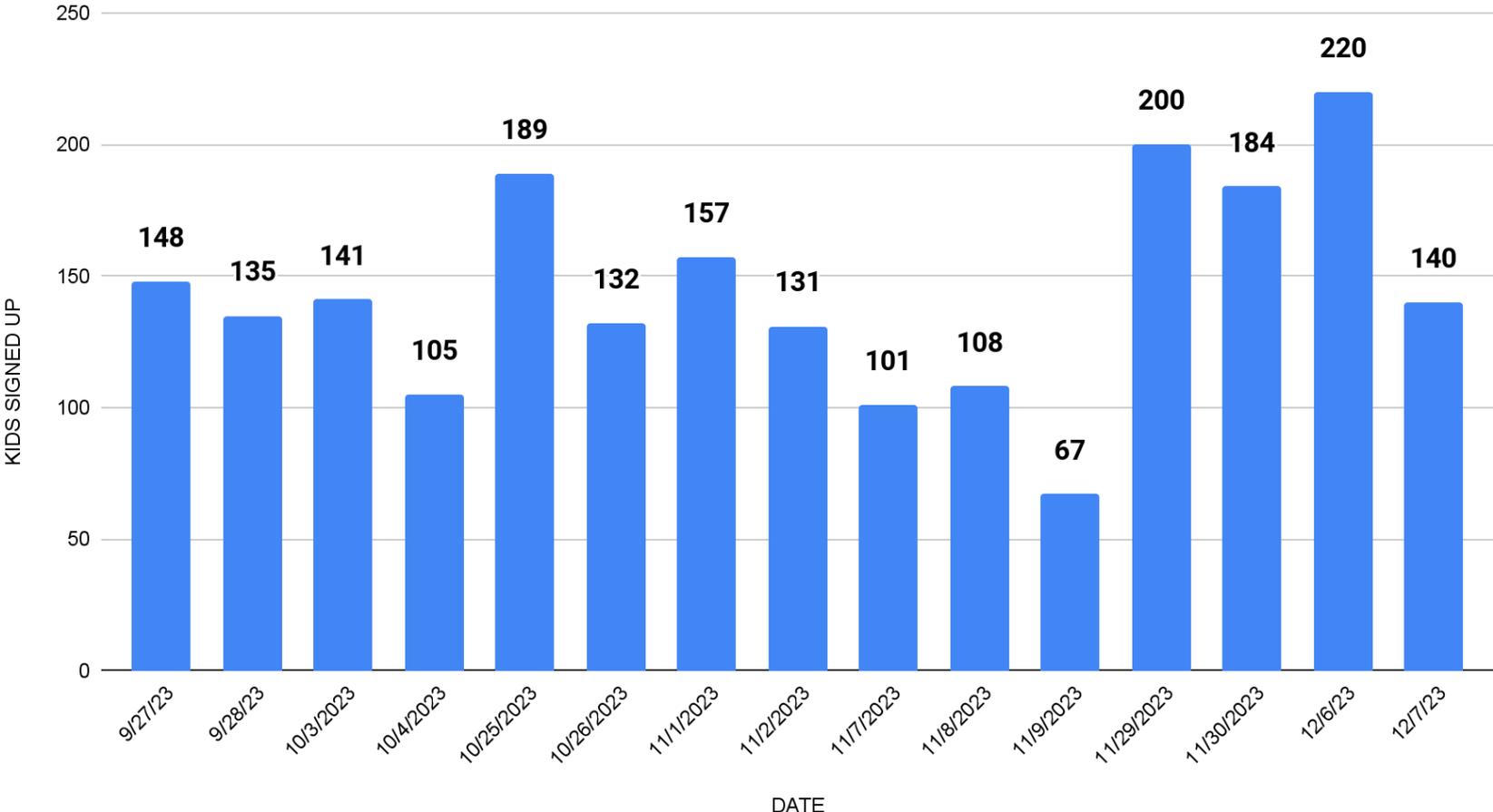
Attendance

Current Number of Students Who Are Chronically Absent (less than 90% attendance)=**198** or 22.6%
(Report ran on Sunday 12.3.2023)

*Last year at this time we had **29.2%** of our students Chronically Absent!

*2021-2022 at this time we had **40.6%** of our students Chronically Absent!

Students Signed up for Intervention (Wed./Thurs.)



Student Leadership Team

New This Year

DLHS Student Leadership Team



→ 12 Students,

- ◆ Representatives from all grades
- ◆ Representative of the demographics of our school

→ Purpose:

- ◆ The purpose of the DLHS Student Leadership Team is to get a STUDENT perspective on the HS experience here at our school.
- ◆ This group will discuss and problem solve how to improve DLHS!

Next Few Slides Show Student Feedback From Our Meetings

Q1: What is one thing you love about our school?

→ Academies

- ◆ Internship and Job Shadowing Opportunities
- ◆ Getting us ready for workforce and college classes
- ◆ Teacher aides-helping out with flyers

→ Block Days

- ◆ Flexibility of block
- ◆ Not worry about all classes

→ AIT

- ◆ Help when you need it

→ Clubs

- ◆ So many clubs and organizations to help people feel included

→ Some teachers go above and beyond their jobs and we really appreciate it

→ School lunch has improved considerably

→ Different pathways is really beneficial

- ◆ Electives that you can choose from

→ Open Lunch and Open Hours



Q2: What is something you think we could do to improve our school?

→ Switching Block to be Tues/Wed

- ◆ Thurs/Fri to ask questions instead of just Friday (this is seen as more opportunity to ask questions)

→ AIT-

- ◆ Checkout-too clustered-more people with scanners
- ◆ Math gets really busy. Can we do math center in a larger area? Writing center too?
 - Sometimes you learned stuff from another teacher
- ◆ More tutoring options for students from other students.
 - Helping others helps you understand better!

→ Organization for Lunch Lines

→ Shorter Days

→ Showing more school spirit

- ◆ Other clubs and activities supporting each other more often.

→ Some days start a little bit earlier



Q3: 8 Period Day

- Tough because every class adds another challenge
 - ◆ Can be extra stress
 - ◆ Additional Work-
- A lot of teachers have said “you still need to get this done” even if there are tests the next day.
- Homework adds up really fast
- Some teachers think their class is the most important class others are more flexible.
- Way too much to learn-overwhelming at times
- Do offer a lot of good classes.
 - ◆ (I took all 8 classes for 2 years because I wanted to)



Academies



Industry Field Trips

- 10th Graders Go On At Least (2) Industry Related Field Trips



DL Public Schools @DLPublicSchools · Nov 30



DLHS would like to thank Webber Family Motors for hosting Mrs. Knopf's Sophomore Business Pathway students for a field trip. Brock explained how a car dealership operates and all the different occupations that make it up. It was a great field trip, #SailsUp

[@WebberFamMotors](#)



Internships

DLHS has 96 Seniors doing internships in our community this semester!



DL Public Schools @DLPublicSchools · Nov 20

Intern of the Week: Kate Taves

Internship: Civil Engineering

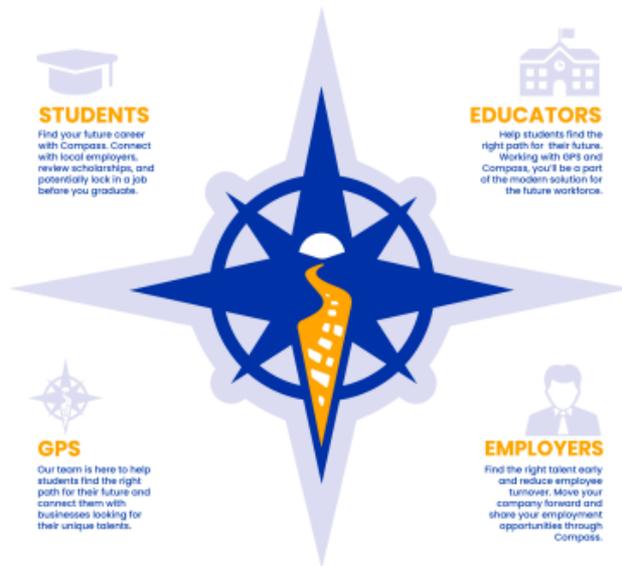
Location: MNDOT

Mentor: Mary Safgren

[#SailsUp](#) [#dlpschools](#) [#LAKERPRIDE](#)



Other Cool Things Going On



Direct Admissions AT A GLANCE

"Direct Admissions" means a student has gained conditional or guaranteed admittance to a college or university, depending on the institution.

Students must complete the college's application (fees waived) and submit additional information to officially confirm their admittance to the colleges of their choice.

Participating Institutions

- 120+ participating high schools
- 23,000+ participating seniors
- 55+ colleges and universities - includes technical schools, tribal colleges, community colleges, four-year public and private universities

Schedule Change

- Schedule research team has been meeting since last Summer.
- Goal: Continuous Improvement
- Benefits:
 - More Intervention time
 - Keeps block classes for academy experiences
 - Still allows for 7 classes

DRAFT 7 Period Day Modified Block BELL SCHEDULE

7 PERIOD (M,T,F)		ODD BLOCK (W)		EVEN BLOCK (TH)	
Period 1	8:15 - 9:03 (48)	Period 1	8:15 - 9:45 (90)	Period 2	8:15 - 9:45 (90)
Period 2	9:08 - 9:56 (48)	Break	9:50 - 10:10 (20)	Break	9:50 - 10:10 (20)
Period 3	10:01- 10:49 (48)	Period 3	10:15 - 11:45 (90)	Period 4	10:15 - 11:45 (90)
Period 4	10:54 - 11:42 (48)				
Period 5 (Lunch-See below)	11:47 -12:58	Period 5 (Lunch-See below)	11:50 - 1:55	Period 6 (Lunch-See below)	11:50 - 1:55
Period 6	1:15 - 2:03 (48)				
Period 7	2:08 - 2:56 (48)	Period 7	2:00 - 3:30 (90)	AIT (2-45 min Skinnys)	2:00 - 3:30 (90)
AIT	3:01 - 3:30 (29)				

Graduation Requirements

- Needs to go to policy committee

Graduation Requirements	Class of 2025 SR	Class of 2026 & Beyond JR
English	8	8
Health	1	1
Mathematics	6	6
Physical Education	3	3
Science	6	6
Social Studies	7	7
Fine Arts	2	2
Financial Literacy (21st Century Skills) *State Requirement	1	1
Required Elective Credits	18	16
→ Pathway Electives (2 per year)	8	8
→ General Elective Credits	10	8
Total credits required to graduate	52	50

- Minimum required course loads are:
- ◆ Freshmen/Sophomores-7/7 classes per day
 - ◆ 11th/12th -6/7 classes per day

OFFICIAL PROCEEDINGS
SCHOOL BOARD OF INDEPENDENT SCHOOL DISTRICT NO. 22
BECKER AND OTTERTAIL COUNTIES, DETROIT LAKES, MINNESOTA 56501

Regular School Board Meeting
Monday, November 27, 2023, 5:30 PM
M State C101 ~ 900 Hwy 34 E, Detroit Lakes, MN, 56501

Present: John Steffl, April Thomas, Amy Erickson, Mary Rotter, Ethan Walz

Absent: Michelle Okeson

The meeting was called to order at 5:30 PM by Board Chair Steffl.

The Pledge of Allegiance was recited.

A motion was made by Erickson, seconded by Walz, to approve the agenda. Motion carried unanimously.

Program presentation for the Audit was given by John Hagen.

A motion was made by Thomas, seconded by Erickson, to approve the following consent agenda items. Motion carried unanimously.

- A. Approve the Minutes of the October 23, 2023 Regular School Board Meeting.
- B. Approve K-12 Computer Checks #704617-704742 and Checks #704809-704899 for a total of \$643,372.30. Approve Hand Payable Checks #704266-704269, #704271-704272, #704362-704447, #704573-704607, Voided Checks #703819, #704156, #704211, #701247, #701253-701255, Wire Transfers #6567, #6580-6581, #6589-6593, #6698-6704, #6725-6731, #6743-6744, #6774-6780, #6806-6815, #6944-6947, #6951-6983, #7000-7001, #7013-7016, #7020-7037, in the amount of \$1,915,909.73. Approve Net Payroll Transfers on 10/30/2023 and 11/15/2203 in the amount of \$1,528,403.26 for a total of \$4,087,685.29. (EXHIBIT)
- C. Approve the Personnel Agenda Items.
- D. Approve the Second Reading of Policies:
 - a. 1. 701- Establishment and Adoption of School District Budget. 2
 - b. 701.1- Modification of School District Budget.
 - c. 702- Accounting
 - d. 703- Annual Audit
 - e. 704- Development and Maintenance of an Inventory of Fixed Assets and a Fixed Asset Accounting System.
 - f. 705-Investments
 - g. 706- Acceptance of Gifts
 - h. 706-Form
- E. Approve the 2023-2024 Student Activities Transportation Contract with Anderson Bus & Coach of Frazee, Inc.
- F. Approve the Construction Management Services Agreement.

Discussion was held on:

- A. First Reading of Policies:
 - a. 510.6- Adding/Eliminating a School Sponsored Activity.
 - b. 691- Adult Education
 - c. 712- Video Surveillance Other Than on Buses
 - d. 713- Student Activity Accounting
 - e. 714- Fund Balance

- f. 720- Vending Machines
- g. 721- Uniform Grant Guidance Policy Regarding Federal Revenue Sources
- h. 726- Use of Electronic Signature to Conduct Official Business
- i. 790- Credit Card Use
- j. 791- District Provided Cell Phone Guidelines

A motion was made by Thomas seconded by Walz to approve the Resolution Stating the Intention to Request for Proposals of Facilities Maintenance Projects Presenter: Steffl, Board Chair. (EXHIBIT) Motion carried unanimously.

A motion was made by Walz, seconded by Erickson to approve the Dissolution of the Boys High School Swim and Dive Cooperative Agreement between Detroit Lakes High School and Frazee High School.(EXHIBIT) Motion carried unanimously.

A motion was made by Thomas, seconded by Rotter to approve the Boys Swim and Dive Cooperative Agreement Between Detroit Lakes High School, Perham, Frazee, and New York Mills. (EXHIBIT) Motion carried unanimously.

Student representatives Buboltz gave an update.

Superintendent Jensen reported on happenings in the School District

Board Treasurer Rotter gave an update on the Finance and Wellness Committee.

Board Chair Steffl gave an update on the Transportation Committee.

Board Vice Chair gave an update on the Facilities Committee.

Board Chair Steffl announced upcoming meetings and events .

A motion was made by Erickson and seconded by Walz to close the meeting at 6:15PM.

A motion as made by Thomas and seconded by Rotter to open the closed session..

A motion by Erickson, to adjourn the meeting at 6:38 PM, seconded by Walz. Motion carried unanimously.

Respectfully submitted,

April Thomas, Clerk

PERSONNEL AGENDA

November 27, 2023

1) Resignations:

Tylor Bement– Roosevelt Network Engineer, effective November 10, 2023.

Jessica Carlson– Rossman Special Education Paraprofessional, effective November 11, 2023.

Brent Eidenschink– High School Assistant Wrestling Coach, effective November 10, 2023.

Mike Fiedler– Middle School Wrestling Coach, effective November 16, 2023.

Crystal Grossman– Rossman Special Education Paraprofessional, effective October 26, 2023.
Christi Lokken– Middle Special Education Paraprofessional, effective November 2, 2023.
Tatum Mercer– Roosevelt Paraprofessional, October 27, 2023.
Donna Stroeing– Lincoln ECFE Teaching Assistant, effective November 3, 2023.
Ethan Walz– Adaptive Bowling Coach, effective November 4, 2023.
Aaron Wittrock– High School Custodian, effective November 3, 2023.
Jim Ziegler– Assistant Ski Coach, effective October 26, 2023.
Kristen Swenson– is requesting to rescind her resignation as the 9th Grade Girls Basketball Coach, effective November 22, 2023.

2) Retirements:

3) Appointments:

Shannon Avery– Rossman Special Education Paraprofessional, at the rate of \$15.95 per hour, working 29.75 hours per week, effective November 13, 2023.
Melyssa Belland– High School/ALC Quiz Bowl Coach, at the rate of \$28 per hour, working up to 5 hours per week, effective November 2, 2023.
Jenifer Braunschweig– Middle School Special Education Paraprofessional, at the rate of \$16.30 per hour, working 37.5 hours per week, effective November 7, 2023.
Jeremy Clark– Roosevelt Drum and Dance Coach, at the rate of \$28 per hour, working up to 5 hours per week, effective November 2, 2023.
Ashley Disse– Lincoln ECFE Educational Assistant, at the rate of \$15.95 per hour, working 37.5 hours per week, effective December 11, 2023.
Cassandra Feldt– Rossman ADSIS Education Assistant/Noon Duty, at the rate of \$15.25 per hour, working 27.5 hours per week, effective December 7, 2023.
Haily Felker– Rossman Special Education Paraprofessional, at the rate of \$15.25 per hour, working 29.75 hours per week, effective November 1, 2023.
Robb Flint– Middle School Girls Basketball Coach, at the rate of 5% of Step 7 or a contract amount of \$2,388.25 per season, effective October 30, 2023.
Reed Hefta– High School Winter Speed & Strength Coordinator, at the rate of \$3,343.55 per season, effective November 20, 2023.
Leah Honer– High School Assistant Girls Hockey Coach, at the rate of \$3,746.70 per season, effective October 30, 2023.
Matthew Jenson– High School Winter Speed & Strength Coach, at the rate of \$2,965.90 per season, effective November 20, 2023.
Mary Kvebak– 9th Grade Girls Basketball Coach, at the rate of \$2,914.10 per season, effective November 13, 2023.
Kyle Pope– High School Custodian, at the rate of \$18.33 per hour plus \$1.00 night differential, working 40 hours per week, effective October 30, 2023.
Mikel Renteria– Middle School Wrestling Coach, at the rate of \$2,914.10 per season, effective November 20, 2023.
Julie Wake– Middle School Assistant Dance Coach, at the rate of \$1,574.75 per season, effective October 30, 2023.
Nicole Wallace– Rossman Administrative Assistant, at the rate of \$17.16 per hour, working 40 hours per week, effective November 1, 2023.
Nathan Weber– Middle School Wrestling Coach, at the rate of \$3,210.48 per season, effective November 20, 2023.
Kellie Wolf– High School Assistant Nordic Ski Coach, at the rate of \$2,914.10 per season, effective November 13, 2023.

4) Amended Assignment:

Shiloh Barrows– Roosevelt Title One/Noon Duty is amending her assignment from 5.75 hours per day to 5 hours per day, effective November 7, 2023.
Josh Bettcher– is amending his assignment from Assistant Girls Basketball Coach to High School Co-Head Girls Basketball Coach at the rate of \$5,016.96 per season, effective November 20, 2023.

Casey Berntson– is amending his assignment from Middle School Wrestling Coach to Assistant Varsity Wrestling Coach, at the rate of \$4,298.85 per season, effective November 20, 2023.

Leanne M Comstock– Roosevelt Food Service worker is amending her assignment 3 hours per day to 5.5 hours per day, effective November 1, 2023.

Rachel Johnson– is amending her assignment from High School Girls Head Coach to Co-Head Girls Basketball Coach, at the rate of \$3,135.60(prorated to 10 weeks), effective November 20, 2023.

Sandra Westrum– Food Service Worker is amending her assignment from substitute to 3 hours per day at Roosevelt, effective November 1, 2023.

5) Leave of Absence:

Morgan Eiter– is requesting a leave of absence from October 13, 2023 through November 21, 2023.

Andrea Judisch– is requesting a leave of absence from March 18, 2024 through May 23, 2024.

Jessica Olsen– is requesting a leave of absence November 8, 2023 through November 27, 2023.

Kathryn Swanhorst– is requesting a leave of absence from January 16, 2024 through April 15, 2024.

6) Terminations:

Nicole Kugler – Rossman Special Education Paraprofessional, effective November 17, 2023.

SMART Finance

Check Register by Bank and Check

Batch	Co	Bank	Pymt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Print	Recon	Void	Currency	Pmt/Void Date	Amount
0022		MW	7505	704983	Check	1	1005		ADVANCED BUSINESS METHODS	Yes	No	No	USD	12/11/2023	754.65
			7506	704984	Check	1	1035		ALLIANCE PEST PROTECTION	Yes	No	No	USD	12/11/2023	60.00
			7507	704985	Check	1	1064		ARROW ELECTRIC SUPPLY COMPAN	Yes	No	No	USD	12/11/2023	65.34
			7508	704986	Check	1	1067		ARVIG	Yes	No	No	USD	12/11/2023	14,890.00
			7509	704987	Check	1	1076		AUTO VALUE DETROIT LAKES	Yes	No	No	USD	12/11/2023	79.96
			7587	704988	Check	1	3193	REMIT	BADLANDS DISTRIBUTION INC	Yes	No	No	USD	12/11/2023	371.36
			7583	704989	Check	1	2628		BERGERON, CHRISTINA	Yes	No	No	USD	12/11/2023	349.60
			7511	704990	Check	1	1121		BLUE 84 SPIRIT	Yes	No	No	USD	12/11/2023	5,980.50
			7590	704991	Check	1	3271		BOMMERSBACH, JULIE	Yes	No	No	USD	12/11/2023	53.94
			7512	704992	Check	1	1143		BRENCO CORP.	Yes	No	No	USD	12/11/2023	1,068.39
			7513	704993	Check	1	1151		BRUSHMARKS SIGN	Yes	No	No	USD	12/11/2023	367.50
			7514	704994	Check	1	1176		CARRIER, JOSEPH	Yes	No	No	USD	12/11/2023	121.59
			7515	704995	Check	1	1192		CENTRAL MARKET	Yes	No	No	USD	12/11/2023	161.87
			7586	704996	Check	1	3155	REMIT	CENTRAL MCGOWAN	Yes	No	No	USD	12/11/2023	1,199.28
			7516	704997	Check	1	1205		CLASSIC CONCRETE CONTRACTOR	Yes	No	No	USD	12/11/2023	70,000.00
			7517	704998	Check	1	1221		COOK, ALISON	Yes	No	No	USD	12/11/2023	160.99
			7578	704999	Check	1	2473		COOPERATIVE PURCHASING CONNI	Yes	No	No	USD	12/11/2023	400.00
			7518	705000	Check	1	1231		CULINEX	Yes	No	No	USD	12/11/2023	26.46
			7510	705001	Check	1	1107		CWIKLA ACE HARDWARE	Yes	No	No	USD	12/11/2023	40.73
			7519	705002	Check	1	1244		DACOTAH PAPER COMPANY	Yes	No	No	USD	12/11/2023	2,266.07
			7520	705003	Check	1	1299		DOW ACOUSTICS, INC.	Yes	No	No	USD	12/11/2023	495.00
			7521	705004	Check	1	1305		EAST SIDE JERSEY DAIRY ESJD	Yes	No	No	USD	12/11/2023	3,135.27
			7574	705005	Check	1	2317		EDUCATORS BENEFIT CONSULTANT	Yes	No	No	USD	12/11/2023	394.45
			7589	705006	Check	1	3268		EPS OPERATIONS, LLC	Yes	No	No	USD	12/11/2023	361.68
			7522	705007	Check	1	1336	P.T.	ESSENTIA HEALTH	Yes	No	No	USD	12/11/2023	2,327.50
			7523	705008	Check	1	1400		G & R CONTROLS, INC.	Yes	No	No	USD	12/11/2023	4,288.45
			7524	705009	Check	1	1421		GOPHER SPORT	Yes	No	No	USD	12/11/2023	1,898.31
			7525	705010	Check	1	1426		GRAINGER, INC.	Yes	No	No	USD	12/11/2023	205.28
			7591	705011	Check	1	3276		HARTWIG, JESS	Yes	No	No	USD	12/11/2023	425.00
			7579	705012	Check	1	2522		HAVERKAMP, JAYCEE	Yes	No	No	USD	12/11/2023	286.86
			7526	705013	Check	1	1465		HEIMARK, JENNIFER	Yes	No	No	USD	12/11/2023	23.92
			7527	705014	Check	1	1473		HENDRICKSON, NERISSA	Yes	No	No	USD	12/11/2023	481.65
			7528	705015	Check	1	1485		HILDI INC.	Yes	No	No	USD	12/11/2023	4,400.00
			7529	705016	Check	1	1487		HILLYARD / HUTCHINSON	Yes	No	No	USD	12/11/2023	1,750.10
			7531	705017	Check	1	1511		HOUGH INC.	Yes	No	No	USD	12/11/2023	396.25
			7532	705018	Check	1	1529		ICS CONSULTING, LLC -138006	Yes	No	No	USD	12/11/2023	2,000.00
			7533	705019	Check	1	1532		IDENTISYS, INC.	Yes	No	No	USD	12/11/2023	379.00
			7535	705020	Check	1	1563		INTERQUEST DETECTION CANINES	Yes	No	No	USD	12/11/2023	1,020.00
			7534	705021	Check	1	1550		ISD #882	Yes	No	No	USD	12/11/2023	100.00
			7536	705022	Check	1	1593		JOHN KOOPMANN PIANO TUNING	Yes	No	No	USD	12/11/2023	120.00
			7537	705023	Check	1	1601		JOHNSON CONTROLS	Yes	No	No	USD	12/11/2023	1,039.44

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Check Register by Bank and Check

Batch	Co	Bank	Pymt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Print	Recon	Void	Currency	Pmt/Void Date	Amount
0022		MW	7538	705024	Check	1	1602		JOHNSON'S LOCK & KEY	Yes	No	No	USD	12/11/2023	1,873.00
			7545	705025	Check	1	1750	REMIT	JOSTENS INC	Yes	No	No	USD	12/11/2023	80.00
			7581	705026	Check	1	2597		KARLGAARD, CHRISTINE	Yes	No	No	USD	12/11/2023	100.40
			7539	705027	Check	1	1649		LAKES COUNTRY SERVICE CO-OP	Yes	No	No	USD	12/11/2023	175.00
			7584	705028	Check	1	2673		LAKESHIRTS ZEPHYR LLC	Yes	No	No	USD	12/11/2023	1,966.14
			7540	705029	Check	1	1673		LEIGHTON BROADCASTING	Yes	No	No	USD	12/11/2023	369.00
			7541	705030	Check	1	1684	REMIT	LITERACY MINNESOTA	Yes	No	No	USD	12/11/2023	200.00
			7575	705031	Check	1	2345	REMIT	LITERACY RESOURCES, LLC	Yes	No	No	USD	12/11/2023	1,646.16
			7592	705032	Check	1	3277		LOKKEN, PHILLIP	Yes	No	No	USD	12/11/2023	95.69
			7576	705033	Check	1	2364		MARCO PRODUCTS, INC	Yes	No	No	USD	12/11/2023	4.80
			7542	705034	Check	1	1707		MARK'S ELECTRIC INC.	Yes	No	No	USD	12/11/2023	1,532.07
			7543	705035	Check	1	1736		MENARDS - DETROIT LAKES	Yes	No	No	USD	12/11/2023	85.79
			7580	705036	Check	1	2558		MESSER, JUSTIN	Yes	No	No	USD	12/11/2023	108.08
			7544	705037	Check	1	1739	REMIT	METROPOLITAN MECHANICAL CONT	Yes	No	No	USD	12/11/2023	2,202.68
			7546	705038	Check	1	1803		MOORE'S SEPTIC PUMPING	Yes	No	No	USD	12/11/2023	1,700.00
			7547	705039	Check	1	1827		MYERS, CARA	Yes	No	No	USD	12/11/2023	115.00
			7548	705040	Check	1	1831	REMIT	NAPA CENTRAL	Yes	No	No	USD	12/11/2023	278.64
			7549	705041	Check	1	1832	REMIT	NARDINI FIRE EQUIPMENT CO.	Yes	No	No	USD	12/11/2023	11.00
			7577	705042	Check	1	2428		NATIONAL BUSINESS FURNITURE, LI	Yes	No	No	USD	12/11/2023	7,650.88
			7550	705043	Check	1	1859		NIELSEN, ROBERT	Yes	No	No	USD	12/11/2023	792.33
			7551	705044	Check	1	1862		NORCOSTCO	Yes	No	No	USD	12/11/2023	88.90
			7530	705045	Check	1	1498	REMIT	NORTH CENTRAL INTERNATIONAL L	Yes	No	No	USD	12/11/2023	749.84
			7552	705046	Check	1	1868		NORTH COUNTRY BUSINESS PRODU	Yes	No	No	USD	12/11/2023	1,323.00
			7553	705047	Check	1	1901		OTIS ELEVATOR COMPANY	Yes	No	No	USD	12/11/2023	375.00
			7554	705048	Check	1	1907		PAN-O-GOLD BAKING CO.	Yes	No	No	USD	12/11/2023	636.82
			7555	705049	Check	1	1920		PEPSI	Yes	No	No	USD	12/11/2023	2,198.70
			7556	705050	Check	1	1942		POPP BINDING & LAMINATING	Yes	No	No	USD	12/11/2023	1,036.59
			7557	705051	Check	1	1943		POPPLERS MUSIC STORE	Yes	No	No	USD	12/11/2023	2,076.54
			7558	705052	Check	1	1951		PRECISION PRINTING	Yes	No	No	USD	12/11/2023	1,150.00
			7559	705053	Check	1	1954		PREMIUM WATERS, INC.	Yes	No	No	USD	12/11/2023	66.19
			7560	705054	Check	1	1972		QUALITY INN & SUITES	Yes	No	No	USD	12/11/2023	89.99
			7561	705055	Check	1	1996		RENNEBERG HARDWOODS	Yes	No	No	USD	12/11/2023	1,145.00
			7562	705056	Check	1	2002		RIEKES EQUIPMENT CO.	Yes	No	No	USD	12/11/2023	1,100.86
			7563	705057	Check	1	2020		RWP, INC.	Yes	No	No	USD	12/11/2023	5,000.00
			7582	705058	Check	1	2599		SALATHE, SAMANTHA	Yes	No	No	USD	12/11/2023	102.43
			7564	705059	Check	1	2042		SCHMITT DIRECTOR CENTER	Yes	No	No	USD	12/11/2023	356.10
			7565	705060	Check	1	2056		SCHOOL SPECIALTY LLC	Yes	No	No	USD	12/11/2023	823.53
			7588	705061	Check	1	3241		SCREENFLEX PORTABLE PARTITION	Yes	No	No	USD	12/11/2023	1,326.00
			7566	705062	Check	1	2074		SEPTIC VAC	Yes	No	No	USD	12/11/2023	150.00
			7567	705063	Check	1	2105		SOLUM, RACHEL	Yes	No	No	USD	12/11/2023	142.22
			7568	705064	Check	1	2126		STEIN'S INC.	Yes	No	No	USD	12/11/2023	1,106.82

SMART Finance

Check Register by Bank and Check

Batch	Co	Bank	Pymt No	Check No	Pay Type	Grp	Code	Rcd	Vendor	Print	Recon	Void	Currency	Pmt/Void Date	Amount
0022		MW	7569	705065	Check	1	2128		STELLHER HUMAN SERVICES, INC.	Yes	No	No	USD	12/11/2023	26,800.00
			7570	705066	Check	1	2139		SUMMIT FIRE PROTECTION	Yes	No	No	USD	12/11/2023	9,875.00
			7585	705067	Check	1	2942		SYSCO NORTH DAKOTA, INC	Yes	No	No	USD	12/11/2023	4,758.55
			7571	705068	Check	1	2207		TWEETON REFRIGERATION, INC.	Yes	No	No	USD	12/11/2023	115.00
			7572	705069	Check	1	2226		UPPER LAKES FOODS, INC.	Yes	No	No	USD	12/11/2023	17,559.54
			7573	705070	Check	1	2258		WEST MUSIC COMPANY	Yes	No	No	USD	12/11/2023	2,730.00
														Bank Total: MW	\$227,815.67
														Report Total:	\$227,815.67

ISD #22 - HAND PAYABLES SUMMARY NOVEMBER 2023

Bank	Payment #	Check #	Pay Type	Vendor	Date	Amount
MW	7043		Wire	BIX PRODUCE	11/3/2023	\$ 4,106.60
MW	7044		Wire	CASH-WA DISTRIBUTING CO.	11/3/2023	\$ 1,173.85
MW	7045		Wire	CITY OF DETROIT LAKES	11/3/2023	\$ 1,157.34
MW	7046		Wire	CONSTELLATION NEW ENERGY GAS D	11/3/2023	\$ 967.94
MW	7047		Wire	EMC INSURANCE COMPANIES	11/3/2023	\$ 17,073.94
MW	7048		Wire	PERFORMANCE FOODSERVICE	11/3/2023	\$ 2,539.62
MW	7049		Wire	PERFORMANCE FOODSERVICE	11/3/2023	\$ 129.94
MW	7050		Wire	LAKES COUNTRY SERVICE CO-OP INSURANCE POOL	11/3/2023	\$ 296,891.06
MW	7055		Wire	WEX HEALTH INC - HSA/FLEX	11/7/2023	\$ 14,366.79
MW	7056		Wire	PUBLIC EMPLOYEES RETIREMENT ASSOC	11/7/2023	\$ 42,447.44
MW	7057		Wire	MN TEACHERS RETIREMENT ASSOC.	11/7/2023	\$ 135,385.37
MW	7058		Wire	MINNESOTA STATE RETIREMENT SYS	11/7/2023	\$ 13,807.68
MW	7059		Wire	AVIBEN	11/7/2023	\$ 38,074.59
MW	7186		Wire	AMAZON	11/3/2023	\$ 13,672.66
MW	7187		Wire	CAPITAL ONE TRADE CREDIT	11/8/2023	\$ 162.16
MW	7188		Wire	CITY OF DETROIT LAKES	11/8/2023	\$ 19.20
MW	7189		Wire	MINNESOTA ENERGY RESOURCES	11/8/2023	\$ 92.01
MW	7190		Wire	MINNESOTA ENERGY RESOURCES	11/8/2023	\$ 69.76
MW	7191		Wire	MINNESOTA ENERGY RESOURCES	11/8/2023	\$ 374.49
MW	7192		Wire	MINNESOTA ENERGY RESOURCES	11/8/2023	\$ 42.29
MW	7193		Wire	PERFORMANCE FOODSERVICE	11/8/2023	\$ 2,613.05
MW	7194		Wire	PERFORMANCE FOODSERVICE	11/8/2023	\$ 613.30
MW	7195		Wire	MN DEPT OF REVENUE -SALES TAX	11/8/2023	\$ 1,194.00
MW	7206		Wire	BIX PRODUCE	11/13/2023	\$ 3,956.53
MW	7207		Wire	CASH-WA DISTRIBUTING CO.	11/13/2023	\$ 2,118.00
MW	7208		Wire	MINNESOTA ENERGY RESOURCES	11/13/2023	\$ 77.30
MW	7209		Wire	PERFORMANCE FOODSERVICE	11/13/2023	\$ 2,332.11
MW	7227		Wire	INTERNAL REVENUE SERVICE	11/15/2023	\$ 221,777.91
MW	7228		Wire	MN DEPT OF REVENUE -PAYROLL TAXES	11/15/2023	\$ 35,638.13
MW	7229		Wire	BIX PRODUCE	11/16/2023	\$ 4,594.87
MW	7230		Wire	CASH-WA DISTRIBUTING CO.	11/16/2023	\$ 913.62
MW	7231		Wire	CITY OF DETROIT LAKES	11/16/2023	\$ 18,233.23
MW	7232		Wire	CITY OF DETROIT LAKES	11/16/2023	\$ 149.16
MW	7233		Wire	CITY OF DETROIT LAKES	11/16/2023	\$ 446.60
MW	7234		Wire	CITY OF DETROIT LAKES	11/16/2023	\$ 7,262.86
MW	7235		Wire	LAKES COMMUNITY COOPERATIVE	11/16/2023	\$ 3,640.22
MW	7236		Wire	MINNESOTA ENERGY RESOURCES	11/16/2023	\$ 178.31
MW	7237		Wire	PERFORMANCE FOODSERVICE	11/16/2023	\$ 2,205.61
MW	7238		Wire	PERFORMANCE FOODSERVICE	11/16/2023	\$ 135.13
MW	7369		Wire	WEX HEALTH INC - HSA/FLEX	11/21/2023	\$ 14,161.79
MW	7370		Wire	BIX PRODUCE	11/22/2023	\$ 2,903.53
MW	7371		Wire	CASH-WA DISTRIBUTING CO.	11/22/2023	\$ 653.49
MW	7372		Wire	MINNESOTA ENERGY RESOURCES	11/22/2023	\$ 344.28
MW	7373		Wire	PERFORMANCE FOODSERVICE	11/22/2023	\$ 1,892.78
MW	7374		Wire	PERFORMANCE FOODSERVICE	11/22/2023	\$ 2,516.90
MW	7375		Wire	VERIZON WIRELESS	11/22/2023	\$ 637.05
MW	7376		Wire	VERIZON WIRELESS	11/22/2023	\$ 555.74
MW	7380		Wire	PUBLIC EMPLOYEES RETIREMENT ASSOC	11/28/2023	\$ 46,913.13
MW	7381		Wire	MN TEACHERS RETIREMENT ASSOC.	11/28/2023	\$ 125,243.47
MW	7382		Wire	MINNESOTA STATE RETIREMENT SYS	11/28/2023	\$ 15,444.36
MW	7403		Wire	CITY OF DETROIT LAKES	11/29/2023	\$ 120.27
MW	7404		Wire	CITY OF DETROIT LAKES	11/29/2023	\$ 17,596.55
MW	7405		Wire	CITY OF DETROIT LAKES	11/29/2023	\$ 1,328.88
MW	7406		Wire	CITY OF DETROIT LAKES	11/29/2023	\$ 967.74
MW	7407		Wire	CITY OF DETROIT LAKES	11/29/2023	\$ 258.45
MW	7408		Wire	CITY OF DETROIT LAKES	11/29/2023	\$ 415.91
MW	7409		Wire	MINNESOTA ENERGY RESOURCES	11/29/2023	\$ 4,684.66
MW	7410		Wire	MINNESOTA ENERGY RESOURCES	11/29/2023	\$ 1,505.99
MW	7411		Wire	MINNESOTA ENERGY RESOURCES	11/29/2023	\$ 1,402.68
MW	7412		Wire	PERFORMANCE FOODSERVICE	11/29/2023	\$ 2,410.33
MW	7413		Wire	PERFORMANCE FOODSERVICE	11/29/2023	\$ 511.20
MW	7414		Wire	PERFORMANCE FOODSERVICE	11/29/2023	\$ 51.97
MW	7415		Wire	QUADIENT FINANCE USA, INC.	11/29/2023	\$ 999.54
MW	7416		Wire	METLIFE	11/29/2023	\$ 6,209.72
MW	7417		Wire	AVIBEN	11/30/2023	\$ 38,685.02
MW	7418		Wire	CORPORATE PAYMENT SYSTEMS	11/30/2023	\$ 21,408.14
MW	7419		Wire	INTERNAL REVENUE SERVICE	11/30/2023	\$ 233,334.43
MW	7420		Wire	MN DEPT OF REVENUE -PAYROLL TAXES	11/30/2023	\$ 38,522.77
MW	7433		Wire	BIX PRODUCE	11/30/2023	\$ 3,624.36
MW	7434		Wire	MIDWEST BANK	11/30/2023	\$ 10.00
MW	7435		Wire	MIDWEST BANK	11/30/2023	\$ 10.00
MW	7436		Wire	MIDWEST BANK	11/30/2023	\$ 8.00

MW	7437		Wire	MIDWEST BANK	11/30/2023	\$ 10.00
MW	7438		Wire	MIDWEST BANK	11/30/2023	\$ 10.00
MW	7439		Wire	MIDWEST BANK	11/30/2023	\$ 100.00
MW	7440		Wire	AUTHORIZE.NET GATEWAY BILLING	11/30/2023	\$ 30.00
MW	7441		Wire	VANTIV BILLING / WORLDPAY	11/30/2023	\$ 90.20
MW	7442		Wire	REVTRAK	11/30/2023	\$ 29.95
MW	7443		Wire	TRANSFIRST AFFINETY	11/30/2023	\$ 1,293.41
MW	7444		Wire	WEX HEALTH INC	11/30/2023	\$ 437.25
MW	7445		Wire	WEX HEALTH INC	11/30/2023	\$ 8,248.06
MW	7446		Wire	USPS.COM	11/30/2023	\$ 82.40
MW	6288	704014	Check	CARLSON, DAULTON	11/14/2023	\$ (80.00)
MW	7038	704608	Check	ANDERSON COACH OF FRAZEE, INC.	11/3/2023	\$ 15,759.40
MW	7042	704609	Check	CALVIN AND ANNE SCHOW	11/3/2023	\$ 1,792.50
MW	7039	704610	Check	OLANDER BUS SERVICE INC.	11/3/2023	\$ 192,741.15
MW	7040	704611	Check	REGION 8AA MSHSL	11/3/2023	\$ 4,040.00
MW	7041	704612	Check	SCHULTZ BUS COMPANY	11/3/2023	\$ 111,934.60
MW	7052	704613	Check	MNVBCA	11/6/2023	\$ 800.00
MW	7053	704614	Check	MNVBCA	11/6/2023	\$ -
MW	7051	704615	Check	NIELSEN, ROBERT	11/6/2023	\$ 1,500.00
MW	7054	704616	Check	MNVBCA	11/6/2023	\$ 440.00
MW	7196	704743	Check	CENTRAL MARKET	11/8/2023	\$ 309.05
MW	7197	704744	Check	COBBER ATHLETICS	11/8/2023	\$ 225.00
MW	7198	704745	Check	FODE, STEVEN	11/8/2023	\$ 120.00
MW	7204	704746	Check	FUHS, STEVE	11/8/2023	\$ 120.00
MW	7205	704747	Check	FUHS, STEVE	11/8/2023	\$ 120.00
MW	7199	704748	Check	GERRELL'S SPORT CENTER	11/8/2023	\$ 1,005.00
MW	7200	704749	Check	ISD #31	11/8/2023	\$ 200.00
MW	7201	704750	Check	LABINE, MICHAEL	11/8/2023	\$ 120.00
MW	7202	704751	Check	LAKER LOCKER	11/8/2023	\$ 432.00
MW	7203	704752	Check	MN DEPARTMENT OF HEALTH	11/8/2023	\$ 3,855.00
MW	7212	704753	Check	CALVIN AND ANNE SCHOW	11/13/2023	\$ 228.50
MW	7216	704754	Check	HAMMER, KENNETH	11/13/2023	\$ 271.25
MW	7217	704755	Check	JENSEN, JESSICA	11/13/2023	\$ 425.00
MW	7211	704756	Check	LAKEVIEW GREENHOUSES	11/13/2023	\$ 151.00
MW	7213	704757	Check	LEARY, CHRIS	11/13/2023	\$ 235.61
MW	7218	704758	Check	MADISON NATIONAL LIFE INSURANCE	11/13/2023	\$ 373.62
MW	7210	704759	Check	MN DEPT OF LABOR AND INDUSTRY	11/13/2023	\$ 490.00
MW	7214	704760	Check	MURPHY, BLAKE	11/13/2023	\$ 86.00
MW	7215	704761	Check	STAPLES, TAYLOR	11/13/2023	\$ 195.00
MW	7221	704762	Check	AFSCME COUNCIL 65	11/15/2023	\$ 310.45
MW	7219	704763	Check	AMERICAN FAMILY LIFE ASSURANCE CO	11/15/2023	\$ 194.65
MW	7223	704764	Check	D. L. ATHLETIC FOUNDATION	11/15/2023	\$ 155.00
MW	7224	704765	Check	D.L. PUBLIC EDUC FOUNDATION	11/15/2023	\$ 30.00
MW	7220	704766	Check	MINNESOTA CHILD SUPPORT	11/15/2023	\$ 742.50
MW	7226	704767	Check	MN SCHOOL EMPLOYEES ASSOC.	11/15/2023	\$ 165.81
MW	7225	704768	Check	SUPPORT PAYMENT CLEARINGHOUSE	11/15/2023	\$ 335.91
MW	7222	704769	Check	UNITED WAY OF BECKER COUNTY	11/15/2023	\$ 131.00
MW	7270	704770	Check	ALLEN, ANNIKA	11/16/2023	\$ 30.00
MW	7258	704771	Check	ALLEN, BOB	11/16/2023	\$ 30.00
MW	7253	704772	Check	BARBERG, JOB	11/16/2023	\$ 30.00
MW	7239	704773	Check	BUREAU OF EDUCATION & RESEARCH	11/16/2023	\$ 279.00
MW	7240	704774	Check	DL COMMUNITY & CULTURAL CENTER	11/16/2023	\$ 400.00
MW	7272	704775	Check	GAG, SOPHIA	11/16/2023	\$ 30.00
MW	7261	704776	Check	GALE-ETTRICK-TREMPEALEAU HS DANCE TEAM	11/16/2023	\$ 226.00
MW	7257	704777	Check	HAMAR, TERRY	11/16/2023	\$ 60.00
MW	7268	704778	Check	HAMM, FAITH	11/16/2023	\$ 60.00
MW	7265	704779	Check	HAMM, HOPE	11/16/2023	\$ 60.00
MW	7269	704780	Check	HAMM, LIAM	11/16/2023	\$ 30.00
MW	7252	704781	Check	HAMM, MACKENZIE	11/16/2023	\$ 90.00
MW	7251	704782	Check	HAMM, MIKE	11/16/2023	\$ 90.00
MW	7264	704783	Check	HAYES, HEATHER	11/16/2023	\$ 60.00
MW	7254	704784	Check	HAYES, SAVANNAH	11/16/2023	\$ 30.00
MW	7241	704785	Check	JB'S CUSTOM APPAREL	11/16/2023	\$ 623.00
MW	7249	704786	Check	LAKEVIEW GREENHOUSES	11/16/2023	\$ 90.50
MW	7262	704787	Check	MARTIN, CLAIRE	11/16/2023	\$ 60.00
MW	7263	704788	Check	MARTIN, CORA	11/16/2023	\$ 60.00
MW	7259	704789	Check	MARTIN, TIM	11/16/2023	\$ 30.00
MW	7267	704790	Check	MARTIN, WILL	11/16/2023	\$ 30.00
MW	7266	704791	Check	MCKEEHAN, KESTIN	11/16/2023	\$ 60.00
MW	7260	704792	Check	MN ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS	11/16/2023	\$ 425.00
MW	7242	704793	Check	NATIONAL FFA ORGANIZATION	11/16/2023	\$ 200.00
MW	7243	704794	Check	NIELSEN, ROBERT	11/16/2023	\$ 150.00
MW	7250	704795	Check	PETERSON, JEREMY	11/16/2023	\$ 60.00
MW	7244	704796	Check	RAMSEY, BRITTON	11/16/2023	\$ 144.00
MW	7245	704797	Check	REGION 8A	11/16/2023	\$ 4,847.00
MW	7246	704798	Check	SANFORD ATHLETIC TRAINING	11/16/2023	\$ 812.50
MW	7247	704799	Check	SOLUM, RACHEL	11/16/2023	\$ 331.77
MW	7256	704800	Check	WHEELING, DARRIN	11/16/2023	\$ 60.00
MW	7255	704801	Check	WHEELING, NICOLE	11/16/2023	\$ 60.00

MW	7271	704802	Check	WILL, AARON	11/16/2023	\$ 60.00
MW	7248	704803	Check	WORLD'S FINEST CHOCOLATES	11/16/2023	\$ 5,520.00
MW	7274	704804	Check	CAMRUD, CONNOR	11/20/2023	\$ 90.00
MW	7277	704805	Check	EVEN, MIKE	11/20/2023	\$ 90.00
MW	7273	704806	Check	FODE, STEVEN	11/20/2023	\$ 90.00
MW	7276	704807	Check	ISD #549 ACTIVITIES	11/20/2023	\$ 400.00
MW	7275	704808	Check	LENZEN, NICK	11/20/2023	\$ 90.00
MW	7384	704904	Check	ARES SPORTSWEAR	11/29/2023	\$ 273.19
MW	7394	704905	Check	BARTUNEK, BRYCE	11/29/2023	\$ 230.00
MW	7385	704906	Check	BORDER BAR PIZZA PATROL	11/29/2023	\$ 196.35
MW	7395	704907	Check	BURNS, STEVE	11/29/2023	\$ 321.70
MW	7386	704908	Check	CAULFIELD STUDIO	11/29/2023	\$ 500.00
MW	7400	704909	Check	EAST GRAND FORKS HIGH SCHOOL	11/29/2023	\$ 200.00
MW	7401	704910	Check	FM HOCKEY OFFICIALS	11/29/2023	\$ 1,519.35
MW	7387	704911	Check	FODE, STEVEN	11/29/2023	\$ 60.00
MW	7397	704912	Check	FUHS, STEVE	11/29/2023	\$ 120.00
MW	7393	704913	Check	HBHC - CHERYL BLAKER	11/29/2023	\$ 500.00
MW	7396	704914	Check	ISD #601	11/29/2023	\$ 250.00
MW	7391	704915	Check	JOHNSON, RICH	11/29/2023	\$ 86.00
MW	7399	704916	Check	KIPPEN, JACK	11/29/2023	\$ 105.00
MW	7402	704917	Check	MADISON NATIONAL LIFE INSURANCE	11/29/2023	\$ 2,504.26
MW	7392	704918	Check	MURPHY, BLAKE	11/29/2023	\$ 105.00
MW	7389	704919	Check	PIEPKORN, GREGORY	11/29/2023	\$ 433.46
MW	7390	704920	Check	PRO PRINT, INC.	11/29/2023	\$ 292.06
MW	7388	704921	Check	PRWBC	11/29/2023	\$ 75.00
MW	7398	704922	Check	SAVARY, DYLAN	11/29/2023	\$ 230.00
MW	7423	704923	Check	AFSCME COUNCIL 65	11/30/2023	\$ 310.45
MW	7421	704924	Check	AMERICAN FAMILY LIFE ASSURANCE CO	11/30/2023	\$ 225.13
MW	7425	704925	Check	D. L. ATHLETIC FOUNDATION	11/30/2023	\$ 155.00
MW	7429	704926	Check	D.L. EDUCATION MINNESOTA (PARA)	11/30/2023	\$ 1,093.54
MW	7428	704927	Check	D.L. EDUCATION MINNESOTA (TEACHER)	11/30/2023	\$ 19,389.44
MW	7426	704928	Check	D.L. PUBLIC EDUC FOUNDATION	11/30/2023	\$ 30.00
MW	7422	704929	Check	MINNESOTA CHILD SUPPORT	11/30/2023	\$ 742.50
MW	7430	704930	Check	MN SCHOOL EMPLOYEES ASSOC.	11/30/2023	\$ 160.97
MW	7431	704931	Check	RIVERVIEW LAW OFFICE, PLLC	11/30/2023	\$ 338.06
MW	7427	704932	Check	SUPPORT PAYMENT CLEARINGHOUSE	11/30/2023	\$ 335.91
MW	7424	704933	Check	UNITED WAY OF BECKER COUNTY	11/30/2023	\$ 155.00
						\$ 1,873,080.21

PERSONNEL AGENDA

December 18, 2023

1) **Resignations:**

Shannon Avery– Rossman Special Education Para, effective December 14, 2023.

Jennifer Braunschweig– Rossman Special Education Para, effective December 4, 2023.

Chelsea Christianson– Rossman ADSIS/Noon Duty, effective December 13, 2023.

Leah Honer– High School Girls Assistant Hockey Coach, effective December 13, 2023.

Rachel N. Johnson– High School Social Studies Teacher, effective January 19, 2024.

G. Scott Piepkorn– High School Girls Head Hockey Coach, Effective December 11, 2023.

Logan Stewart– High School Robotics Coach, effective December 11, 2023.

Kimberly Vaughn– Rossman Food Service, effective December 21, 2023.

2) **Retirements:**

3) **Appointments:**

Devin Arthur– High School Custodian, at the rate of \$18.33 with \$1.00 differential pay, working 40 hours per week, effective December 18, 2023.

Brett Braseth– 9th Grade Boys Basketball Coach, at the rate of \$3,027.43 per season, effective November 20, 2023.

Melisa Gatheridge– Rossman Long Term Sub, at the rate of per substitute policy effective approximately March 18, 2024 through May 23, 2024.

Ruby Finch– Rossman ADSIS Ed Asst/Noon Duty, at the rate of \$15.25 per hour, working 27.5 hours per week, effective December 20, 2023.

Garrett Jensen– Middle School Boys Basketball, at the rate of 5% of Step 7 or a contract amount of \$2,388.25 per season, effective January 3, 2024.

Christin Mohr– Head Robotics Coach, at the rate of \$3,746.70 per season, effective December 18, 2023.

4) **Amended Assignment:**

Morgan Eiter– is amending her assignment from part time, to Paraprofessional Substitute, effective December 8, 2023.

Bryan Larson– is amending his assignment from Middle School Custodian to High School Custodian/Groundskeeper, effective January 1, 2024.

Elizabeth McCann– is amending her assignment from Admin Assistant 1 Step 5 at \$18.98 per hour, to Admin Assistant 2 at \$20.39 per hour, effective December 1, 2023.

Wyatt Schlehr– High School Part Time Custodian, at the rate of \$16.44 per hour, working up to 9 hours per week, effective December 8, 2023 through May 23, 2024.

Sue Woytassek– is amending her assignment from Laker Kids Assistant Supervisor to Laker Kids Supervisor at the rate of \$22 per hour, effective December 6, 2023.

Steve Zazmo– is amending his assignment from Middle School Gymnastics Coach to Co-Head Gymnastics Coach, effective November 20, 2023.

5) **Leave of Absence:**

Katie Biggar– is requesting a leave of absence from approximately April 15, 2024 through May 24, 2024.

Kristi Downey– is requesting a leave of absence from April 17, 2024 through May 24, 2024.

Barb Oistad– is currently on a leave of absence from December 12, 2023 through January 23, 2024.

Date Adopted: 12/18/23	File Number: Detroit Lakes Policy - 510.6
Date Revised:	

510.6 - Adding/Eliminating a School Sponsored Activity

I. Purpose

To establish criteria by which the Detroit Lakes School District may decide to add or eliminate Minnesota State High School League(MSHSL) athletic or fine art activities to its offerings

II. General Statement of Policy

The Board recognizes that student interest and participation changes over time, and that offerings available to students must change in response to interest. In addition, the board supports the goal of gender equity in athletic competition.

Therefore proposals to add or eliminate an activity will be presented by administration for Board approval. The proposals will be based on student interest and if appropriate, gender equity considerations. The proposals will include a programmatic and financial analysis.

Detroit Lakes School District may add MSHSL sponsored activities in one of three ways. All decisions must be approved at the board level

III Process for Adding a Sport or Activity

A. Offer the activity at Detroit Lakes School District. In order to be considered by the District, all new activity proposals must meet the following minimal criteria:

1. The activity must currently exist at the youth level.
2. The activity has participants to sustain a program now and into the future.
3. The District has necessary facilities needed to offer the activity.
4. The activity will not create an imbalance of participation rates by males and females that would put the district out of Title IX compliance.
5. The District has the financial resources available to implement and sustain the cost as determined by the District.
6. Assess the availability of qualified Coaches/Advisors as determined by the District.

7. Approval of the School Board.

B. Sponsor the activity as a host school of a cooperative sponsorship. The above minimum criteria, in addition to the following, must be met before pursuing a cooperative sponsorship.

1. The District will be responsible for the financial administration of the activity
2. As the host school, the District will calculate the costs of the program and bill each member school on a per participant ratio.
 - a. Costs that will be included in the expenses of the program will include but are not limited to MSHSL fees, coaching salaries, transportation, officials, contest workers, uniforms, equipment, custodial services and administrative services.
3. Approval of the school board

C. Participate in the activity as a member of a cooperative sponsorship with another school serving as the host school.

1. This option does not need to meet the minimum criteria mentioned above.
2. The District may or may not participate in the financial administration of the activity.
3. The activity will not create an imbalance of participation rates by males and females that would put the district out of Title IX compliance.
4. The addition of the activity is consistent with the District's goals and objectives.
5. The district determines the host school of the cooperative sponsorship agreement holds similar expectations as the District.
6. Approval of the school board

IV Responsibility

The following process will be utilized for review and potential approval of a new activity:

- A. A person or group will submit a request to the Activities Director. The Activities Director and Principal will determine if the above minimum criteria are met. If the Activities Director and the Principal support the proposal, it will be brought to the Superintendent for discussion.
- B. Upon Superintendent approval, the proposal will be brought to the appropriate board committees for discussion.

- C. Upon board committee approval, the proposal will be brought to the school board for discussion and/or action.

V Process for Eliminating a Sport or Activity

A. Conditions

Any of the following conditions may call for a Building or District to consider eliminating or temporarily suspending an interscholastic sport or activity:

- a. Lack of student interest, diminishing participation, or overall viability of a program.
- b. Downward trend in the sport or activity in the Conference and/or in the MSHSL.
- c. Sport or activity is not sponsored by the MSHSL or the Conference(high school).
- d. Sport or activity is not linked to a high school program(MS level).
- e. Facility overuse or capacity is challenged.
- f. Lack of qualified coaching/advising candidates or applicants.
- g. Cost of the sport or activity exceeds the available resources to support the program.
- h. The sport or activity is available to students in the community in a non-school sponsored program.

B. Process

- a. Activities Director conducts an inventory of current programs
- b. Activity Director conducts a financial audit of the program with the District Business Manager
- c. Activity Director determines whether deleting the sport or activity will create an imbalance in offerings for boys/girls as required by Title IX laws.
- d. Activity Director prepares a recommendation, which may include combining activities with another school or district.

C. Recommendation

- a. The Activity Director will forward a recommendation to the Superintendent.
- b. If the recommendation is to eliminate or temporarily suspend a sport/activity the Superintendent will review the request and forward it with a recommendation and supporting data to the school board for action.

Date Adopted: 11/12/84	File Number: Detroit Lakes Policy - 691
Date Revised: 03/09/98; 12/14/2009, <u>12/18/23</u>	

691 - Adult Education~~GED TESTING~~

I. PURPOSE~~GED HISTORY AND BACKGROUND~~

~~The State Department of Education will not authorize individuals under the age of 19 to take the G.E.D. exam unless the high school principal of the district in which the student resides agrees to a waiver of the age requirement.~~

~~Waivers have been authorized from time to time by the high school principal for 17 and 18 year olds who have dropped out of school and as a matter of course pursuant to state regulations in absence of a school district policy.~~

~~The granting of a waiver and the passing of a G.E.D. permits a high school drop out to receive a high school equivalency diploma and enables this person to enter college, vocational training, or the military. While this makes it easier for a high school drop out to enter these areas, it also makes the decision to drop out an easier one to make.~~

~~Based on Detroit Lakes experiences with drop outs, the establishment of the Alternative School, and related considerations, the Board of Education believes the adoption of a policy prohibiting the granting of G.E.D. age waivers by District #22 students (except in the case of hardship) will reduce the drop out rate of Detroit Lakes High School age students.~~

Adult Education is a state-wide system that serves adults who are working towards a high school credential, learning English, improving basic skills such as literacy and math, and/or preparing for post-secondary education or employment. Adult Education is funded with both federal and state funds, and services are delivered through a network of the consortia comprising all Minnesota school districts as well as other partners including the correctional system and community-based organizations.

The mission of Adult Education in Minnesota is to provide adults with educational opportunities to acquire and improve the literacy skills needed to become self-sufficient and to participate effectively as productive workers, family members, and citizens.

II. GENERAL STATEMENT OF THE POLICY **PHILOSOPHY**

It is the belief of the Board of Education of Independent School District #22 that every student should be supplied with a core of general education. That core will supply them with the opportunity to acquire basic competencies, as well as broader elective experiences, while pursuing completion of the planned educational experiences of the school district. It is also the belief of the Board of Education that the acquisition of a high school diploma as a result of the completion of requirements established by the Board is important and valuable and in the best interest of students.

Adult Education supports students as they work towards one or more of the following goals:

- Obtain employment or improve employment by getting a new job or getting a promotion
- Achieve a high school equivalency (GED or Diploma)
- Gain or improve skills necessary to enter post-secondary education and training
- Improve ability to speak, read, write and understand the English language
- Master basic academic skills to help support their children in school
- Become a U.S. citizen
- Become a more active and engaged community member
- Gain self-esteem, confidence and achieve personal educational goals

III. DEFINITIONS

High School Diploma:

- Credit completion, also sometimes called credit recovery, programs allow Adult Education students to finish credits they are missing from their high school education in order to receive a diploma from a local school district.

High School Diploma Option 2- Minnesota Standard Adult High School Diploma:

- Minnesota's standard adult high school diploma is a competency-based secondary credential that is issued by the state department of education for adults that complete an authorized Standard Adult Diploma program in Adult Education with an approved electronic portfolio.
- The Standard Adult Diploma has:
 - 5 Domains:
 - English Language Arts
 - Mathematics
 - Science

- Social Studies
- Employability, Career Awareness and Digital Literacy
- Each domain has 4 Areas
- Each area has Competencies (1-17 competencies per area)
- Competencies are based on Standards

Student Eligibility and Process:

- An adult can be eligible for this diploma program if they
- do not have a diploma
- are not participating with K-12 services
- are age 19 and older
- are eligible for ABE program services.

GED — General Educational Development Diploma:

- The GED is a high school equivalency assessment, and GED preparation helps adults prepare to take and pass the assessment in order to obtain a high school credential. GED prep supports students in preparing for all four of the tests:
- Mathematics
- Reasoning through Language Arts (RLA)
- Science
- Social Studies

High School Equivalency:

- The HiSET has been operational since January 2014, is recognized by the US Department of Education, and has been adopted by 30 states and US territories as the sole HSE test or one of two HSE tests with a state-issued credential.

The full HiSET battery consists of 5 tests:

- Reading
- Writing
- Social Studies
- Science
- Math

Age Waiver:

Seventeen- and 18-year- olds in Minnesota must obtain an age waiver before they will be able to test. The age waiver process must be completed before the online account creation/registration can be completed. Once your age waiver application is sent and approved by GED staff at the Minnesota Department of Education (MDE) they ... will then receive an email instructing you to continue with registration, scheduling, and payment on that site...

If you are under the age of 19, you will need to obtain an age waiver to test in Minnesota. Age waivers are granted by Minnesota Department of education when the following conditions are met:

- must not be enrolled in high school
- must meet at least one of the following six conditions to qualify for an age waiver:
 - have been dropped from your school's attendance rolls for at least one full calendar year.
 - high school class has graduated.
 - An employer indicates on signed/dated letterhead that you must successfully complete the GED Battery to qualify for employment.
 - A postsecondary institution or financial aid office indicates on signed/dated letterhead that you must successfully complete the GED Battery to qualify for acceptance or to begin the financial aid process.
 - The military indicates on signed/dated letterhead that you must successfully complete the GED Battery to qualify for acceptance.
 - An Adult Education program or other recognized educational (includes home schools), social service, or correctional agency indicated that successful completion of the GED Test Battery is a part of your written individual learning plan, and provided signed/dated documentation showing you have, under the supervision of a proctor, earned a minimum score on both an approved reading and math test:
 - Reading: Earned at least a likely to pass on the official practice test; at least a 617 on the Reading TABE 11/12 (Form A); or at least a 249 on the CASAS GOALS Reading; and
 - Math: Earned at least a likely to pass on the official practice test; at least a 617 on the Math TABE 11/12 (Form A); or at least a 231 on the CASAS GOALS Math.

IV. POLICY

~~It is, therefore, the policy of the Board of Education of Independent School District #22 not to grant requests for age waivers for the General Education Diploma (GED) or for enrollment in post-secondary programs for non-high school graduates.~~

- Determining Adult Education Student Eligibility

- An individual is eligible for Adult Education programming as an official Adult Education student if he/she/they is:
 - At least 17 years of age; and
 - Not enrolled in K-12 instruction; and
 - Not required to be enrolled in K-12 instruction under state statute (see details below); and
 - Who qualify under one or more of the following conditions:
 - Are unable to speak, read or write the English language;
 - Do not have a high school diploma or its recognized equivalent, and have not achieved an equivalent level of education;
 - Lack sufficient mastery of basic educational skills to enable the individual to function effectively in society.
- Adult Education programs cannot enroll ineligible students as official Adult Education students generating contact hours for Table A for Adult Education grant funding.
- Individuals are not eligible for Adult Education services if they are enrolled in a public or private K-12 program – this includes public or private regular high schools, charter schools, area learning centers, and other alternative or high school programs.
- Students who are enrolled in postsecondary institutions are eligible for Adult Education services if they meet the conditions above. Please note the individual cannot be dually enrolled in a K-12 program (e.g. postsecondary enrollment option (PSEO), concurrent enrollment, or an early/middle college program).

Adult Education services in Minnesota are delivered through a network of providers which are organized into consortia based on public school districts. All 300+ public school districts in Minnesota belong to one of the Adult Education consortia. Some consortia consist of only one district, while others contain dozens.

In addition to school districts, Adult Education consortia often include other members such as tribal nations, community based organizations (CBOs) and county correctional facilities. Many consortia have both school district and CBO partners, while a few Adult Education consortia are comprised of a single CBO with no school district member.

Detroit Lakes Public Schools is the fiscal agent and operational authority for Lakes Area Adult Education (LAAE). In 2023-2024, LAAE consists of 10 school districts and 2 community based organizations:

1. Ada-Borup-West Public Schools
2. Becker County Jail
3. Detroit Lakes Public Schools
4. Frazee-Vergas Public Schools
5. Lake Park-Audubon Public Schools

6. Maadaadizi Workforce Center
 7. New York Mills Public Schools
 8. Norman County East Public Schools
 9. Pelican Rapids Public Schools
 10. Perham-Dent Public Schools
 11. Rothsay Public Schools
 12. Ulen-Hitterdal Public Schools
-

~~HARDSHIP EXCEPTION~~

~~The Board reserves to itself the right to review the merits of extreme hardship cases upon the recommendation of the Superintendent.~~

Date Adopted: 09/11/00	File Number: Detroit Lakes Policy - 712
Date Revised:	

712 - VIDEO SURVEILLANCE OTHER THAN ON BUSES

(See Transportation Policy 709 for videotaping on school buses)

I. PURPOSE

Maintaining the health, welfare, and safety of students, staff, and visitors while on school district property and the protection of school district property are important functions of the school district. The behavior of individuals who come on to school property is a significant factor in maintaining order and discipline and protecting students, staff, visitors, and school district property. The school board recognizes the value of video/electronic surveillance systems in monitoring activity on school property in furtherance of protecting the health, welfare, and safety of students, staff, visitors, and school district property.

II. GENERAL STATEMENT OF POLICY

A. Placement.

1. School district buildings and grounds may be equipped with video cameras.
2. Video surveillance may occur in any school district building or on any school district property.
3. Video surveillance will normally not be used in bathrooms or locker rooms, although these areas may be placed under surveillance by individuals of the same sex as the occupants of the bathrooms or locker rooms. Video surveillance in bathrooms or locker rooms will only be utilized in extreme situations, with extraordinary controls, and only as expressly approved by the superintendent.

B. Use of Videotape Recordings.

1. Videotapes Recordings will be viewed by school district personnel on a random basis and/or when problems have been brought to the attention of the school district.

A videotape Recording will be released only in conformance with the Minnesota Government Data Practices Act, ~~Minnesota Statutes Chapter 13~~, and the Family Educational Rights and Privacy Act, 20 ~~United States Code~~ § 1232g and the rules and/or regulations promulgated thereunder.

C. Security and Maintenance

1. The school district shall establish appropriate security safeguards to ensure that video recordings are maintained and stored in conformance with the Minnesota Government Data Practices Act, Minnesota Statutes chapter 13, and the Family Educational Rights and Privacy Act, 20 United States Code section 1232g, and the rules and/or regulations promulgated thereunder.

2. The school district shall ensure that video recordings are retained in accordance with the school district's records retention schedule.

Legal References: Minn. Stat. Ch. 13 (Minnesota Government Data Practices Act)
Minn. Stat. 121A.585 (Notice of Recording Device)

Minn. Stat. § 138.17 (Government Records; Administration)

Minn. Stat. § 609.746 (Interference with Privacy)

20 U.S.C. § 1232g (Family Educational Rights and Privacy Act)

34 C.F.R. Secs. 99.199.67

Cross Reference: MSBA/MASA Model Policy 403 (Discipline, Suspension, and Dismissal of School District Employees)

MSBA/MASA Model Policy 406 (Public and Private Personnel Data)

MSBA/MASA Model Policy 502 (Search of Student Lockers, Desks, Personal Possessions, and Student's Person)

MSBA Model Policy 506 (Student Discipline)

MSBA Model Policy 515 (Protection and Privacy of Student Records)

MSBA Model Policy 709 (Student Transportation Safety Policy)

MSBA Model Policy 711 (Videotaping Recording on School Buses)

~~MSBA Service Manual, Chapter 10, Transportation~~

Date Adopted: 10/21/19	File Number:
Date Revised: <u>12/18/23</u>	Detroit Lakes Policy - 713

713 STUDENT ACTIVITY ACCOUNTING

I. PURPOSE

The school board recognizes the need to provide alternative paths to learning, skill development for its students, and activities for student enjoyment. It also understands its commitment to and obligation for assuring maximum accountability for public funds and student activity funds. For these reasons, the school board will assume control over and/or oversee funds for student activities as set forth in this policy.

II. GENERAL STATEMENT OF POLICY

A. Curricular and Cocurricular Activities

The school board shall take charge of, control over, and account for all student activity funds that relate to curricular and cocurricular activities.

[Note: The school board is required by ~~Minnesota Statutes~~ section § 123B.49, ~~Subdivision~~ 2, to take charge of and control over all cocurricular activities, including all money received for such activities.]

B. Extracurricular Activities

The school board shall take charge of and control over all student activity accounting that relates to extracurricular activities.

[Note: The school board is required by ~~Minnesota Statutes~~ section § 123B.49, ~~Subd.~~ 4, to take charge of and control over all extracurricular activities, including all money received for such activities.]

C. Non-Student Activities

In overseeing student activity accounts under this policy, the school board shall not maintain or account for funds generated by non-students including, but not limited to, convenience funds of staff members, booster club funds, parent-teacher organization or association funds, or funds donated to the school district for specified purposes other than student activities.

III. DEFINITIONS

A. Cocurricular Activity

A “cocurricular activity” means those portions of the school-sponsored and directed activities designed to provide opportunities for students to participate in such experiences on an individual basis or in groups, at school and at public events, for improvement of skills (i.e., interscholastic sports, band, etc.). Cocurricular activities are not offered for school credit, cannot be counted toward graduation, and have *one or more* of the following characteristics:

1. They are conducted at regular and uniform times during school hours, or at times established by school authorities;
2. They are directed or supervised by instructional staff in a learning environment similar to that found in courses offered for credit; and
3. They are partially, primarily, or totally funded by public moneys for general instructional purposes under direction and control of the school board.

B. Curricular Activity

A “curricular activity” means those portions of the school program for which credit is granted, whether the activity is part of a required or elective program.

C. Extracurricular (Noncurricular/Supplementary) Activity

An “extracurricular (noncurricular/supplementary) activity” means all direct and personal services for students for their enjoyment that are managed and operated under the guidance of an adult or staff member. Extracurricular activities have *all* of the following characteristics:

1. They are not offered for school credit nor required for graduation;
2. They generally are conducted outside school hours or, if partly during school hours, at times agreed by the participants and approved by school authorities;
3. The content of the activities is determined primarily by the student participants under the guidance of a staff member or other adult.

D. Public Purpose Expenditure

A “public purpose expenditure” is one which benefits the community as a whole, is directly related to the functions of the school district, and does not have as its primary objective the benefit of private interest.

IV. MANAGEMENT AND CONTROL OF ACTIVITY FUNDS

A. Curricular and Cocurricular Activities

1. All money received on account of cocurricular activities shall be turned over to the treasurer, who shall deposit such funds in the general fund, to be disbursed for expenses and salaries connected with the activities, or otherwise, by the school board upon properly allowed itemized claims.

2. The treasurer shall account for all revenues and expenditures related to curricular and cocurricular activities in accordance with the Uniform Financial Accounting and Reporting Standards (UFARS) and school district policies and procedures.

B. Extracurricular Activities

1. Any and all costs of extracurricular activities may be provided from school revenues.

2. All money received or expended for extracurricular activities shall be recorded in the same manner as other revenues and expenditures of the school district and shall be turned over to the treasurer, who shall deposit such funds in the general fund, to be disbursed for expenses and salaries connected with the activities, or otherwise, by the school board upon properly allowed itemized claims.

3. The treasurer shall account for all revenues and expenditures related to extracurricular activities in accordance with UFARS and school district policies and procedures.

4. All student activity funds will be collected and expended:

a. in compliance with school district policies and procedures;

b. under the general direction of the principal and with the participation of students and faculty members who are responsible for generating the revenue;

c. in a manner which does not produce a deficit or an unreasonably large accumulation of money to a particular student activity fund;

d. for activities which directly benefit the majority of those students making the contributions in the year the contributions were made whenever possible; and

e. in a manner which meets a public purpose.

5. Activity accounts of a graduated class will be terminated prior to the start of the school year following graduation. Any residual money from a graduating class activity fund will remain in the general fund and may be used for any school district purpose. Prior to depositing such accounts, all donations or gifts accepted for the specific purpose of the student activity account shall be administered in accordance with the terms of the gift or donation and school district policy.

V. DEMONSTRATION OF ACCOUNTABILITY

A. Annual External Audit

The school board shall direct its independent certified public accountants to audit, examine, and report upon student activity accounts as part of its annual school district audit in accordance with state law.

Legal References: Minn. Stat. § 123B.02, Subd. 6 (General Powers of Independent School Districts)

Minn. Stat. § 123B.09 (Boards of Independent School Districts)

Minn. Stat. § 123B.15, Subd. 7 (Officers of Independent School Districts)

Minn. Stat. § 123B.35 (General Policy)

Minn. Stat. § 123B.36 (Authorized Fees)

Minn. Stat. § 123B.37 (Prohibited Fees)

Minn. Stat. § 123B.38 (Hearing)

Minn. Stat. § 123B.49 (Extracurricular Activities; Insurance)

Minn. Stat. § 123B.52 (Contracts)

Minn. Stat. § 123B.76 (Expenditures; Reporting)

Minn. Stat. § 123B.77 (Accounting, Budgeting, and Reporting Requirement)

Minn. Rules Part 3500.1050 (Definitions for Pupil Fees)

Visina v. Freeman, 252 Minn. 177, 89 N.W.2d 635 (1958)

Minn. Op. Atty. Gen. 159a-16 (May 10, 1966)

Cross References: Uniform Financial Accounting and Reporting Standards (UFARS)

MSBA/MASA Model Policy 510 (School Activities)

MSBA/MASA Model Policy 511 (Student Fundraising)

MSBA/MASA Model Policy 701 (Establishment and Adoption of School District Budget)

MSBA/MASA Model Policy 701.1 (Modification of School District Budget)

MSBA/MASA Model Policy 702 (Accounting)

MSBA/MASA Model Policy 703 (Annual Audit)

MSBA/MASA Model Policy 704 (Development and Maintenance of an Inventory of Fixed Assets and a Fixed Asset Accounting System)

MSBA/MASA Model Policy 706 (Acceptance of Gifts)

Date Adopted: 05/09/2011	File Number: Detroit Lakes Policy - 714
Date Revised: 11/26/2018, <u>12/18/23</u>	

714 FUND BALANCES

I. PURPOSE

The purpose of this policy is to create new fund balance classifications to allow for more useful fund balance reporting and for compliance with the reporting guidelines specified in Statement No. 54 of the Governmental Accounting Standards Board (GASB).

II. GENERAL STATEMENT OF POLICY

The policy of this school district is to comply with GASB Statement No. 54. To the extent a specific conflict occurs between this policy and the provisions of GASB Statement No. 54, the GASB Statement shall prevail.

III. DEFINITIONS

- A. “Assigned” fund balance amounts are comprised of unrestricted funds constrained by the school district’s intent that they be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. In funds other than the general fund, the assigned fund balance represents the remaining amount that is not restricted or committed. The assigned fund balance category will cover the portion of a fund balance that reflects the school district’s intended use of those resources. The action to assign a fund balance may be taken after the end of the fiscal year. An assigned fund balance cannot be a negative number.
- B. “Committed” fund balance amounts are comprised of unrestricted funds used for specific purposes pursuant to constraints imposed by formal action of the school board and that remain binding unless removed by the school board by subsequent formal action. The formal action to commit a fund balance must occur prior to fiscal year end; however, the specific amounts actually committed can be determined in the subsequent fiscal year. A committed fund balance cannot be a negative number.
- C. “Enabling legislation” means legislation that authorizes a school district to assess, levy, charge, or otherwise mandate payment of resources from external providers and includes a legally enforceable requirement that those resources be used only for the specific purposes listed in the legislation.
- D. “Fund balance” means the arithmetic difference between the assets and liabilities reported in a school district fund.

- E. “Nonspendable” fund balance amounts are comprised of funds that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. They include items that are inherently unspendable, such as, but not limited to, inventories, prepaid items, long-term receivables, non-financial assets held for resale, or the permanent principal of endowment funds.
- F. “Restricted” fund balance amounts are comprised of funds that have legally enforceable constraints placed on their use that either are externally imposed by resource providers or creditors (such as through debt covenants), grantors, contributors, voters, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.
- G. “Unassigned” fund balance amounts are the residual amounts in the general fund not reported in any other classification. Unassigned amounts in the general fund are technically available for expenditure for any purpose. The general fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted, and committed fund balances exceed the total net resources of that fund.
- H. “Unrestricted” fund balance is the amount of fund balance left after determining both nonspendable and restricted net resources. This amount can be determined by adding the committed, assigned, and unassigned fund balances.

I. CLASSIFICATION OF FUND BALANCES

The school district shall classify its fund balances in its various funds in one or more of the following five classifications: nonspendable, restricted, committed, assigned, and unassigned.

II. MINIMUM FUND BALANCE

The School District will strive to maintain an Unassigned General Fund Balance in the range of 15% to 25% of the annual Statutory Operating Debt (SOD) expenditures calculated by Minnesota Department of Education.

III. ORDER OF RESOURCE USE

If resources from more than one fund balance classification could be spent, the school district will strive to spend resources from fund balance classifications in the following order (first to last): unassigned, assigned, committed, restricted.

IV. COMMITTING FUND BALANCE

A majority vote of the school board is required to commit a fund balance to a specific purpose and subsequently to remove or change any constraint so adopted by the board.

V. ASSIGNING FUND BALANCE

The school board, by majority vote, may assign fund balances to be used for specific purposes when appropriate. The board also delegates the power to assign fund balances to the following: Finance Committee. Assignments so made shall be reported to the school board on a monthly basis, either separately or as part of ongoing reporting by the assigning party if other than the school board.

An appropriation of an existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance.

VI. REVIEW

The school board will conduct an annual review of the sufficiency of the minimum unassigned general fund balance level.

Legal References: Statement No. 54 of the Governmental Accounting Standards Board

Cross References: ~~MSBA Service Manual, Chapter 7, Education Funding~~

Date Adopted: 09/11/00	File Number: Detroit Lakes Policy - 720
Date Revised: <u>12/18/23</u>	

720 - VENDING MACHINES

I. PURPOSE

The purpose of this policy is to establish procedures to govern vending machines installed in school facilities in the school district.

II. GENERAL STATEMENT OF POLICY

~~It is~~ The policy of the school district is to contract for, supervise, maintain, and account for the proceeds from vending machines located in school facilities in a manner that is fair, that maximizes the revenues from those machines, that allows those revenues to be included in the budget of the facility in which they are generated, and that establishes controls to avoid fraud, theft, or the appearance of impropriety.

III. AUTHORIZATION

Automatic vending machines for the dispensing of food, beverages or other approved items are authorized in any school facility in the school district provided that all contracts for such vending machines must be approved by the school board as provided in this policy.

[Note: This provision can be narrowed to apply only to specific facilities.]

III. SUPERVISION; APPROVAL; LOCATION

A. All vending machines shall be under the supervision of the school principal or other person in charge of the facility in which the machine is located. That administrator shall be responsible to supervise the machine in compliance with this policy and any applicable laws.

B. The items to be dispensed from a vending machine located in a school facility shall be approved by the principal or other person in charge of that facility. All food, beverages or other items approved shall be appropriate to the school setting. Machines dispensing cigarettes or tobacco products are not authorized under any circumstances. In the event a written complaint

is filed with the superintendent regarding the approval or disapproval of any item, the school board, after proper review, shall make the final determination.

C. Vending machines may be approved that will dispense items only during certain hours, through the use of timers or otherwise. Vending machines should not be operated in competition with the school cafeteria or food service. The principal or other person in charge of the school facility may regulate the hours of operation of any machine.

D. Vending machines shall be located to meet any applicable building or fire or life/safety codes and to provide convenience of operation, accessibility and ease of maintenance. The principal or other person in charge of the facility shall review the location of each machine with appropriate maintenance and food service staff.

V. CONTRACT APPROVAL

A. All contracts for the purchase or rental of vending machines shall be considered by the school board on a facility-by-facility basis.

[Note: These provisions may need to be amended if the school board determines to contract for vending machine services on an exclusive and district-wide basis.]

B. If it is estimated that the aggregate receipts from all vending machines located in a school **facility** ~~facilities~~ will be **\$10,000** ~~\$50,000~~ or more in a fiscal year, the contract for vending machine **in that facility** must be awarded after the receipt of sealed bids and compliance with ~~Minnesota- Statutes- section~~§ 123B.52.

[Note: This dollar figure is lower than the ~~\$17500,000~~ statutory requirement for sealed bids but is recommended to protect the interests of the public.]

C. If it is estimated that the aggregate receipts from all vending machines located in a school **facility** ~~facilities~~ will be less than **\$10,000** ~~\$50,000~~ in a fiscal year, the contract for vending machines **in that facility** may be awarded after the receipt of two or more quotations after taking into consideration conformity with the specifications, terms of delivery, other conditions imposed in the call for quotations, and compliance with ~~Minnesota- Statutes- section~~§ 123B.52.

[Note: This dollar figure is lower than the ~~\$25,000~~ statutory requirement for quotations but is recommended to protect the interests of the public.]

D. The contracting process shall be conducted in compliance with ~~Minnesota- Statutes- section~~§ 123B.52. A copy of this policy shall be included in any specifications or request for

proposals or quotations. A record shall be kept of all bids or quotations received with the names, amounts and successful bidder indicated. All bids and quotations shall be kept on file as a public record for a period of at least one year after their receipt.

E. Any bid or quotation must specify all commissions to be paid from the machine and any other noncommission amounts to be paid as a result of the award of the contract. The noncommission amounts include, but are not limited to, cash payments, inkind payments, equipment donations, scholarship contributions, bonus payments, or other payments or contributions of any kind or nature. The noncommission amounts shall be reduced to a cash equivalency and shall be specified on the bid or quotation as an additional amount to be paid for the award of the contract.

F. If a contract contains a provision allowing exclusivity, such as all machines in the building carrying only a certain manufacturer's brand of pop, that provision must be reviewed by the administration prior to requesting bids or quotations to ensure that it does not conflict with other contracts of the school district.

G. All contracts for vending machines must be approved by the school board. Any contract not made in compliance with this policy shall be void. Any district employee signing an unauthorized contract may be subject to personal liability thereon and may be disciplined for said action.

H. All vending machines are to be installed at the expense of the facility in which located. All financial responsibility for the maintenance and repair of machines shall remain with the facility in which located to the extent not addressed in the contract.

I. No teacher, administrator, school district employee or school board member shall be interested, directly or indirectly, in a vending machine contract with the school district or personally benefit financially therefrom.

VI. ACCOUNTING

A. Proceeds from vending machine sales and contracts shall be under the control of the school board, shall be accounted for in one of the regular school district funds, and must be accounted for and reported in compliance with UFARS.

B. An amount equal to the amount of the proceeds from the machines in each facility shall be included in the budget of the facility in which the proceeds are generated. That amount may be expended in accordance with established expenditure procedures.

C. Pursuant to the vending machine contract or otherwise, proper auditing and inventory control procedures shall be established to ensure that commissions are being correctly calculated

and paid. These controls must include daily, weekly or other periodic inventories and written reconciliations of variances between inventory and cash. Each time cash is removed from, or inventory is added to a machine, a written reconciliation between cash and inventory must be performed by the person taking the cash from the machine and must be signed by the principal or other person in charge of the facility. The original written reconciliation reports shall be filed with the business office monthly and a copy shall be retained by the principal's office.

Legal References: Minn. Stat. § 123B.20 (Dealing in School Supplies)

Minn. Stat. § 123B.52 (Contracts)

Minn. Stat. § 471.345 (Uniform Municipal Contracting Law~~Contracts~~)

Minn. Stat. § 471.87 (Public Officers, Interest in Contract; Penalty~~Conflict of Interest~~)

Cross References: MSBA/MASA Model Policy 210 (Conflict of Interest School Board Members)

MSBA/MASA Model Policy 702 (Accounting)

Date Adopted: 08/08/2016	File Number: Detroit Lakes Policy - 721
Date Revised:	

721 UNIFORM GRANT GUIDANCE POLICY REGARDING FEDERAL REVENUE SOURCES

[Note: School districts are required by the federal Uniform Grant Guidance regulations, 2 Code of Federal Regulations, Part 200, to have the policies which establish uniform administrative requirements, cost principles, and audit requirements for federal awards to non-federal entities including school districts. The United States Office of Management and Budget published the final regulations December 26, 2013. The Uniform Grant Guidance is effective for new and continuation federal grant awards issued on or after December 26, 2014. The regulations do not affect grant funds awarded prior to December 26, 2014, unless funds made available under those grants are carried forward into a new federal fiscal year or a continuation grant. 2 C.F.R. § 200.110.]

I. PURPOSE

The purpose of this policy is to ensure compliance with the requirements of the federal Uniform Grant Guidance regulations by establishing uniform administrative requirements, cost principles, and audit requirements for federal grant awards received by the school district.

II. DEFINITIONS

A. Grants

1. “State-administered grants” are those grants that pass through a state agency such as the Minnesota Department of Education (MDE).
2. “Direct grants” are those grants that do not pass through another agency such as MDE and are awarded directly by the federal awarding agency to the grantee organization. These grants are usually discretionary grants that are awarded by the U.S. Department of Education (DOE) or by another federal awarding agency.

[Note: All of the requirements outlined in this policy apply to both direct grants and state-administered grants.]

- B. “Non-federal entity” means a state, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a federal award as a recipient or subrecipient.

C. “Federal award” has the meaning, depending on the context, in either paragraph 1. or 2. of this definition:

1. a. The federal financial assistance that a non-federal entity receives directly from a federal awarding agency or indirectly from a pass-through entity, as described in 2 [Code of Federal Regulations section ~~C.F.R.~~ § 200.101](#) (Applicability); or
- b. The cost-reimbursement contract under the federal Acquisition Regulations that a non-federal entity receives directly from a federal awarding agency or indirectly from a pass-through entity, as described in 2 [Code of Federal Regulations section ~~C.F.R.~~ § 200.101](#) (Applicability).
2. The instrument setting forth the terms and conditions. The instrument is the grant agreement, cooperative agreement, other agreement for assistance covered in paragraph (b) of 2 [Code of Federal Regulations section ~~C.F.R.~~ § 200.40](#) (Federal Financial Assistance), or the cost-reimbursement contract awarded under the federal Acquisition Regulations.
3. “Federal award” does not include other contracts that a federal agency uses to buy goods or services from a contractor or a contract to operate federal-government-owned, contractor-operated facilities.

D. “Contract” means a legal instrument by which a non-federal entity purchases property or services needed to carry out the project or program under a federal award. The term, as used in 2 [Code of Federal Regulations ~~C.F.R.~~ Part 200](#), does not include a legal instrument, even if the non-federal entity considers it a contract, when the substance of the transaction meets the definition of a federal award or subaward.

E. Procurement Methods

1. “Procurement by micro-purchase” is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (generally \$3,000, except as otherwise discussed in 48 [Code of Federal Regulations ~~C.F.R.~~ Subpart 2.1](#) or as periodically adjusted for inflation).

[Note: Minnesota school districts may choose to increase their federal micro-purchase threshold to \$25,000, which would align with the Minnesota limit. School districts choosing to adopt this increase must annually certify the higher threshold and the justification for using the higher threshold. Acceptable reasons for justification must meet one of the following criteria: (1) a qualification as a low-risk auditee, in accordance with the criteria established in 2 [Code of Federal Regulations section 200.520](#); (2) an annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or (3) a

higher threshold consistent with state law.]

4.

2. “Procurement by small purchase procedures” are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than \$~~2~~150,000 (periodically adjusted for inflation).
 3. “Procurement by sealed bids (formal advertising)” is a publicly solicited and a firm, fixed-price contract (lump sum or unit price) awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the lowest in price.
 4. “Procurement by competitive proposals” is normally conducted with more than one source submitting an offer, and either a fixed-price or cost-reimbursement type contract is awarded. Competitive proposals are generally used when conditions are not appropriate for the use of sealed bids.
 5. “Procurement by noncompetitive proposals” is procurement through solicitation of a proposal from only one source.
- F. “Equipment” means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which exceeds the lesser of the capitalization level established by the non-federal entity for financial statement purposes, or \$5,000.
- G. “Compensation for personal services” includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the federal award, including, but not necessarily limited to, wages and salaries. Compensation for personal services may also include fringe benefits which are addressed in 2 Code of Federal Regulations~~C.F.R.~~ § 200.431 (Compensation - Fringe Benefits).
- H. “Post-retirement health plans” refer to costs of health insurance or health services not included in a pension plan covered by 2 Code of Federal Regulations~~C.F.R.~~ § 200.431(g) for retirees and their spouses, dependents, and survivors.
- I. “Severance pay” is a payment in addition to regular salaries and wages by the non-federal entities to workers whose employment is being terminated.
- J. “Direct costs” are those costs that can be identified specifically with a particular final cost objective, such as a federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

- K. “Relocation costs” are costs incident to the permanent change of duty assignment (for an indefinite period or for a stated period not less than 12 months) of an existing employee or upon recruitment of a new employee.
- L. “Travel costs” are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the school district.

III. CONFLICT OF INTEREST

- A. Employee Conflict of Interest. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The employees, officers, and agents of the school district may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, the school district may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by employees, officers, or agents of the school district.
- B. Organizational Conflicts of Interest. The school district is unable or appears to be unable to be impartial in conducting a procurement action involving the related organization because of relationships with a parent company, affiliate, or subsidiary organization.
- C. Disclosing Conflicts of Interest. The school district must disclose in writing any potential conflict of interest to MDE in accordance with applicable federal awarding agency policy.

IV. ACCEPTABLE METHODS OF PROCUREMENT

- A. General Procurement Standards. The school district must use its own documented procurement procedures which reflect applicable state laws, provided that the procurements conform to the applicable federal law and the standards identified in the Uniform Grant Guidance.
- B. The school district must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
- C. The school district’s procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives and any other

appropriate analysis to determine the most economical approach.

- D. The school district must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.
- E. The school district must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement; selection of the contract type; contractor selection or rejection; and the basis for the contract price.
- F. The school district alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the school district of any contractual responsibilities under its contracts.
- G. The school district must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.
- H. Methods of Procurement. The school district must use one of the following methods of procurement:
 - 1. Procurement by micro-purchases. To the extent practicable, the school district must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the school district considers the price to be reasonable.
 - 2. Procurement by small purchase procedures. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.
 - 3. Procurement by sealed bids (formal advertising).
 - 4. Procurement by competitive proposals. If this method is used, the following requirements apply:
 - a. Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;
 - b. Proposals must be solicited from an adequate number of qualified sources;

- c. The school district must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;
 - d. Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and
 - e. The school district may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method where price is not used as a selection factor can only be used in procurement of A/E professional services; it cannot be used to purchase other types of services, though A/E firms are a potential source to perform the proposed effort.
5. Procurement by noncompetitive proposals. Procurement by noncompetitive proposals may be used only when one or more of the following circumstances apply:
- a. The item is available only from a single source;
 - b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
 - c. The DOE or MDE expressly authorizes noncompetitive proposals in response to a written request from the school district; or
 - d. After solicitation of a number of sources, competition is determined inadequate.
- I. Competition. The school district must have written procedures for procurement transactions. These procedures must ensure that all solicitations:
- 1. Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product, or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When making a clear and accurate description of the technical requirements is impractical or uneconomical, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements

of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and

2. Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.
- J. The school district must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the school district must not preclude potential bidders from qualifying during the solicitation period.
- K. Non-federal entities are prohibited from contracting with or making subawards under “covered transactions” to parties that are suspended or debarred or whose principals are suspended or debarred. “Covered transactions” include procurement contracts for goods and services awarded under a grant or cooperative agreement that are expected to equal or exceed \$25,000.
- L. All nonprocurement transactions entered into by a recipient (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 [Code of Federal Regulations C.F.R. section §-180.215](#).

V. MANAGING EQUIPMENT AND SAFEGUARDING ASSETS

- A. Property Standards. The school district must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with federal funds as provided to property owned by the non-federal entity. Federally owned property need not be insured unless required by the terms and conditions of the federal award.

The school district must adhere to the requirements concerning real property, equipment, supplies, and intangible property set forth in 2 [Code of Federal Regulations sections C.F.R. §§ 200.311, 200.314, and 200.315](#).

- B. Equipment

Management requirements. Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part under a federal award, until disposition takes place will, at a minimum, meet the following requirements:

1. Property records must be maintained that include a description of the property; a serial number or other identification number; the source of the funding for the property (including the federal award identification number (FAIN)); who holds title; the acquisition date; the cost of the property; the percentage of the federal participation in the project costs for the federal award under which the property was acquired; the location, use, and

condition of the property; and any ultimate disposition data, including the date of disposition and sale price of the property.

2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
4. Adequate maintenance procedures must be developed to keep property in good condition.
5. If the school district is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

VI. FINANCIAL MANAGEMENT REQUIREMENTS

A. Financial Management. The school district's financial management systems, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the federal statutes, regulations, and the terms and conditions of the federal award.

B. Payment. The school district must be paid in advance, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement between the school district and the financial management systems that meet the standards for fund control.

Advance payments to a school district must be limited to the minimum amounts needed and timed to be in accordance with the actual, immediate cash requirements of the school district in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-federal entity for direct program or project costs and the proportionate share of any allowable indirect costs. The school district must make timely payment to contractors in accordance with the contract provisions.

C. Internal Controls. The school district must establish and maintain effective internal control over the federal award that provides reasonable assurance that the school district is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government," issued by the Comptroller General of the United States, or the "Internal Control Integrated Framework," issued by the Committee

of Sponsoring Organizations of the Treadway Commission (COSO).

The school district must comply with federal statutes, regulations, and the terms and conditions of the federal award.

The school district must also evaluate and monitor the school district's compliance with statutes, regulations, and the terms and conditions of the federal award.

The school district must also take prompt action when instances of noncompliance are identified, including noncompliance identified in audit findings.

The school district must take reasonable measures to safeguard protected personally identifiable information considered sensitive consistent with applicable federal and state laws regarding privacy and obligations of confidentiality.

VII. ALLOWABLE USE OF FUNDS AND COST PRINCIPLES

A. Allowable Use of Funds. The school district administration and board will enforce appropriate procedures and penalties for program, compliance, and accounting staff responsible for the allocation of federal grant costs based on their allowability and their conformity with federal cost principles to determine the allowability of costs.

B. Definitions

1. "Allowable cost" means a cost that complies with all legal requirements that apply to a particular federal education program, including statutes, regulations, guidance, applications, and approved grant awards.
2. "Education Department General Administrative Regulations (EDGAR)" means a compilation of regulations that apply to federal education programs. These regulations contain important rules governing the administration of federal education programs and include rules affecting the allowable use of federal funds (including rules regarding allowable costs, the period of availability of federal awards, documentation requirements, and grants management requirements). EDGAR can be accessed at: <http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html>.
3. "Omni Circular" or "2 Code of Federal Regulations~~C.F.R.~~ Part 200s" or "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" means federal cost principles that provide standards for determining whether costs may be charged to federal grants.
4. "Advance payment" means a payment that a federal awarding agency or passthrough entity makes by any appropriate payment mechanism, including a predetermined payment schedule, before the non-federal entity disburses the funds for program purposes.

C. Allowable Costs. The following items are costs that may be allowable under the 2 Code of Federal Regulations ~~C.F.R.~~ Part 200s under specific conditions:

1. Advisory councils;
2. Audit costs and related services;
3. Bonding costs;
4. Communication costs;
5. Compensation for personal services;
6. Depreciation and use allowances;
7. Employee morale, health, and welfare costs;
8. Equipment and other capital expenditures;
9. Gains and losses on disposition of depreciable property and other capital assets and substantial relocation of federal programs;
10. Insurance and indemnification;
11. Maintenance, operations, and repairs;
12. Materials and supplies costs;
13. Meetings and conferences;
14. Memberships, subscriptions, and professional activity costs;
15. Security costs;
16. Professional service costs;
17. Proposal costs;
18. Publication and printing costs;
19. Rearrangement and alteration costs;
20. Rental costs of building and equipment;
21. Training costs; and
22. Travel costs.

D. Costs Forbidden by Federal Law. 2 Code of Federal Regulations~~CFR~~ Part 200s and EDGAR identify certain costs that may never be paid with federal funds. The following list provides examples of such costs. If a cost is on this list, it may not be supported with federal funds. The fact that a cost is not on this list does not mean it is necessarily permissible. Other important restrictions apply to federal funds, such as those items detailed in the 2 Code of Federal Regulations~~CFR~~ Part 200s; thus, the following list is not exhaustive:

1. Advertising and public relations costs (with limited exceptions), including promotional items and memorabilia, models, gifts, and souvenirs;
2. Alcoholic beverages;
3. Bad debts;
4. Contingency provisions (with limited exceptions);
5. Fundraising and investment management costs (with limited exceptions);
6. Donations;
7. Contributions;
8. Entertainment (amusement, diversion, and social activities and any associated costs);
9. Fines and penalties;
10. General government expenses (with limited exceptions pertaining to Indian tribal governments and Councils of Government (COGs));
11. Goods or services for personal use;
12. Interest, except interest specifically stated in 2 Code of Federal Regulations section~~C.F.R.~~ § 200.441 as allowable;
13. Religious use;
14. The acquisition of real property (unless specifically permitted by programmatic statute or regulations, which is very rare in federal education programs);
15. Construction (unless specifically permitted by programmatic statute or regulations, which is very rare in federal education programs); and
16. Tuition charged or fees collected from students applied toward meeting matching, cost sharing, or maintenance of effort requirements of a program.

E. Program Allowability

1. Any cost paid with federal education funds must be permissible under the federal program that would support the cost.
2. Many federal education programs detail specific required and/or allowable uses of funds for that program. Issues such as eligibility, program beneficiaries, caps or restrictions on certain types of program expenses, other program expenses, and other program specific requirements must be considered when performing the programmatic analysis.
3. The two largest federal K-12 programs, Title I, Part A, and the Individuals with Disabilities Education Act (IDEA), do not contain a use of funds section delineating the allowable uses of funds under those programs. In those cases, costs must be consistent with the purposes of the program in order to be allowable.

F. Federal Cost Principles

1. The Omni Circular defines the parameters for the permissible uses of federal funds. While many requirements are contained in the Omni Circular, it includes five core principles that serve as an important guide for effective grant management. These core principles require all costs to be:
 - a. Necessary for the proper and efficient performance or administration of the program.
 - b. Reasonable. An outside observer should clearly understand why a decision to spend money on a specific cost made sense in light of the cost, needs, and requirements of the program.
 - c. Allocable to the federal program that paid for the cost. A program must benefit in proportion to the amount charged to the federal program – for example, if a teacher is paid 50% with Title I funds, the teacher must work with the Title I program/students at least 50% of the time. Recipients also need to be able to track items or services purchased with federal funds so they can prove they were used for federal program purposes.
 - d. Authorized under state and local rules. All actions carried out with federal funds must be authorized and not prohibited by state and local laws and policies.
 - e. Adequately documented. A recipient must maintain proper documentation so as to provide evidence to monitors, auditors, or other oversight entities of how the funds were spent over the lifecycle of the grant.

G. Program Specific Fiscal Rules. The Omni Circular also contains specific rules on selected items of costs. Costs must comply with these rules in order to be paid with federal funds.

1. All federal education programs have certain program specific fiscal rules that apply. Determining which rules apply depends on the program; however, rules such as supplement, not supplant, maintenance of effort, comparability, caps on certain uses of funds, etc., have an important impact when analyzing whether a particular cost is permissible.
2. Many state-administered programs require local education agencies (LEAs) to use federal program funds to supplement the amount of state, local, and, in some cases, other federal funds they spend on education costs and not to supplant (or replace) those funds. Generally, the “supplement, not supplant” provision means that federal funds must be used to supplement the level of funds from non-federal sources by providing additional services, staff, programs, or materials. In other words, federal funds normally cannot be used to pay for things that would otherwise be paid for with state or local funds (and, in some cases, with other federal funds).
3. Auditors generally presume supplanting has occurred in three situations:
 - a. School district uses federal funds to provide services that the school district is required to make available under other federal, state, or local laws.
 - b. School district uses federal funds to provide services that the school district provided with state or local funds in the prior year.
 - c. School district uses Title I, Part A, or Migrant Education Program funds to provide the same services to Title I or Migrant students that the school district provides with state or local funds to nonparticipating students.
4. These presumptions apply differently in different federal programs and also in schoolwide program schools. Staff should be familiar with the supplement not supplant provisions applicable to their program.

H. Approved Plans, Budgets, and Special Conditions

1. As required by the Omni Circular, all costs must be consistent with approved program plans and budgets.
2. Costs must also be consistent with all terms and conditions of federal awards, including any special conditions imposed on the school district’s grants.

I. Training

1. The school district will provide training on the allowable use of federal funds to all staff involved in federal programs.
 2. The school district will promote coordination between all staff involved in federal programs through activities, such as routine staff meetings and training sessions.
- J. Employee Sanctions. Any school district employee who violates this policy will be subject to discipline, as appropriate, up to and including the termination of employment.

VIII. COMPENSATION – PERSONAL SERVICES EXPENSES AND REPORTING

A. Compensation – Personal Services

Costs of compensation are allowable to the extent that they satisfy the specific requirements of the Uniform Grant Guidance and that the total compensation for individual employees:

1. Is reasonable for the services rendered and conforms to the established written policy of the school district consistently applied to both federal and non-federal activities; and
2. Follows an appointment made in accordance with a school district’s written policies and meets the requirements of federal statute, where applicable.

Unless an arrangement is specifically authorized by a federal awarding agency, a school district must follow its written non-federal, ~~entity-wide~~entity-wide policies and practices concerning the permissible extent of professional services that can be provided outside the school district for non-organizational compensation.

B. Compensation – Fringe Benefits

1. During leave.

The costs of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, family-related leave, sick leave, holidays, court leave, military leave, administrative leave, and other similar benefits, are allowable if all of the following criteria are met:

- a. They are provided under established written leave policies;
- b. The costs are equitably allocated to all related activities, including federal awards; and
- c. The accounting basis (cash or accrual) selected for costing each type

of leave is consistently followed by the school district.

2. The costs of fringe benefits in the form of employer contributions or expenses for social security; employee life, health, unemployment, and worker's compensation insurance (except as indicated in 2 Code of Federal Regulations section C.F.R. § 200.447(d)); pension plan costs; and other similar benefits are allowable, provided such benefits are granted under established written policies. Such benefits must be allocated to federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such federal awards and other activities and charged as direct or indirect costs in accordance with the school district's accounting practices.
 3. Actual claims paid to or on behalf of employees or former employees for workers' compensation, unemployment compensation, severance pay, and similar employee benefits (e.g., post-retirement health benefits) are allowable in the year of payment provided that the school district follows a consistent costing policy.
 4. Pension plan costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with the written policies of the school district.
 5. Post-retirement costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the school district.
 6. Costs of severance pay are allowable only to the extent that, in each case, severance pay is required by law; employer-employee agreement; established policy that constitutes, in effect, an implied agreement on the school district's part; or circumstances of the particular employment.
- C. Insurance and Indemnification. Types and extent and cost of coverage are in accordance with the school district's policy and sound business practice.
- D. Recruiting Costs. Short-term, travel visa costs (as opposed to longer-term, immigration visas) may be directly charged to a federal award, so long as they are:
1. Critical and necessary for the conduct of the project;
 2. Allowable under the cost principles set forth in the Uniform Grant Guidance;
 3. Consistent with the school district's cost accounting practices and school district policy; and

4. Meeting the definition of “direct cost” in the applicable cost principles of the Uniform Grant Guidance.
- E. Relocation Costs of Employees. Relocation costs are allowable, subject to the limitations described below, provided that reimbursement to the employee is in accordance with the school district’s reimbursement policy.
- F. Travel Costs. Travel costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the school district’s non-federally funded activities and in accordance with the school district’s reimbursement policies.

Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the school district in its regular operations according to the school district’s written reimbursement and/or travel policies.

In addition, when costs are charged directly to the federal award, documentation must justify the following:

1. Participation of the individual is necessary to the federal award; and
2. The costs are reasonable and consistent with the school district’s established travel policy.

Temporary dependent care costs above and beyond regular dependent care that directly results from travel to conferences is allowable provided the costs are:

1. A direct result of the individual’s travel for the federal award;
2. Consistent with the school district’s documented travel policy for all school district travel; and
3. Only temporary during the travel period.

[Note: Noncompliance. If a school district fails to comply with federal statutes, regulations, or the terms and conditions of a federal award, the DOE or MDE may impose additional conditions, as described in 2 Code of Federal Regulations section C.F.R. § 200.207 (Specific Conditions). If the DOE or MDE determines that noncompliance cannot be remedied by imposing additional conditions, the DOE or MDE may take one or more of the following actions, as appropriate under the circumstances: 1) Temporarily withhold cash payments pending correction of the deficiency by the school district or more severe enforcement action by the DOE or MDE; 2) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance; 3) Wholly or partly suspend or terminate the

federal award; 4) Initiate suspension or debarment proceedings as authorized under 2 Code of Federal Regulations ~~C.F.R.~~ Part 180 and DOE regulations (or, in the case of MDE, recommend such a proceeding be initiated by the DOE); 5) Withhold further federal awards for the project or program; and/or 6) Take other remedies that may be legally available.]

- Legal References:**
- 2 C.F.R. § 200.1~~2~~ (~~Definitions~~; Capital Assets)
 - 2 C.F.R. § 200.112 (Conflict of Interest)
 - 2 C.F.R. § 200.113 (Mandatory Disclosures)
 - 2 C.F.R. § 200.205(d) (Federal Awarding Agency Review of Risk Posed by Applicants)
 - 2 C.F.R. § 200.21~~4~~2 (Suspension and Debarment)
 - 2 C.F.R. § 200.300(b) (Statutory and National Policy Requirements)
 - 2 C.F.R. § 200.302 (Financial Management)
 - 2 C.F.R. § 200.303 (Internal Controls)
 - 2 C.F.R. § 200.305(b)(1) (~~Federal~~ Payment)
 - 2 C.F.R. § 200.310 (Insurance Coverage)
 - 2 C.F.R. § 200.311 (~~Federally-Owned and Exempt~~~~Real~~ Property)
 - 2 C.F.R. § 200.313(d) (Equipment)
 - 2 C.F.R. § 200.314 (Supplies)
 - 2 C.F.R. § 200.315 (Intangible Property)
 - 2 C.F.R. § 200.318 (General Procurement Standards)
 - 2 C.F.R. § 200.319(c) (Competition)
 - 2 C.F.R. § 200.320 (Methods of Procurement to be Followed)
 - 2 C.F.R. § 200.321 (Contracting with Small and Minority Businesses, Women’s Business Enterprises, and Labor Surplus Area Firms)
 - 2 C.F.R. § 200.328 (~~Financial~~~~Monitoring~~~~and~~ Reporting~~Program~~ Performance)
 - 2 C.F.R. § 200.33~~9~~8 (~~Remedies for Noncompliance~~)
 - 2 C.F.R. § 200.403(c) (Factors Affecting Allowability of Costs)
 - 2 C.F.R. § 200.430 (Compensation – Personal Services)
 - 2 C.F.R. § 200.431 (Compensation – Fringe Benefits)
 - 2 C.F.R. § 200.447 (Insurance and Indemnification)
 - 2 C.F.R. § 200.463 (Recruiting Costs)
 - 2 C.F.R. § 200.464 (Relocation Costs of Employees)
 - 2 C.F.R. § 200.47~~4~~3 (Transportation Costs)
 - 2 C.F.R. § 200.47~~5~~4 (Travel Costs)

- Cross References:**
- MSBA/MASA Model Policy 208 (Development, Adoption, and Implementation of Policies)
 - MSBA/MASA Model Policy 210 (Conflict of Interest – School Board Members)
 - MSBA/MASA Model Policy 210.1 (Conflict of Interest – Charter School Board Members)
 - MSBA/MASA Model Policy 412 (Expense Reimbursement)
 - MSBA/MASA Model Policy 701 (Establishment and Adoption of School District Budget)

MSBA/MASA Model Policy 701.1 (Modification of School District
Budget)
MSBA/MASA Model Policy 702 (Accounting)
MSBA/MASA Model Policy 703 (Annual Audit)

Date Adopted: 7/19/2021	File Number: Detroit Lakes Policy – 726
Date Revised:	

726 USE OF ELECTRONIC SIGNATURES TO CONDUCT OFFICIAL BUSINESS

I. PURPOSE

The purpose of this policy is to document the school board’s desire to allow school district representatives to send and accept electronic signatures for the purpose of conducting official business to the extent permitted by law and to outline the extent to which the school district will send, accept, and rely on electronic signatures.

II. GENERAL STATEMENT OF POLICY

The school board delegates to the Superintendent and the Superintendent’s delegee the authority to determine the extent to which the School District will send, accept, and otherwise create, generate, communicate, store, process, use, and rely upon electronic signatures to and from other persons. For an electronic transaction to be valid, each party must agree to conduct the transaction electronically. If a law prohibits a transaction from occurring electronically, the transaction must occur in the manner specified by law.

III. DEFINITIONS

- A. Authentication. Authentication means the process used to ascertain the identity of a person or the integrity of specific information. Authentication ensures that the user applying an electronic signature is in fact who they say they are and is authorized to sign.
- B. Electronic signature. Electronic signature means a digital or digitized signature made by electronic sound, symbol or process that is attached to or logically associated with a record and that is executed or adopted with the intent to sign the record.
- C. Transaction. Transaction means an action or set of actions occurring between two or more persons relating to the conduct of business, commercial, or governmental affairs.

IV. GENERAL STANDARDS

- A. This policy shall only apply to transactions between the District and parties that have consented to conduct transactions by electronic means. Consent to conduct transactions by electronic means is determined from the context of the transaction

and surrounding circumstances, including the parties' conduct.

- B. An electronic signature is attributable to a person if it was the act of the person. The act of the person may be shown in any manner, including a showing of the efficacy of any authentication or other security procedure the District applies to determine the person to which the electronic signature was attributable. The effect of an electronic signature shall be determined from the context and surrounding circumstances at the time of its creation, execution, or adoption, including the parties' agreement to engage in an electronic transaction, if any.
- C. Electronic signatures shall be retained with their associated records according to the school district's regular records retention schedule.

V. AUTHORITY AND RESPONSIBILITIES

- A. The Superintendent and the Superintendent's delegee is delegated authority to determine the extent to which the school district will accept and use electronic signatures to facilitate transactions involving official school district business.
- B. The Superintendent shall adopt and implement all system procedures necessary to accept and use electronic signatures to the extent determined by the Superintendent. The District's system procedures shall be developed in consultation with other appropriate District personnel and shall ensure that all legal requirements are met. Any potential operational risk associated with the use of an electronic signature must be offset by the anticipated benefit of receiving electronic signatures. Consistent with Minnesota law, these system procedures may specify:
 - 1. The manner and format in which the electronic records attached to the electronic signatures will be created, generated, sent, communicated, received, and stored and the systems established for those purposes;
 - 2. The type of electronic signature required, the manner and format in which the electronic signature must be affixed to the electronic record, and the identity of, or criteria that must be met by, any third party used by a person filing a document to facilitate a transaction;
 - 3. Control processes and procedures that will ensure adequate preservation, disposition, integrity, security, confidentiality, and auditability of electronic records; and
 - 4. Any other required attributes for electronic records which are specified for corresponding nonelectric records or reasonably necessary under the circumstances.
- C. Nothing in this policy is intended to authorize any individual to provide an electronic signature on behalf of the school board or school district, unless he or

she has been granted such authority pursuant to a delegation of authority by the school board, a specific school board policy, or a law.

- D. The District may maintain official records in an electronic format provided that the relevant record retention schedule is updated to reflect electronic record management and the electronic records are trustworthy, complete, accessible, and

Legal References: Minn. Stat. § 325L.01 *et. Seq.* (Uniform Electronic Transactions Act)
Minn. Stat. § 123B.09, Subd. 1 (School Boards Powers)
Minn. Stat. § 123B.02, Subd. 1 (School District Powers)
Minn. Stat. § 15.17 (Official Records)
SN4, LLC v. Anchor Bank, fsb, 848 N.W. 2d 559, 562 (Minn. App. 2014)

Date Adopted: 07/14/2008	File Number: Detroit Lakes Policy - 790
Date Revised: 05/20/2019	

790 – CREDIT CARD USE

- I.** The ISD #22 Detroit Lakes School Board annually shall authorize the Superintendent and/or Business Manager to make credit card purchases on behalf of the school district. With this authorization, the Superintendent and/or Business Manager may designate any employee who is otherwise authorized and approved to make purchases on behalf of the district the right to use a school credit card.

- II.** No personal use of a school credit card is permitted. If a district employee makes or directs a purchase by school district credit card that is not approved by the school board, the employee is personally liable for the amount of the purchase. They may also face disciplinary consequences. A purchase by school credit card must otherwise comply with all statutes, rules, or district policy applicable to school district purchases.

Legal References: Minn. Stat. 123B.02, Subd. 23 (Credit Cards)

Date Adopted: February 11, 2019 (new)	File Number: Detroit Lakes Policy - 791
Date Revised:	

#791 DISTRICT PROVIDED CELL PHONE GUIDELINES

I. COVERAGE

These guidelines and its appended procedures apply to all employees issued a District owned cell phone.

II. BACKGROUND

The District has determined that use of a cell phone or smartphone (hereinafter referred to as cell phone unless otherwise stated) will contribute to the overall effectiveness of business communication and increase the safety of staff while away from their offices. Cell phones provide mobile voice and/or data communication services (e.g., email, text, internet access). The additional communication cost of District cell phones is significant; therefore, issuance and use of this equipment is limited to specific staff whose programmatic responsibilities require these devices for effective job performance. The District Business Office administers cell phone assignment and Information Technology administers the plans. These guidelines are intended to provide cell phone usage procedures for employees.

III. GUIDELINES

District cell phones are issued to employees for the purpose of conducting official District business. Cell phones and all cell phone features shall be used in accordance with these guidelines and the District Technology Acceptable Use Policy #524. This includes voice, text, data and camera capabilities. Examples of official District business use include: contacting a family while in the field or phoning a supervisor while in the field, coordinating a meeting with a colleague while traveling between District offices, or checking work voice mail or email while on official travel or in training.

Employees are allowed limited, de minimis personal use of cell phones. This personal use must not:

- 1) result in the loss of work productivity, 2) interfere with official duties, 3) result in additional expense to the School District, or 4) violate the Standards of Employee Conduct.
 - De Minimis Personal Use: Minimal use of the cell phone for personal reasons in emergency situations further explained in General Procedures. Personal use should be on an irregular basis for a short (e.g., 2-3 minutes) conversation.

District cell phones may be issued to employees whose responsibilities include frequent work communication while on travel and/or away from their permanent workstation, or where landline telephone service is not available.

Requests for cell phones must be made from the overseeing Administrator to the Business Manager. The Business Manager will communicate approved cell phone requests to Information Technology. Cell phones may be denied based on District funds availability, determined lack of need, an employee's prior misuse of District resources or for any other reason as determined by the District.

Cell phones are official District property. Employees are responsible for proper safeguarding of their assigned cell phone device. Employees must reimburse the District if improper or negligent care leads to damage or loss of a cell phone.

The use of District cell phones to place calls while driving is generally prohibited. However, cell phones equipped with a built in hands-free device must be used for mobile voice calls in critical and time sensitive situations as allowed under law. Examples of critical and time sensitive situations include but are not limited to, being late for a scheduled meeting. The use of District cell phones to text message, check email or browse the internet while driving is strongly prohibited.

District employees with cell phones are not authorized to make any changes to their District cell phone service or account. Information Technology is the only authorized agent to make any changes to the District cell phone accounts or services with the cell phone service provider.

The use of a District cell phone is a privilege, not a right. Depending on the nature and degree of any violation(s) and the number of previous violations, unacceptable use of District issued cell phones may result in one or more of the following consequences: removal of access privileges; payments for loss, damages and repairs; discipline under other appropriate District policies, including but not limited to: written reprimand, suspension or termination of employment; or civil or criminal liability under other applicable laws.

Employees separating from the District must return their cell phone to Information Technology. Failure of a separating employee to return an assigned cell phone device may result in a deduction from the employee's final paycheck.

APPENDIX A

GENERAL PROCEDURES

A. Requesting a District Cell Phone.

To request a District cell phone, the overseeing Administrator will submit a written request (e-mail or memo) to the Business Manager. The request must contain the designated employee's name, position, office location, and the reason a cell phone is needed for job performance. If the cell phone request is approved, the Business Manager will inform Information Technology who will arrange for issuance of the approved cell phones and smartphones, respectively, to the employee.

B. Issuance of District Cell Phones.

Information Technology is responsible for administering all District cell phones including proper recording in Follet prior to issuance.

A list of cellphones issued will be maintained by the Information Technology. The list will contain the cellphone "ESN" number; unit status (issued, turned in, discontinued) and the employee's name.

Information Technology will create an Apple ID for the phone and create the four-digit passcode. If the passcode is changed, the new passcode shall be given to Information Technology. The device is required to have a passcode as it is being used for District business and may have protected data on it. Fingerprint access in combination with the passcode is permissible.

Information Technology will notify the employee approved to receive a cell phone when the device is ready for pick-up. Cell phones will not be issued to alternate employees or sent via interoffice mail. The cell phone will be issued to the approved employee with case and charger. The employee will be required to sign the Cell Phone Procedures Memorandum for receipt of the phone and accessories, and certify that he/she has received, read, and understands these Guidelines.

C. Personal Use.

De Minimis and Emergency Use

Employees are permitted *de minimis* personal use only of the District cell phone, except in cases of a personal emergency, in which case extended use is temporarily permitted. An example of a personal emergency would be vehicle mechanical problems or concerns for his/her personal safety. All calls made for emergency reasons should be documented in writing and retained by the employee for potential future inquiry. Excessive personal use of a District cell phone is making daily or regular calls for any reason to family members or friends under non-emergency circumstances.

D. Proper Care and Repair.

The District cell phone and its accessories are defined as official government property. Therefore, employees are responsible for proper care of the phones and accessories. Proper care means that the cell

phones and accessories are maintained in the condition in which they were issued, absent normal wear. Upon separation from the District or reassignment to a new position within the District that does not require a District cell phone; the device and accessories must be returned immediately to Information Technology.

E. Cell Phone Loss or Theft.

Employees are responsible for proper care and safeguarding of the cell phone. Employees assigned cell phones should maintain the phone on their person at all times during duty hours or, if the cell phone is not in use, maintain the cell phone out of sight. If an employee is charging the cell phone at his/her desk, the cell phone shall not be left unattended without proper safeguards against loss or theft. At all times, the employee must safeguard the cell phone against loss or theft.

If the District cell phone is lost or stolen, the employee must contact Information Technology as soon as possible.

In cases of theft, the employee must complete and file a Police Report and provide a copy of the Official Police Report and a completed District Stolen Property Report and submit it through his or her chain of command to the Business Office.

The Business Manager, Information Technology Coordinator and the Administrator overseeing the cell phone holder will review each instance of a lost or stolen cell phone to determine whether the loss of the device was a result of gross negligence or reckless conduct on the part of the employee. If gross negligence or reckless conduct is determined, the employee will be required to reimburse the District the replacement cost of the phone. As stated, the replacement cost will be determined by the repair provider. If the employee is determined to be responsible for the loss or theft, the Business Office will notify the employee in writing, with a copy to the employees Supervisor. Employees may appeal the decision by submitting a written appeal to the Business Manager within five (5) workdays of receipt of notification.

If the employee is determined to not be responsible for the loss, Information Technology Coordinator will order a replacement phone at no cost to the employee.

Reporting Cell Phone Loss or Theft

Step 1: As soon as possible, you must notify Information Technology ext. 1119 or email the help desk, that your phone is lost or stolen.

Step 2: As soon as possible, you must notify your Administrator explaining the circumstances of the lost or stolen phone.

Step 3: Your explanation and other documentation, i.e. Police Report, will be reviewed and District Officials will ascertain whether you must pay for a replacement phone at the retail cost as determined by the contractor. The determination will be based on the explanation provided to the overseeing Administrator and whether the loss was in part or entirely due to your failure to properly safeguard District property.

Cell Phone Damages

Should your cell phone be damaged and require repair, you must hand-deliver the phone to the Information Technology office at the District Office with a written explanation of the damage. Please do not use inter-office mail to transmit the phone. If the problem can be repaired, Information Technology will ship it to vendor for repair. The repair process could be a minimum of two weeks. Information Technology will notify you via e-mail when your phone is ready for pick up.

To request repair services for damaged or non-operational cell phones, the employee must deliver the cell phone to Information Technology, with a written description of the problems. If the repair service provider determines that the cell phone cannot be repaired, a replacement cell phone will be provided. If it is determined the damage was caused by the employee, the retail cost of the replacement phone as determined by the provider will be charged to the employee. The employee may appeal payment of this cost by submitting a memorandum of explanation to the Business Office within five (5) workdays of notification of the charge.

F. Cell Phone Invoice Review.

The Information Technology staff is responsible for administration of District cell phones and will forward monthly cell phone invoices to the overseeing Administrator to review for accuracy and appropriate cell phone use. The District shall take prompt corrective action on any inappropriate information on the invoice. Cell phone use or charges for an employee that may be inappropriate include abnormally large number of cell phone voice minutes, repeated calls to the same phone number, significant usage before or after regular duty hours or on weekends, and excessive text messaging and/or data usage.

Invoices with questionable employee cell phone use will be forwarded to the employee with a request for an explanation from the employee. Within five (5) workdays of receipt, the employee must explain the usage, highlighting all personal calls and/or text messages, in a written memorandum submitted through his/her chain of command. The District will seek reimbursement for excessive cell phone use if deemed appropriate. Such reimbursement will be requested in writing to the employee, and the employee may appeal the determination to the Business Manager within five (5) workdays of receipt.

Information Technology and Administrators will report suspected or repeated violations of the cell phone guidelines to the overseeing Administrator and/or Business Office.

G. Low Usage Cell Phones.

Information Technology staff will periodically review vendor invoices and other cell phone reports to identify employees with "zero or limited" usage on their cell phones. If a cell phone is determined to have "zero or limited" usage, the overseeing Administrator will investigate. Absent a response with adequate justification, Information Technology will cancel services with the cell phone vendor and retrieve the cell phone device from the employee.

If your employment is interrupted by extended sick or annual leave, for a period of 6 weeks or more, you must report your situation to Information Technology. Your phone service may be suspended while you are not on official duty.

H. Cell Phone Accessories.

The District may provide a case and charger, for your cell phone. You may obtain other accessories at your own expense.

I. Text Messaging.

Text messaging on a District cell phone is restricted to official District business only. It is considered as cell phone usage and has the same restrictions as making calls.

J. Data Usage.

Browsing the internet and App utilization on a District cell phone is restricted to official District business only. Only business related Apps should be loaded on the device.

K. Use of Cell Phone Camera.

The camera on a District cell phone is restricted to official District business only.

L. Separation from District.

When an employee voluntarily separates from the District, all District issued cell phones must be returned to Information Technology.

When an employee is involuntarily separated, their immediate supervisor must collect cell phone and cell phone accessories purchased by the District and ensure the items are returned to Information Technology.

APPENDIX B

EMPLOYEE CELL PHONE ACKNOWLEDGEMENT

MEMORANDUM

To: Employee Name:
Cell Phone:
From: Ryan Tangen, Business Manager
Subject: Cell Phone Acknowledgement

Based on your assigned work duties, you have been issued a cell phone for official District use. The District Guidelines for use of the assigned cell phone and your responsibility for safeguarding it, are described in the attached documents. Please read the guidelines carefully and sign this acknowledgement. Your signature on this acknowledgement certifies that you understand and agree to comply with all the rules and guidelines governing use of this cell phone.

Employee Acknowledgement

My signature below certifies that I have read the above rules, guidelines and procedures and agree to abide by them. I understand that if I violate these rules, guidelines or procedures, I may be referred for a misconduct investigation and/or be held fiscally responsible for my actions. If I have any questions regarding any aspect of these procedures, I will contact the Business Office for clarification.

Signature: _____ Date: _____

Printed Name: _____

Program/Building: _____

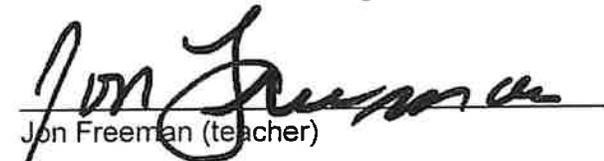
MEMORANDUM OF UNDERSTANDING

Re: Jon Freeman- HS Ag Teacher

WHEREAS, Independent School District (ISD) #22, Education Minnesota- Detroit Lakes (EMDL) and teacher, Jon Freeman (hereinafter referred to as Mr. Freeman) are interested in entering into a mutual agreement for purposes of maintaining Mr. Freeman's current daily rate of pay, and

NOW, THEREFORE BE IT HEREBY AGREED by ISD #22, and Mr. Freeman mutually agree to the following:

1. Mr. Freeman's TRA retirement date has been recorded as December 1, 2023.
2. Mr. Freeman will continue to teach HS Ag classes from December 2-December 15, 2023, as an annuitant substitute teacher.
3. EMDL Contract states in Section 607. Substitutes; that teachers will be placed on the appropriate step and lane after 30 days of subbing for the same absent teacher.
4. The current annuitant substitute teacher daily rate of pay is \$145.
5. ISD #22 wishes to waive the 30 day substitute requirement and compensate Mr. Freeman at his current daily rate of \$439.97, in recognition of his teaching contract August-December 2023, in the same assignment.
6. This agreement does not set a precedent for future similar situations in ISD #22.
7. The terms of this agreement shall commence upon all signatures received.
8. The terms of this agreement shall expire on December 16, 2023.


Jon Freeman (teacher)

11-29-2023
Date


EMDL President

12-11-2023
Date

ISD #22 Representative

Date

Thank you, Mr. Freeman!

DETROIT LAKES
LAKERS



2023 Winter Coaches

Girls Basketball:

Rachel Johnson: Head Coach
Josh Bettcher: Head Coach
David Hutchinson: Assistant Coach
Kris Swenson: Assistant Coach
Mary Kvebak: 9th Grade Coach
McKenzie Oistad: Middle School Coach
Ben Aastuen: Middle School Coach
Garrett Jensen: Middle School Coach
Robb Flint: Middle School Coach

Boys Basketball:

Brett Maass: Head Coach
Austin Dodd: Assistant Coach
Braeden Hogie: Assistant Coach
Grant Pederson: Volunteer
Keith Eckhoff: 7th Grade Coach
Ben Aastuen: 7th Grade Coach
Graham Newman: 8th Grade Coach
Garrett Jensen: Middle School Coach

Wrestling:

Taylor Nein: Head Coach
Casey Berntson: Assistant Coach
Nate Weber: Middle School Coach
Mikel Renteria: Middle School Coach

Swimming:

Will Blasczyk: Head Coach
Bobbi Jo Koons: Assistant Coach

Gymnastics:

Leesa Lindgaard: Head Coach
Steve Zazmo: Assistant Coach
Emma Disse: Assistant Coach
Hanna Nosal: Middle School Coach

Nordic Ski:

Dan Josephson: Head Coach
Kellie Wolf: Assistant Coach
Nikki Caulfield: Volunteer

Dance:

Britton Ramsey: Head Coach
Hailey Brower: Assistant Coach
Maddy Ramsey: Middle School Coach
Julie Wake: Middle School Coach
Lexi Vanmaldegham: Middle School Coach

One Act Play:

Nikki Caulfield: Director

Boys Hockey:

Ben Noah: Head Coach
Mike Miller: Assistant Coach
Tanner Lane: Assistant Coach
Cody Einerson: Assistant Coach

Girls Hockey:

Gretchen Norby: Head Coach
Austin Fritz: Assistant Coach

Speech:

Jennifer Burnside: Head Coach
Sheila Helgeson: Assistant Coach

Speed & Strength:

Reed Hefta: Coordinator
Matt Jensen: Coach

DATE: December 11, 2023

TO: Mark Jenson, Superintendent and Board of Education

FROM: Jason Kuehn, Director of Finance and Operations

SUBJECT: **Annual Inventory of Fixed Assets Report**

School Board Policy 704 requires a report of annual inventory of fixed assets of the School District. Fixed assets are generally those individual items of \$10,000 or more in value or construction projects of \$50,000 or more in value. Items or projects less than these amounts are expensed in the year they are purchased. Items that exceed the thresholds are capitalized, or added to the balance sheet, and depreciated over time.

Depreciation allows the readers of our annual financial statements to understand the value of our capital assets and is not the amount of cash being paid each year for an item. Most items, outside of land, are depreciated using a method based on estimated useful life.

If items are disposed or sold off, they are removed from the fixed assets inventory that year. Attached is a report that summarizes the fixed assets starting values, additions, and disposal amounts for the 2022-23 school year.

cc: Colin Gedrose

SMART Finance
Fixed Asset Schedule
FY 2023

Category	Cost 7/1/2022	Additions	Disposal Cost	Cost 6/30/2023	Accumulated Depreciation 7/1/2022	Current Yr Depreciation Expense	Disposed Total Depreciation	Accumulated Depreciation 6/30/2023
Land - 140								
Land	720,914.16	0.00	0.00	720,914.16	720,914.16	0.00	0.00	720,914.16
Total - 140	720,914.16	0.00	0.00	720,914.16	720,914.16	0.00	0.00	720,914.16
Land Improvements - 141								
Site Improvements	4,701,696.76	0.00	0.00	4,701,696.76	1,552,561.41	210,809.13	0.00	1,763,370.54
Total - 141	4,701,696.76	0.00	0.00	4,701,696.76	1,552,561.41	210,809.13	0.00	1,763,370.54
Buildings - 142								
Building Construction-Interior	597,563.66	0.00	0.00	597,563.66	183,942.38	23,902.55	0.00	207,844.93
Electrical	77,520.61	0.00	0.00	77,520.61	14,214.94	2,583.76	0.00	16,798.70
HVAC Systems	1,267,696.87	69,923.00	0.00	1,337,619.87	528,760.46	65,132.92	0.00	593,893.38
Plumbing	111,364.19	0.00	0.00	111,364.19	15,689.05	3,711.75	0.00	19,400.80
Roofing	185,068.25	518,377.83	0.00	703,446.08	150,451.34	22,212.87	0.00	172,664.21
School Buildings	58,268,487.86	32,987,504.00	0.00	91,255,991.86	18,267,378.96	1,435,331.70	0.00	19,702,710.66
Total - 142	60,507,701.44	33,575,804.83	0.00	94,083,506.27	19,160,437.13	1,552,875.55	0.00	20,713,312.68
Equipment - 143								
Athletic Equipment	81,380.98	0.00	0.00	81,380.98	80,729.98	651.00	0.00	81,380.98
Audio Visual Equipment	1,199,302.59	69,536.15	37,654.38	1,231,184.36	592,859.03	106,415.26	37,654.38	661,619.91
Communication Equipment	75,951.00	0.00	75,951.00	0.00	75,951.00	0.00	75,951.00	0.00
Computer Hardware	1,373,774.25	0.00	0.00	1,373,774.25	137,377.43	274,754.85	0.00	412,132.28
Admin Software Short Term	76,804.00	0.00	0.00	76,804.00	70,958.50	1,299.00	0.00	72,257.50
Custodial Equipment	204,079.05	10,793.00	0.00	214,872.05	53,154.18	13,965.45	0.00	67,119.63
Outdoor Equipment	206,682.83	0.00	0.00	206,682.83	172,069.00	4,488.75	0.00	176,557.75
Furniture & Accessories	117,734.85	0.00	0.00	117,734.85	63,948.56	4,454.44	0.00	68,403.00
Grounds Equipment	427,473.84	0.00	29,300.58	398,173.26	274,410.76	15,496.57	21,487.43	268,419.90
Kitchen Equipment	280,848.16	0.00	23,346.89	257,501.27	192,575.49	10,187.81	23,346.89	179,416.41
Machine & Tools	126,380.01	42,999.89	0.00	169,379.90	38,691.71	9,858.09	0.00	48,549.80
Musical Instruments	12,852.27	0.00	0.00	12,852.27	12,852.27	0.00	0.00	12,852.27
Buses, other on-road vehicles	908,008.88	117,543.02	60,961.38	964,590.52	633,913.58	86,012.15	60,961.38	658,964.35
Total - 143	5,091,272.71	240,872.06	227,214.23	5,104,930.54	2,399,491.49	527,583.37	219,401.08	2,707,673.78
Totals for Report:	71,021,585.07	33,816,676.89	227,214.23	104,611,047.73	23,833,404.19	2,291,268.05	219,401.08	25,905,271.16



Detroit Lakes Public Schools Annual Inventory of Fixed Assets

2022-23 School Year

Definition

- Items with a useful life beyond one school year
- Cost greater than \$10,000 per individual item
- Land purchases or construction/remodeling projects greater than \$50,000
 - Does not include Construction in Progress



Process

- Inventory is tracked in our financial software system
 - Additions in 2023 totaled (\$33.8 Million)
- Depreciation
 - Provides an understanding of value of our current assets
 - Straight line depreciation applied in relation to the useful life of the asset (except land)
- Disposals
 - Removed from balance sheet
 - Disposals in 2023 totaled (\$227,000)



Land

Beginning Balance	\$720,914
Additions	\$0
Disposals	\$0
Ending Balance	\$720,914



Land Improvements

Beginning Balance	\$4,701,697
Additions	\$0
Disposals	\$0
Ending Balance	\$4,701,697



Buildings

Beginning Balance	\$60,507,701
Additions	\$33,575,805
Disposals	\$0
Ending Balance	\$94,083,506



Equipment

Beginning Balance	\$5,091,273
Additions	\$240,872
Disposals	\$227,214
Ending Balance	\$5,104,931



Detroit Lakes Public Schools Annual Inventory of Fixed Assets

2022-23 School Year

Date Adopted: 05/11/98	File Number: Detroit Lakes Policy - 801
Date Revised: 02/09/04; 06/12/06	

801 - EQUAL ACCESS TO SCHOOL FACILITIES

I. PURPOSE

The purpose of this policy is to implement the Equal Access Act by granting equal access to elementary and secondary school facilities for students who wish to conduct a meeting for religious, political, or philosophical purposes during noninstructional time.

II. GENERAL STATEMENT OF POLICY

- A. It is the policy of this school district not to deny equal access or a fair opportunity to, or to discriminate against, any students who wish to conduct a meeting, on the basis of the religious, political, philosophical, or other content of the speech at such meetings.
- B. The school board has created a limited open forum for students enrolled in elementary and secondary schools during which noncurriculum-related student groups shall have equal access and a fair opportunity to conduct meetings during noninstructional time.
- C. Student use of facilities under this policy does not imply school district sponsorship, approval, or advocacy of the content of the expression at such meetings.
- D. The school district retains its authority to maintain order and discipline on school premises, to protect the well-being of students and faculty, and to assure that attendance of students at meetings is voluntary.
- E. In adopting and implementing this equal access policy, the school district will NOT:
 - 1. influence the form or content of any prayer or other religious activity;
 - 2. require any person to participate in prayer or other religious activity;
 - 3. expend public funds beyond the incidental cost of providing the space for student-initiated meetings;

4. compel any school agent or employee to attend a school meeting if the content of the speech at the meeting is contrary to the beliefs of the agent or employee;
5. sanction meetings that are otherwise unlawful;
6. limit the rights of groups of students based on the size of the group;
7. abridge the constitutional rights of any person.

III. DEFINITIONS

- A. “Limited open forum” means that the school grants an offering to or opportunity for one or more noncurriculum related student groups to meet on school premises during noninstructional time.
- B. “Elementary school” means any school with enrollment of pupils ordinarily in grades K through 5 or any portion thereof.
- C. “Secondary school” means any school with enrollment of pupils ordinarily in grades 6 through 12 or any portion thereof.
- D. “Sponsorship” includes the act of promoting, leading, or participating in a meeting. The assignment of a school employee for custodial, observation, or maintenance of order and discipline purposes does not constitute sponsorship of the meeting.
- E. “Meeting” includes activities of student groups which are permitted under a limited open forum and are not directly related to the school curriculum. Distribution of literature does not constitute a meeting protected by the Equal Access Act.
- F. “Noninstructional time” means time set aside by the school before actual classroom instruction begins or after actual classroom instruction ends, including such other periods that occur during the school day when no classroom instruction takes place.

IV. FAIR OPPORTUNITY CRITERIA

Schools in this school district shall uniformly provide that:

- A. A meeting held pursuant to this policy is voluntary and student-initiated;
- B. There is no sponsorship of the meeting by the school or its agents or employees;
- C. Employees or agents of the school are present at religious meetings only in a nonparticipatory capacity:

- D. The meeting does not materially and substantially interfere with the orderly conduct of educational activities within the school; and
- E. Nonschool persons may not direct, control, or regularly attend activities of student groups.

V. PROCEDURES

- A. Any student who wishes to initiate a meeting under this policy shall apply to the principal of the building at least 48 hours in advance of the time of the activity or meeting. The student must agree to the following:
 - 1. All activities or meetings must comply with existing policies, regulations, and procedures that govern operation of school-sponsored activities.
 - 2. The activities or meetings are voluntary and student-initiated. The principal may require assurances of this fact.
- B. Student groups meeting under this policy must comply with the following rules:
 - 1. Those attending must not engage in any activity that is illegal, dangerous, or which materially and substantially interferes with the orderly conduct of the educational activities of the school. Such activities shall be grounds for discipline of an individual student and grounds for a particular group to be denied access.
 - 2. The groups may not use the school name, school mascot name, school emblems, the school district name, or any name that might imply school or district sponsorship or affiliation in any activity, including fundraising and community involvement.
 - 3. The groups must comply with school policies, regulations and procedures governing school-sponsored activities.
- C. Students applying for use of school facilities under this policy must provide the following information to the principal: time and date of meeting, estimated number of students in attendance, and special equipment needs.
- D. The building principal has responsibility to:
 - 1. Keep a log of application information;

2. Find and assign a suitable room for the meeting or activity. The number of students in attendance will be limited to the safe capacity of the meeting space.
 3. Note the condition of the facilities and equipment before and after use.
 4. Assure proper supervision. Assignment of staff to be present in a supervisory capacity does not constitute school district sponsorship of the meeting or activity.
 5. Assure that the meeting or activity does not interfere with the school's regular instructional activities.
- E. The school district shall not expend public funds for the benefit of students meeting pursuant to this policy beyond the incidental cost of providing space. The school district will provide no additional or special transportation.
- F. Nonschool persons may not direct, conduct, control, or regularly attend meetings and activities held pursuant to this policy.
- G. School district employees or agents may not promote, lead, participate in, or otherwise sponsor meetings or activities held pursuant to this policy.
- H. A copy of this policy and procedures shall be made available to each student who initiates a request to use school facilities.

Legal References: 20 U.S.C. §§ 4071-74 (Equal Access Act)
20 U.S.C. § 7905 (Boy Scouts of America Equal Access Act).
[Board of Educ. of Westside Community Schools v. Mergens, 496 U.S. 226 \(1991\)](#)

Cross References: MSBA/MASA Model Policy 902 (Use of School District Facilities and Equipment)
~~MSBA Service Manual, Chapter 13, School Law Bulletin "O" (Equal Access Act)~~

Date Adopted: 05/11/98	File Number: Detroit Lakes Policy - 802
Date Revised: 8/11/03; 06/12/06; 03/09/2009, 5/10/10, <u>01/22/24</u>	

802 - DISPOSITION OF OBSOLETE EQUIPMENT AND MATERIAL

[The provisions of this policy substantially reflect statutory requirements.]

I. PURPOSE

The purpose of this policy is to provide guidelines for the superintendent to assist in timely disposition of obsolete equipment and material.

II. GENERAL STATEMENT OF POLICY

Effective use of school building space, and consideration for safety of personnel, will at times require disposal of obsolete equipment and material.

III. DEFINITIONS

- A. “Contract” means an agreement entered into by the school district for the sale of supplies, materials or equipment.
- B. “Official newspaper” is a regular issue of a qualified legal newspaper.

IV. MANNER OF DISPOSITION

A. Authorization.

The superintendent shall be authorized to dispose of obsolete equipment and materials by selling it at a fair price consistent with the procedures outlined in this policy. Any sale exceeding the minimum amount for which bids are required must first be specifically authorized by the school board. The superintendent shall be authorized to properly dispose of used books, materials and equipment deemed to have little or no value.

B. Contracts over \$~~17500~~,000

- 1. If the value of the equipment or materials is estimated to exceed \$~~17500~~,000, sealed bids shall be solicited by two weeks’ published notice in the official newspaper. This notice shall state the time and place of receiving bids and contain a brief description of the subject matter. Additional publication in the official newspaper or elsewhere may be made as the school board shall deem necessary.

2. The sale shall be awarded to the highest responsible bidder, be duly executed in writing, and be otherwise conditioned as required by law.
3. A record shall be kept of all bids, with names of bidders and amounts of bids, and an indication of successful bid. A bid containing an alteration or erasure of any price contained in the bid which is used in determining the highest responsible bid shall be rejected unless the alteration or erasure is corrected by being crossed out and the correction printed in ink or typewritten adjacent thereto and initialed in ink by the person signing the bid.
4. In the case of identical high bids from two or more bidders, the school board may, at its discretion, utilize negotiated procurement methods with the tied high bidders so long as the price paid does not go below the high tied bid price. In the case where only a single bid is received, the school board may, at its discretion, negotiate a mutually agreeable contract with the bidder so long as the price paid does not go below the original bid. If no satisfactory bid is received, the board may re-advertise.
5. All bids obtained shall be kept on file for a period of at least one year after their receipt. Every contract made without compliance with the foregoing provisions shall be void.
6. Data submitted by a business to a school in response to a request for bids are private until opened. Once opened, the name of the bidder and the dollar amount specified become public; all other data are private until completion of the selection process, meaning the school has completed its evaluation and ranked the responses. After completion of the selection process, all data submitted by all bidders are public except trade secret data. If all responses are rejected prior to completion of the selection process, all data remain private, except the name of the bidder and the dollar amount specified which were made public at the bid opening for one year from the proposed opening date or until re-solicitation results in completion of the selection process or until a determination is made to abandon the purchase, whichever occurs sooner, at which point the remaining data becomes public. Data created or maintained by the school district as part of the selection or evaluation process are protected as nonpublic data until completion of the selection or evaluation process. At that time, the data are public with the exception of trade secret data.

C. Contracts from \$25,000 to \$17500,000.

If the amount of the sale is estimated to exceed \$25,000 but not to exceed \$~~17500~~,000, the contract may be made either upon sealed bids in the manner directed above or by direct negotiation, by obtaining two or more quotations for the purchase or sale when possible, and without advertising for bids or otherwise complying with the requirements of competitive bidding notice. All quotations obtained shall be kept on file for a period of at least one year after receipt thereof.

D. Contracts \$25,000 or Less.

If the amount of the sale is estimated to be \$25,000 or less, the contract may be made either upon quotation or in the open market, at the discretion of the school board. The sale in the open market may be by auction. If the contract is made upon quotation, it shall be based, so far as practicable, on at least two quotations which shall be kept on file for a period of at least one year after their receipt.

E. Electronic Sale of Surplus Supplies, Materials, and Equipment

Notwithstanding the other procedural requirements of this policy, the school district may contract to sell supplies, materials, and equipment which is surplus, obsolete, or unused through an electronic selling process in which purchasers compete to purchase the supplies, materials, or equipment at the highest purchase price in an open and interactive environment.

F. Notice of Quotation.

Notice of procedures to receive quotations shall be given by publication or other means as appropriate to provide reasonable notice to the public.

G. Sales to Employees.

No officer or employee of the school district shall sell or procure for sale or possess or control for sale to any other officer or employee of the school district any property or materials owned by the school district unless the property and materials are not needed for public purposes and are sold to a school district employee after reasonable public notice, at public auction or by sealed response, if the employee is not directly involved in the auction or sale process. Reasonable notice shall include at least one week's published or posted notice. A school district employee may purchase no more than one motor vehicle from the school district in any 12-month period. This section shall not apply to the sale of property or materials acquired or produced by the school district in the ordinary course of business. Nothing in this section shall prohibit an employee of the school district from selling or possessing for sale public property if the sale or possession for sale is in the ordinary course of business or the normal course of the employee's duties.

H. Exceptions for Surplus School Computers

A. A school district may bypass the requirements for competitive bidding and is not subject to any others laws relating to school district contracts if it is disposing of surplus school computer and related equipment by conveying the property and title to:

1. another school district;
2. the state department of corrections;
3. the board of trustees of Minnesota State Colleges and Universities;
- ~~4.~~
4. the family of a student residing in the district whose total family income meets the federal definition of poverty; or
5. a charitable organization under section 501(c) (3) of the International Revenue Code that is registered with the attorney general's office for educational use.

B. If surplus school computers are not disposed of as described in Paragraph

4. _____ 1., upon adoption of a written resolution of the school board, when _____ updating or replacing school computers, including tablet devices, used _____ primarily by students, the school district may sell or give used computers _____ or tablets to qualifying students at the price specified in the written _____ resolution. A student is eligible to apply to the school board for a _____ computer or tablet under this subdivision if the student is currently _____ enrolled in the school and intends to enroll in the school in the year _____ following the receipt of the computer or tablet. If more students apply for _____ computers or tablets than are available, the school must first qualify _____ students whose families are eligible for free or reduced-price meals and _____ then dispose of the remaining computers or tablets by lottery.-

Legal References: Minn. Stat. § 13.591 (Business Data)
Minn. Stat. §15.054 (~~Sale or Purchase of State Property; Penalty Public Employees Not to Purchase Merchandise from Governmental Agencies; Exceptions; Penalty~~)
Minn. Stat. § 123B.29 (Sale ~~of School Building~~ at Auction)
Minn. Stat. § 123B.52 (Contracts)
Minn. Stat. §471.345 (Uniform Municipal Contracting Law)
Minn. Stat. §645.11 (Published Notice)

Cross References: MSBA ~~Service Manual, Chapter 13~~, School Law Bulletin “F” (School District Contract and Bidding Procedures)

Date Adopted: 05/11/98	File Number: Detroit Lakes Policy - 805
Date Revised: 05/10/10, <u>01/22/24</u>	

805 - WASTE REDUCTION AND RECYCLING

[NOTE: The obligations stated in this policy are substantial and ~~are~~ virtually all are governed by statute. ~~Accordingly, you will see statutory references throughout the policy. Obviously A~~ school district may choose to add obligations by policy.]

I. PURPOSE

The purpose of this policy is to establish a resource recovery program to promote the reduction of waste, the separation and recovery of recyclable and reusable commodities, the procurement of recyclable commodities and commodities containing recycled materials, the disposition of waste materials and surplus property and the establishment of a program of education to develop an awareness of environmentally sound waste management. ~~(Minn. Stat. § 115A.15, Subd. 1)~~

II. GENERAL STATEMENT OF POLICY

It is the policy of the school district to comply with all state laws relating to waste management and to make resource conservation an integral part of the physical operations and curriculum of the school district.

III. DEFINITIONS

- A. “Lamp recycling facility” means a facility operated to remove, recover, and recycle for reuse mercury or other hazardous materials from fluorescent or high intensity discharge lamps. ~~(Minn. Stat. § 116.93, Subd. 1)~~
- B. “Mixed municipal solid waste” means garbage, refuse, and other solid waste that is aggregated for collection but does not include auto hulks, street sweepings, ash, construction debris, sludges, tree and agricultural wastes, tires, lead acid batteries, motor and vehicle fluids and filters and other materials collected, processed, and disposed of as separate waste streams ~~(Minn. Stat. § 115A.03, Subd. 21)~~
- C. “Packaging” means a container and any appurtenant material that provide a means of transporting, marketing, protecting, or handling a product and includes pallets and

- packing such as blocking, bracing, cushioning, weatherproofing, strapping, coatings, closures, inks, dyes, pigments, and labels. (~~Minn. Stat. § 115A.03, Subd. 22b~~)
- D. “Postconsumer materials” means a finished material that would normally be discarded as a solid waste having completed its life cycle as a consumer item. (~~Minn. Stat. § 115A.03, Subd. 24b~~)
- E. “Rechargeable battery” means a sealed nickel-cadmium battery, a sealed lead acid battery, or any other rechargeable battery, except certain dry cell batteries or a battery exempted by the Commissioner of the Minnesota Pollution Control Agency (PCA) (Commissioner). (~~Minn. Stat. § 115A.9157~~)
- F. “Recyclable commodities” means materials, pieces of equipment, and parts which are not reusable but which contain recoverable resources. (~~Minn. Stat. § 115A.15, Subd. 1a(a)~~)
- G. “Recyclable materials” means materials that are separated from mixed solid waste for the purpose of recycling, including paper, glass, plastics, metals, automobile oil, and batteries. Refuse-derived fuel or other material that is destroyed by incineration is not a recyclable material. (~~Minn. Stat. § 115A.03, Subd. 25a~~)
- H. “Recycling” means the process of collecting and preparing recyclable materials and reusing the materials in their original form that do not cause the destruction of recyclable materials in a manner that precludes further use. (~~Minn. Stat. § 115A.03, Subd. 25b~~)
- I. “Resource conservation” means the reduction in the use of water, energy and raw materials. (~~Minn. Stat. § 115A.03, Subd. 26a~~)
- J. “Reusable commodities” means materials, pieces of equipment, parts, and used supplies which can be reused for their original purpose in their existing condition. (~~Minn. Stat. § 115A.15, Subd. 1a(b)~~)
- K. “Source-separated compostable materials” means mixed solid waste that:
1. are separated at the source by waste generators for the purpose of preparing it for use as compost;
 2. are collected separately from other mixed municipal solid wastes and are governed by state licensing provisions;
 3. are comprised of food wastes, fish and animal waste, plant materials, diapers, sanitary products, and paper that is not recyclable because the

~~Commissioner~~director has determined that no other person is willing to accept the paper for recycling; ~~and~~

4. are delivered to a facility to undergo controlled microbial degradation to yield a humus-like product meeting the PCA's ~~agency's~~ class I or class II, or equivalent, compost standards and where process ~~rejects~~residues do not exceed 15 percent by weight of the total material delivered to the facility.
5. may be delivered to a transfer station, mixed municipal solid waste processing facility, or recycling facility only for the purposes of composting or transfer to a composting facility, unless the Commissioner determines that no other person is willing to accept the materials.

LK. "Waste reduction" or "source reduction" means an activity that prevents generation of waste or the inclusion of toxic materials in waste, including:

1. reusing the product in its original form;
2. increasing the life span of a product;
3. reducing material or the toxicity of material used in production or packaging; or
4. changing procurement, consumption, or waste generation habits to result in smaller quantities or lower toxicity of waste generated.

~~(Minn. Stat. § 115A.03, Subd. 36b)~~

IV. WASTE DISPOSAL

- A. The school district will attempt to decrease the amount of waste consumable materials by:
 1. reduction of the consumption of consumable materials whenever practicable;
 2. full utilization of materials prior to disposal;
 3. minimization of the use of non-biodegradable products whenever practicable.
- B. Each school district facility will have containers for at least three of the following recyclable materials: paper, glass, plastic, and metal. ~~(Minn. Stat. § 115A.151)~~

- C. The school district will transfer all recyclable materials collected to a recycler and, to the extent practicable, cooperate with, and participate in, recycling efforts being made by the city and/or county where the school district is located. (~~Minn. Stat. § 115A.151~~)
- D. Prior to entering into a contract for the management of mixed municipal solid waste, the school district will determine whether the disposal method provided for in the contract is equal to or better than the waste management practices currently employed in the county or district plan in the county where the school district is located and whether the contract is consistent with the solid waste plan. If the waste management method provided for in the contract is ranked lower than the waste management practices employed by the county or district, the school district will:
1. determine the potential liability to the school district and its taxpayers for managing waste in this manner;
 2. develop and implement a plan for managing the potential liability; and
 3. submit the information in (1) and (2) above to the PCA.

If the contract is inconsistent with the county plan or if the school district's waste management activities are inconsistent with the county plan, the school district should obtain the consent of the district prior to entering into a binding contract or developing or implementing inconsistent solid waste management activities. (~~Minn. Stat. § 115A.46, Subd. 5; Minn. Stat. § 115A.471; Minn. Stat. § 458D.07, Subd. 4~~)

- E. The school district may not knowingly place motor oil, brake fluid, power steering fluid, transmission fluid, motor oil filters, or motor vehicle antifreeze (other than small amounts of antifreeze contained in water used to flush the cooling system of a vehicle after the antifreeze has been drained and does not include de-icer that has been used on the exterior of a vehicle) in or on:
1. solid waste or solid waste management facilities other than a recycling facility or household hazardous waste collection facility;
 2. the land unless approved by the PCA; or
 3. the waters of the state, an individual sewage treatment system, or in a storm water or waste water collection or treatment system unless:
 - a. permitted to do so by the operator of the system and the PCA.

- b. the school district generates an annual average of less than 50 gallons of waste motor vehicle antifreeze per month; and
- c. the school district keeps records of the amount of waste antifreeze generated, maintains these records on site and makes the records available for inspection for a minimum of three years following generation of the waste antifreeze.

~~(Minn. Stat. § 115A.916)~~

- F. The school district may not place mercury or a thermostat, thermometer, electric switch, appliance, gauge, medical or scientific instrument, fluorescent or high-intensity discharge lamp, electric relay, or other electrical device from which the mercury has not been removed for reuse or recycling:
 - 1. in solid waste; or
 - 2. in a wastewater disposal system.

~~(Minn. Stat. § 115A.932, Subd. 1(a))~~

- G. The school district may not knowingly place mercury or a thermostat, thermometer, electric switch, appliance, gauge, medical or scientific instrument, fluorescent or high-intensity discharge lamp, electric relay, or other electrical device from which the mercury has not been removed for reuse or recycling:
 - 1. in a solid waste processing facility; or
 - 2. in a solid waste disposal facility.

~~(Minn. Stat. § 115A.932, Subd. 1(b))~~

- H. The school district will recycle a fluorescent or high-intensity discharge lamp by delivery of the lamp to a lamp recycling facility or to a facility that collects and stores lamps for the purpose of delivering them to a lamp recycling facility, including, but not limited to, a household hazardous waste collection or recycling facility, retailer take-back and utility provider program sites, or other sites designated by an electric utility under Minnesota Statutes, section § 216B.241, Subdivisions 2, and 4. ~~(Minn. Stat. § 115A.932, Subd. 1(e))~~

- I. The school district may not place a lead acid battery in mixed municipal solid waste or dispose of a lead acid battery. The school district also may not place in mixed municipal solid waste a dry cell battery containing mercuric oxide electrode, silver oxide electrode, nickel-cadmium, or sealed lead-acid that was purchased for use or used by the school district. The school district also may not place in mixed

municipal solid waste a rechargeable battery, a rechargeable battery pack, a product with a nonremovable rechargeable battery, or a product powered by rechargeable batteries or rechargeable battery pack, from which all batteries or battery packs have not been removed. (~~Minn. Stat. § 115A.915; Minn. Stat. § 115A.9155, Subd. 1; Minn. Stat. § 115A.9157, Subd. 2~~)

- J. The school district may not place yard waste:
1. in mixed municipal solid waste;
 2. in a disposal facility; or
 3. in a resource recovery facility, except for the purposes of reuse, composting, or cocomposting.

(~~Minnesota Statutes section~~ § 115A.931(~~c~~), (~~d~~), (~~e~~))

- K. The school district may not place a telephone directory:
1. in solid waste;
 2. in a disposal facility; or
 3. in a resource recovery facility, except a recycling facility.

(~~Minn. Stat. § 115A.951, Subd. 2~~)

- L. The school district may not:
1. place major appliances in mixed municipal solid waste; or
 2. dispose of major appliances in or on the land or in a solid waste processing or disposal facility.

(~~Minn. Stat. § 115A.9561~~)

- M. The school district may not place in mixed municipal solid waste an electronic product containing a cathode-ray tube. (~~Minn. Stat. § 115A.9565~~)

- N. The school district, on its own or in cooperation with others, may implement a program to collect, process, or dispose of household batteries. The school district may provide financial incentives to any person, including public or private civic groups, to collect the batteries. (~~Minn. Stat. § 115A.961, Subd. 3~~)

V. PROCUREMENT OF RECYCLED COMMODITIES AND MATERIALS

- A. When practicable and when the price of recycled materials does not exceed the price of nonrecycled materials by more than ten percent, the school district may purchase recycled materials. In order to maximize the quantity and quality of recycled materials purchased, the school district may also use other appropriate procedures to acquire recycled materials at the most economical cost to the school district. ~~(Minn. Stat. § 16B.122, Subd. 3(a))~~

- B. When purchasing commodities and services, the school district will apply and promote waste management practices with special emphasis on the reduction of the quantity and toxicity of materials in waste. ~~(Minn. Stat. § 16B.122, Subd. 3(b))~~

- C. Whenever practicable, the school district will:
 - 1. purchase uncoated copy paper, office paper, and printing paper unless the coated paper is made with at least 50 percent postconsumer material;

 - 2. purchase recycled content paper with at least ~~30~~ten percent postconsumer material by weight and purchase office and printing paper with at least 10 percent postconsumer material by weight;

 - 3. purchase paper which has not been dyed with colors, excluding pastel colors;

 - 4. purchase recycled content copy, office, and printing paper that is manufactured using little or no chlorine bleach or chlorine derivatives;

 - ~~5. use no more than two colored inks, standard or processed, except in formats where they are necessary to convey meaning;~~

 - 56. use reusable binding materials or staples and bind documents by methods that do not use glue;

 - 67. use soy-based inks;

 - 7. purchase printer or duplication cartridges that:
 - a. have 10 percent post-consumer material; or
 - b. are purchased as remanufactured; or
 - c. are backed by a vendor-offered program that will take back the printer cartridges after their useful life, ensure that the cartridges are recycled, and comply with the definition of recycling in Minnesota Statutes section 115A.03, subdivision 25b;

8. produce reports, publications and periodicals that are readily recyclable;
9. purchase paper which has been made on a paper machine located in Minnesota; and print documents on both sides of the paper where commonly accepted publishing practices allow; and
10. print documents on both sides of the paper where commonly accepted publishing practices allow~~purchase copier paper that contains at least ten percent post-consumer material by fiber content.~~

~~(Minn. Stat. § 16B.122, Subd. 2)~~

DF. ~~After July 1, 1998, T~~the school district may not use a specified product included on the prohibited products list published in the State Register. ~~(Minn. Stat. § 115A.9651)~~

EG. In developing bid specifications, the school district will consider the extent to which a commodity or product is durable, reusable or recyclable, and marketable through applicable local or regional recycling programs and the extent to which the commodity or product contains postconsumer material. ~~(Minn. Stat. § 16B.122, Subd. 3(b))~~

H. When a project involves the replacement of carpeting, the school district may require all persons who wish to bid on the project to designate a carpet recycling company in their bids. ~~(Minn. Stat. § 16B.122, Subd. 3(b))~~

VI. OTHER

It is the policy of the school district to actively advocate, where appropriate, for resource conservation practices to be adopted at the local, regional and state levels.

Legal References: Minn. Stat. § 16B.122 (Purchase and Use of Paper Stock; Printing)
Minn. Stat. § 115A.03 (Definitions)
Minn. Stat. § 115A.15 (State Government Resource Recovery)
Minn. Stat. § 115A.151 (Recycling Requirements; Public Entities; Commercial Buildings; Sports Facilities~~State and Local Facilities~~)
Minn. Stat. § 115A.46 (regional and Local Solid Waste Management Plan Requirements~~Requirements~~)
Minn. Stat. § 115A.471 (Public Entities; Managingement of Solid Waste)
Minn. Stat. § 115A.915 (Lead Acid Batteries; Land Disposal Prohibited)
Minn. Stat. § 115A.9155 (Disposingal of Certain Dry Cell Batteries)
Minn. Stat. § 115A.9157 (Rechargeable Batteries and Products)
Minn. Stat. § 115A.916 (Motor Vehicle Fluids and Filters; Prohibitions)
Minn. Stat. § 115A.931 (Yard Waste Prohibition)

Minn. Stat. § 115A.932 (Mercury Prohibition)
Minn. Stat. § 115A.951 (Telephone Directories)
Minn. Stat. § 115A.9561 (Major Appliances)
Minn. Stat. § 115A.9565 (Cathode-Ray Tube Prohibition)
Minn. Stat. § 115A.961, Subd. 3 (Household Batteries; Collection, Processing, and Disposal)
Minn. Stat. § 115A.9651 (Listed Metals in Specified Products, Enforcement)
Minn. Stat. § 116.93, Subd. 1 (Lamp Recycling Facilities)
Minn. Stat. § 216B.241, Subds. 2 and 4 (Public Utilities; Energy Conservation and Optimization-Improvement)
Minn. Stat. § 458D.07 (Sewage Collection and Disposal – Western Lake Superior Sanitary District)
National Solid Waste Management Ass’n v. Williams, et al., 966 F.Supp. 844, (D. Minn. 1997), aff’d 146 F.3d 595 (8th Cir. 1998)

Cross References:

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Date Revised: 03/14/05; 1/11/2021, 09/26/22, 08/28/23, <u>01/22,2024</u>	

806 - CRISIS MANAGEMENT POLICY

[NOTE: The Commissioner of the Minnesota Department of Education is required to maintain and make available to school boards and charter schools a Model Crisis Management Policy. See Minnesota Statutes section 121A.035. School boards and charter schools must adopt a Crisis Management Policy to address potential crisis situations in their school districts or charter schools. Id. This Model Crisis Management Policy was originally the result of a collaborative effort among the Minnesota Department of Education, Division of Compliance and Assistance; the Minnesota Department of Public Safety, Division of Homeland Security and Emergency Management; and the Minnesota School Boards Association.]

I. PURPOSE

The purpose of this Model Crisis Management Policy is to act as a guide for school district and building administrators, school employees, students, school board members, and community members to address a wide range of potential crisis situations in the school district. The step-by-step procedures suggested by this Policy will provide guidance to each school building in drafting crisis management plans to coordinate protective actions prior to, during, and after any type of emergency or potential crisis situation. Each school district should develop tailored building-specific crisis management plans for each school building in the school district, and sections or procedures may be added or deleted in those crisis management plans based on building needs.

The school district will, to the extent possible, engage in ongoing emergency planning within the school district and with emergency responders and other relevant community organizations. The school district will ensure that relevant emergency responders in the community have access to their building-specific crisis management plans and will provide training to school district staff to enable them to act appropriately in the event of a crisis.

II. GENERAL INFORMATION

A. The Policy and Plans

The school district’s Crisis Management Policy has been created in consultation with local community response agencies and other appropriate individuals and

groups that would likely be involved in the event of a school emergency. It is designed so that each building administrator can tailor a building specific crisis management plan to meet that building's specific situation and needs

The school district's administration and/or the administration of each building shall present tailored building-specific crisis management plans to the school board for review and approval. The building-specific crisis management plans will include general crisis procedures and crisis-specific procedures. Upon approval by the school board, such crisis management plans shall be an addendum to this Crisis Management Policy. This Policy and the plans will be maintained and updated on an annual basis.

B. Elements of the District Crisis Management Policy

1. General Crisis Procedures. The Crisis Management Policy includes general crisis procedures for securing buildings, classroom evacuation, building evacuation, campus evacuation, and sheltering. The Policy designates the individual(s) who will determine when these actions will be taken. These districtwide procedures may be modified by building administrators when creating their building specific crisis management plans. A communication system will be in place to enable the designated individual to be contacted at all times in the event of a potential crisis, setting forth the method to contact the designated individual, provision of at least two designees when the contact person is unavailable, and the method to convey contact information to the appropriate staff persons. The alternative designees may include members of the emergency first responder response team. A secondary method of communication should be included in the plan for use when the primary method of communication is inoperable. Each building in the school district will have access to a copy of the Comprehensive School Safety Guide (2011 Edition) to assist in development of the building specific crisis management plans.

All general crisis procedures will address specific procedures for the safe evacuation of children and employees with special needs such as physical, sensory, motor, developmental, and mental health challenges.

[NOTE: More specific information on planning for children with special needs can be found in the Comprehensive School Safety Guide (2011 Edition) and United States Department of Education's document entitled, "Practical Information on Crisis Planning, a Guide for Schools and Communities." A website link is provided in the resource section of this Policy.]

a. LockDown Procedures. Lockdown procedures will be used in

situations where harm may result to persons inside the school building, such as a shooting, hostage incident, intruder, trespassing, disturbance, or when determined to be necessary by the building administrator or designee. The building administrator or designee will announce the lockdown over the public address system or other designated system. Code words will not be used. Provisions for emergency evacuation will be maintained even in the event of a lockdown. Each building administrator will submit lock-down procedures for their building as part of the building-specific crisis management plan.

[Note: State law requires a minimum of five school lock-down drills each school year. See Minnesota Statutes section 121A.035.]

- b. Evacuation Procedures. Evacuations of classrooms and buildings shall be implemented at the discretion of the building administrator or his or her designee. Each building's crisis management plan will include procedures for transporting students and staff a safe distance from harm to a designated safe area until released by the building administrator or designee. Safe areas may change based upon the specific emergency situation. The evacuation procedures should include specific procedures for children with special needs, including children with limited mobility (wheelchairs, braces, crutches, etc.), visual impairments, hearing impairments, and other sensory, developmental, or mental health needs. The evacuation procedures should also address transporting necessary medications for students that take medications during the school day.

[Note: State law requires a minimum of five school fire drills, consistent with Minnesota Statutes section 299F.30, and one school tornado drill each school year. See Minnesota Statutes section 121A.035.]

- c. Sheltering Procedures. Sheltering provides refuge for students, staff, and visitors within the school building during an emergency. Shelters are safe areas that maximize the safety of inhabitants. Safe areas may change based upon the specific emergency. The building administrator or his or her designee will announce the need for sheltering over the public address system or other designated system. Each building administrator will submit sheltering procedures for his or her building as part of the building-specific crisis management plan.

[Note: The Comprehensive School Safety Guide (2011 Edition) has sample lock-down procedures, evacuation procedures, and sheltering procedures.]

2. Crisis Specific Procedures. The Crisis Management Policy includes crisis specific procedures for crisis situations that may occur during the school day or at school sponsored events and functions. These districtwide procedures are designed to enable building administrators to tailor response procedures when creating building specific crisis management plans.

[Note: The Comprehensive School Safety Guide (2011 Edition) includes crisis-specific procedures.]

3. School Emergency Response Teams

- a. Composition. The building administrator in each school building will select a school emergency response team that will be trained to respond in emergency situations. All school emergency response team members will receive on-going training to carry out the building's crisis management plans and will have knowledge of procedures, evacuation routes, and safe areas. For purposes of student safety and accountability, to the extent possible, school emergency response team members Will not have direct responsibility for the supervision of students. Team members must be willing to be actively involved in the resolution of crises and be available to assist in any crisis situation as deemed necessary by the building administrator. Each building will maintain a current list of school emergency response team members which will be updated annually. The building administrator, and his or her alternative designee, will know the location of that list in the event of a school emergency. A copy of the list will be kept on file in the school district office, or in a secondary location in single building school districts.

[Note: The Comprehensive School Safety Guide (2011 Edition) has a sample School Emergency Response Team list.]

- b. Leaders. The building administrator or his or her designee will serve as the leader of the school emergency response team and will be the primary contact for emergency response officials. In the event the primary designee is unavailable, the designee list should

include more than one alternative designee and may include members of the emergency response team. When emergency response officials are present, they may elect to take command and control of the crisis. It is critical in this situation that school officials assume a resource role and be available as necessary to emergency response officials.

III. PREPARATION BEFORE AN EMERGENCY

A. Communication

1. District Employees. Teachers generally have the most direct contact with students on a daytoday basis. As a result, they must be aware of their role in responding to crisis situations. This also applies to nonteaching school personnel who have direct contact with students. All staff should be aware of the school district's Crisis Management Policy and their own building's crisis management plan. Each school's building-specific crisis management plan shall include the method and dates of dissemination of the plan to its staff. Employees will receive a copy of the relevant building-specific crisis management plans and shall receive periodic training on plan implementation.
2. Students and Parents. Students and parents shall be made aware of the school district's Crisis Management Policy and relevant tailored crisis management plans for each school building. Each school district's building-specific crisis management plan shall set forth how students and parents are made aware of the district and school-specific plans. Students shall receive specific instruction on plan implementation and shall participate in a required number of drills and practice sessions throughout the school year.

B. Planning and Preparing for Fire

1. Designate a safe area at least 50 feet away from the building to enable students and staff to evacuate. The safe area should not interfere with emergency responders or responding vehicles and should not be in an area where evacuated persons are exposed to any products of combustion. (Depending on the wind direction, where the building on fire is located, the direction from which the fire is arriving, and the location of fire equipment, the distance may need to be extended.)

[Note: Evacuation areas at least 50 feet from school buildings are recommended but not mandated by statute or rule. Evacuation areas should be selected based on safety and the individual school site's

proximity to streets, traffic patterns, and other hazards.]

2. Each building's facility diagram and site plan shall be available in appropriate areas of the building and shall identify the most direct evacuation routes to the designated safe areas both inside and outside of the building. The facility diagram and site plan must identify the location of the fire alarm control panel, fire alarms, fire extinguishers, hoses, water spigots, and utility shut offs.
3. Teachers and staff will receive training on the location of the primary emergency evacuation routes and alternate routes from various points in the building. During fire drills, students and staff will practice evacuations using primary evacuation routes and alternate routes.
4. Certain employees, such as those who work in hazardous areas in the building, will receive training on the locations and proper use of fire extinguishers and protective clothing and equipment.
5. Fire drills will be conducted periodically without warning at various times of the day and under different circumstances, e.g., lunchtime, recess, and during assemblies. State law requires a minimum of five fire drills each school year, consistent with Minn. Stat. § 299F.30. See Minnesota Statutes section 121A.035.

[Note: The State Fire Marshall advises schools to defer fire drills during the winter months.]

6. A record of fire drills conducted at the building will be maintained in the building administrator's office.

[Note: The Comprehensive School Safety Guide (2011 Edition), under the Preparedness/Planning section, has a sample fire drills schedule and log.]

7. The school district will have prearranged sites for emergency sheltering and transportation as needed.
8. The school district will determine which staff will remain in the building to perform essential functions if safe to do so (e.g., switchboard, building engineer, etc.). The school district also will designate an administrator or his or her designee to meet local fire or law enforcement agents upon their arrival.

[Note: The Comprehensive School Safety Guide (2011 Edition), under the Response section, has a sample fire procedure form, evacuation/relocation and student reunification/release procedures, and planning for student reunification.]

C. Facility Diagrams and Site Plans

All school buildings will have a facility diagram and site plan that includes the location of primary and secondary evacuation routes, exits, designated safe areas inside and outside of the building, and the location of the fire alarm control panel, fire alarms, fire extinguishers, hoses, water spigots, and utility shut offs. All facility diagrams and site plans will be updated regularly and whenever a major change is made to a building. Facility diagrams and site plans will be maintained by the building administrator and will be easily accessible and on file in the school district office. Facility diagrams and site plans will be provided to first responders, such as fire and law enforcement personnel.

[Note: For single building school districts, such as charter schools, a secondary location for the diagrams and site plans will be included in the district's Crisis Management Policy and may include filing documents with a charger school sponsor, or compiling facility diagrams and site plans and distributing copies to first responders or sharing the documents with first responders during the crisis planning process.]

[Note: To the extent data contained in facility diagrams and site plans constitute security information pursuant to Minnesota Statutes section 13.37, school districts are advised to consult with appropriate officials and/or legal counsel prior to dissemination of the facility diagrams or site plans to anyone other than first responders.]

D. Emergency Telephone Numbers

Each building will maintain a current list of emergency telephone numbers and the names and addresses of local, county, and state personnel who may be involved in a crisis situation. The list will include telephone numbers for local police, fire, ambulance, hospital, the Poison Control Center, county and state emergency management agencies, local public works departments, local utility companies, the public health nurse, mental health/suicide hotlines, and the county welfare agency. A copy of this list will be kept on file in the school district office, or at a secondary location for single building school districts, and will be updated annually.

School district employees will receive training on how to make emergency

contacts, including 911 calls, when the school district's main telephone number and location is electronically conveyed to emergency personnel instead of the specific building in need of emergency services.

School district plans will set forth a process to internally communicate an emergency, using telephones in classrooms, intercom systems, or two-way radios, as well as the procedure to enable the staff to rapidly convey emergency information to a building designee. Each plan will identify a primary and secondary method of communication for both internal and secondary use. It is recommended that the plan include several methods of communication because computers, intercoms, telephones, and cell phones may not be operational or may be dangerous to use during an emergency.

[Note: The Comprehensive School Safety Guide (2011 Edition), under the Preparedness/Planning section, has a sample Emergency Phone Numbers list.]

E. Warning and Notification System

The school district shall maintain a warning system designed to inform students, staff, and visitors of a crisis or emergency. This system shall be maintained on a regular basis under the maintenance plan for all school buildings. The school district should consider an alternate notification system to address the needs of staff and students with special needs, such as vision or hearing.

The building administrator shall be responsible for informing students and employees of the warning system and the means by which the system is used to identify a specific crisis or emergency situation. Each school's building-specific crisis management plan will include the method and frequency of dissemination of the warning system information to students and employees.

F. Early School Closure Procedures

The superintendent will make decision about closing school or buildings as early in the day as possible. The early school closure procedures will set forth the criteria for early school closure (e.g., weather-related, utility failure, or a crisis situation), will specify how closure decisions will be communicated to staff, students, families, and the school community (designated broadcast media, local authorities, e-mail, or district or school building web sites), and will discuss the factors to be considered in closing and reopening a school or building.

Early school closure procedures also will include a reminder to parents and guardians to listen to designated local radio and TV stations for school closing announcements, where possible.

[Note: The Comprehensive School Safety Guide (2011 Edition), under the Response section, provides universal procedures for severe weather shelter.]

G. Media Procedures

The superintendent has the authority and discretion to notify parents or guardians and the school community in the event of a crisis or early school closure. The superintendent will designate a spokesperson who will notify the media in the event of a crisis or early school closure. The spokesperson shall receive training to ensure that the district is in strict compliance with federal and state law relative to the release of private data when conveying information to the media.

[Note: The Comprehensive School Safety Guide (2011 Edition), under the Response section, has a sample Media Procedures form.]

H. Behavioral Health Crisis Intervention Procedures

Short-term behavioral health crisis intervention procedures will set forth the procedure for initiating behavioral health crisis intervention plans. The procedures will utilize available resources including the school psychologist, counselor, community behavioral health crisis intervention, or others in the community. Counseling procedures will be used whenever the superintendent or the building administrator determines it to be necessary, such as after an assault, a hostage situation, shooting, or suicide. The behavioral health crisis intervention procedures shall include the following steps:

1. Administrator will meet with relevant persons, including school psychologists and counselors, to determine the level of intervention needed for students and staff.
2. Designate specific rooms as private counseling areas.
3. Escort siblings and close friends of any victims as well as others in need of emotional support to the counseling areas.
4. Prohibit media from interviewing or questioning students or staff.
5. Provide follow-up services to students and staff who receive counseling.
6. Resume normal school routines as soon as possible.

I. Long-Term Recovery Intervention Procedures

Long-term recovery intervention procedures may involve both short-term and long-term recovery planning:

1. Physical/structural recovery.
2. Fiscal recovery.
3. Academic recovery.
4. Social/emotional recovery.

[Note: The Comprehensive School Safety Guide (2011 Edition), under the Recovery section, addresses the recovery components in more detail.]

IV. ACTIVE SHOOTER DRILL

A. Definitions

1. "Active shooter drill" means an emergency preparedness drill designed to teach students, teachers, school personnel, and staff how to respond in the event of an armed intruder on campus or an armed assailant in the immediate vicinity of the school. An active shooter drill is not an active shooter simulation, nor may an active shooter drill include any sensorial components, activities, or elements which mimic a real life shooting.
2. "Active shooter simulation" means an emergency exercise including full-scale or functional exercises, designed to teach adult school personnel and staff how to respond in the event of an armed intruder on campus or an armed assailant in the immediate vicinity of the school which also incorporates sensorial components, activities, or elements mimicking a real life shooting. Activities or elements mimicking a real life shooting include, but are not limited to, simulation of tactical response by law enforcement. An active shooter simulation is not an active shooter drill.
3. "Evidence-based" means a program or practice that demonstrates any of the following:
 - a. a statistically significant effect on relevant outcomes based

on any of the following:

- i. strong evidence from one or more well designed and well implemented experimental studies;
 - ii. moderate evidence from one or more well designed and well implemented quasi-experimental studies; or
 - iii. promising evidence from one or more well designed and well implemented correlational studies with statistical controls for selection bias; or
- b. a rationale based on high-quality research findings or positive evaluations that the program or practice is likely to improve relevant outcomes, including the ongoing efforts to examine the effects of the program or practice.
4. "Full-scale exercise" means an operations-based exercise that is typically the most complex and resource-intensive of the exercise types and often involves multiple agencies, jurisdictions, organizations, and real-time movement of resources.
5. "Functional exercises" means an operations-based exercise designed to assess and evaluate capabilities and functions while in a realistic, real-time environment, however, movement of resources is usually simulated.

B. Criteria

An active shooter drill conducted according to Minnesota Statutes, section 121A.037 with students in early childhood through grade 12 must be:

1. accessible;
2. developmentally appropriate and age appropriate, including using appropriate safety language and vocabulary;
3. culturally aware;
4. trauma-informed; and

5. inclusive of accommodations for students with mobility restrictions, sensory needs, developmental or physical disabilities, mental health needs, and auditory or visual limitations.

C. Student Mental Health and Wellness

Active shooter drill protocols must include a reasonable amount of time immediately following the drill for teachers to debrief with their students. The opportunity to debrief must be provided to students before regular classroom activity may resume. During the debrief period, students must be allowed to access any mental health services available on campus, including counselors, school psychologists, social workers, or cultural liaisons. An active shooter drill must not be combined or conducted consecutively with any other type of emergency preparedness drill. An active shooter drill must be accompanied by an announcement prior to commencing. The announcement must use concise and age-appropriate language and, at a minimum, inform students there is no immediate danger to life and safety.

D. Notice

1. The school district must provide notice of a pending active shooter drill to every student's parent or legal guardian before an active shooter drill is conducted. Whenever practicable, notice must be provided at least 24 hours in advance of a pending active shooter drill and inform the parent or legal guardian of the right to opt their student out of participating.

2. If a student is opted out of participating in an active shooter drill, no negative consequence must impact the student's general school attendance record nor may nonparticipation alone make a student ineligible to participate in or attend school activities.

3. The Commissioner of the Minnesota Department of Education must ensure the availability of alternative safety education for students who are opted out of participating or otherwise exempted from an active shooter drill. Alternative safety education must provide essential safety instruction through less sensorial safety training methods and must be appropriate for students with mobility restrictions, sensory needs, developmental or physical disabilities, mental health needs, and auditory or visual limitations.

E. Participation in Active Shooter Drills

Any student in early childhood through grade 12 must not be required to participate in an active shooter drill that does not meet the Criteria set forth above.

A student must not be required to participate in an active shooter simulation. An active shooter simulation must not take place during regular school hours if a majority of students are present, or expected to be present, at the school. A parent or legal guardian of a student in grades 9 through 12 must have the opportunity to opt their student into participating in an active shooter simulation.

G. Violence Prevention

1. A school district or charter school conducting an active shooter drill must provide students in middle school and high school at least one hour, or one standard class period, of violence prevention training annually.

2. The violence prevention training must be evidence-based and may be delivered in-person, virtually, or digitally. Training must, at a minimum, teach students the following:

- a. how to identify observable warning signs and signals of an individual who may be at risk of harming oneself or others;
- b. the importance of taking threats seriously and seeking help; and
- c. the steps to report dangerous, violent, threatening, harmful, or potentially harmful activity.

3. A school district or charter school must ensure that students have the opportunity to contribute to their school's safety and violence prevention planning, aligned with the recommendations for multihazard planning for schools, including but not limited to:

- a. student opportunities for leadership related to prevention

and safety;

b. encouragement and support to students in establishing clubs and programs focused on safety; and

c. providing students with the opportunity to seek help from adults and to learn about prevention connected to topics including bullying, sexual harassment, sexual assault, and suicide.

H. Board Meeting

At a regularly scheduled school board meeting, a school board of a district that has conducted an active shooter drill must consider the following:

1. the effect of active shooter drills on the safety of students and staff; and
2. the effect of active shooter drills on the mental health and wellness of students and staff.

V. SAMPLE PROCEDURES INCLUDED IN THIS POLICY

Sample procedures for the various hazards/emergencies listed below are attached to this Policy for use when drafting specific crisis management plans. Additional sample procedures may be found in the Response section of the Comprehensive School Safety Guide (2011 Edition). After approval by the school board, an adopted procedure will become an addendum to the Crisis Management Policy.

- A. Fire
- B. Hazardous Materials
- C. Severe Weather: Tornado/Severe Thunderstorm/Flooding
- D. Medical Emergency
- E. Fight/Disturbance
- F. Assault

- G. Intruder
- H. Weapons
- I. Shooting
- J. Hostage
- K. Bomb Threat
- L. Chemical or Biological Threat
- M. Checklist for Telephone Threats
- N. Demonstration
- O. Suicide
- P. Lock-down Procedures
- Q. Shelter-In-Place Procedures
- R. Evacuation/Relocation
- S. Media Procedures
- T. Post-Crisis Procedures
- U. School Emergency Response Team
- V. Emergency Phone Numbers
- W. Highly Contagious Serious Illness or Pandemic Flu

VI. MISCELLANEOUS PROCEDURES

- A. Chemical Accidents

Procedures for reporting chemical accidents shall be posted at key locations such as chemistry labs, art rooms, swimming pool areas, and janitorial closets.

[Note: School buildings must maintain Material Safety Data Sheets (M.S.D.S.) for all chemicals on campus. State law, federal law, and OSHA require that pertinent staff have access to M.S.D.S. in the event of a chemical accident.]

B. Visitor

The school district shall implement procedures mandating visitor sign in and visitors in school buildings. See MSBA/MASA Policy 903 (Visitors to School District Buildings and Sites).

The school district shall implement procedures to minimize outside entry into school buildings except at designated check-in points and assure that all doors are locked prior to and after regular building hours.

C. Student Victims of Criminal Offenses at or on School Property

The school district shall establish procedures allowing student victims of criminal offenses on school property the opportunity to transfer to another school within the school district.

[Note: The Every Student Succeeds Act, 20 United States Code section 6301, et seq.; Title IX, 20 United States Code section 1681, et seq.; and the Unsafe School Choice Option, 20 United States Code section 7912, require school districts to establish such transfer procedures.]

~~D. Radiological Emergencies at Nuclear Generating Plants [OPTIONAL]~~

~~School districts within a 10-mile radius of the Monticello or Prairie Island nuclear power plants will implement crisis plans in the event of an accident or incident at the power plant.~~

~~Questions relative to the creation or implementation of such plans will be directed to the Minnesota Department of Public Safety.~~

- Legal References:**
- Minn. Stat. Ch. 12 (Emergency Management)
 - Minn. Stat. Ch. 12A (Natural Disaster; State Assistance)
 - Minn. Stat. § 121A.035 (Crisis Management Policy)
 - Minn. Stat. § 121A.038 (Students Safe at School)
 - Minn. Stat. § 121A.06 (Reports of Dangerous Weapon Incidents in School Zones)
 - Minn. Stat. § 299F.30 (Fire Drill in School; Doors and Exits)

Minn. Stat. §326B.002, Subd. 6 (Powers)
Minn. Stat. § 326B.106 (General Powers of Commissioner of Labor and Industry)
Minn. Stat. § 609.605, Subd. 4 (Trespasses)
Minn. Rules Ch. 7511 (Fire Code)
20 U.S.C. § 1681, *et seq.* (Title IX)
20 U.S.C. § 6301, *et seq.* (Every Student Succeeds Act)
20 U.S.C. § 7912 (Unsafe School Choice Option)
42 U.S.C. § 5121 *et. seq.* (Disaster Relief and Emergency Assistance)

Cross References: MSBA/MASA Model Policy 407 (Employee Right to Know Exposure to Hazardous Substances)
MSBA/MASA Model Policy 413 (Harassment and Violence)
MSBA/MASA Model Policy 501 (School Weapons Policy)
MSBA/MASA Model Policy 506 (Student Discipline)
MSBA/MASA Model Policy 532 (Use of Peace Officers and Crisis Teams to Remove Students with IEPs from School Grounds)
MSBA/MASA Model Policy 903 (Visitors to the School District Buildings and Sites)
Comprehensive School Safety Guide
[Minnesota School Safety Center - Resources \(mn.gov\)](https://dps.mn.gov/divisions/hsem/mn-school-safety-center/Documents/Comprehensive%20School%20Safety%20Guide.pdf)
<https://dps.mn.gov/divisions/hsem/mn-school-safety-center/Documents/Comprehensive%20School%20Safety%20Guide.pdf>

Date Adopted: 06/11/2012	File Number: Detroit Lakes Policy - 807
Date Revised: 07/10/2013, <u>01/22/24</u>	

807 HEALTH AND SAFETY POLICY

[Note: To receive health and safety revenue for any fiscal year, school districts must submit an application to the Minnesota Commissioner of Education, along with a health and safety budget adopted and confirmed by the school board as being consistent with the school district's health and safety policy. This policy has been approved by the Minnesota Department of Education~~The provisions of this policy substantially reflect statutory requirements.~~

The subdivisions of Minnesota Statutes Section 123B.57 that relate to a school district's ability to apply for health and safety revenue have been repealed effective fiscal year 2017. The provisions of this policy substantially reflect statutory requirements.]

I. PURPOSE

The purpose of this policy is to assist the school district in promoting health and safety, reducing injuries, and complying with federal, state, and local health and safety laws and regulations.

II. GENERAL STATEMENT OF POLICY

- A. The policy of the school district is to implement a health and safety program that includes plans and procedures to protect employees, students, volunteers, and members of the general public who enter school district buildings and grounds. The objective of the health and safety program will be to provide a safe and healthy learning environment; to increase safety awareness; to help prevent accidents, illnesses, and injuries; to reduce liability; to assign duties and responsibilities to school district staff to implement and maintain the health and safety program; to establish written procedures for the identification and management of hazards or potential hazards; to train school district staff on safe work practices; and to comply with all health and safety, environmental, and occupational health laws, rules, and regulations.
- B. All school district employees have a responsibility for maintaining a safe and healthy environment within the school district and are expected to be involved in the health and safety program to the extent practicable. For the purpose of implementing this policy, the school district will form a health and safety advisory committee to be appointed by the superintendent. The advisory committee will provide recommendations to the administration regarding plans and procedures to implement this policy and to establish procedures for identifying, analyzing, and controlling hazards, minimizing risks, and training school district staff on safe work practices. The committee will also recommend procedures for investigating

accidents and enforcement of workplace safety rules. Each recommendation shall include estimates of annual costs of implementing and maintaining that proposed recommendation. The superintendent may request that the safety committee established under Minnesota Statutes section 182.676 carry out all or part of the duties of the advisory committee or the advisory committee may consider recommendations from a separate safety committee established under Minnesota Statutes section 182.676.

III. PROCEDURES

- A. Based upon recommendations from the health and safety advisory committee and subject to the budget adopted by the school board to implement or maintain these recommendations, the administration will adopt and implement written plans and procedures for identification and management of hazards or potential hazards existing within the school district in accordance with federal, state, and local laws, rules, and regulations. Written plans and procedures will be maintained, updated, and reviewed by the school board on an annual basis and shall be an addendum to this policy. The administration shall identify in writing a contact person to oversee compliance with each specific plan or procedure.
- B. To the extent that federal, state, and local laws, rules, and regulations do not exist for identification and management of hazards or potential hazards, the health and safety advisory committee shall evaluate other available resources and generally accepted best practice recommendations. Best practices are techniques or actions which, through experience or research, have consistently proven to lead to specific positive outcomes.
- C. The school district shall monitor and make good faith efforts to comply with any new or amended laws, rules, or regulations to control potential hazards.

IV. PROGRAM AND PLANS

- A. For the purpose of implementing this policy, the administration will, within the budgetary limitations adopted by the school board, implement a health and safety program that includes specific plan requirements in various areas as identified by the health and safety advisory committee. Areas that may be considered include, but are not limited to, the following:
 - 1. Asbestos
 - 2. Fire and Life Safety
 - 3. Employee Right to Know Lighting
 - 4. Emergency Action Planning Structural Safety
 - 5. Combustible and Hazardous Materials Storage
 - 6. Indoor Air Quality
 - 7. Mechanical Ventilation
 - 8. Mold Cleanup and Abatement
 - 9. Accident and Injury Reduction Program: Model AWAIR Program for

Minnesota Schools

10. Infectious Waste/Bloodborne Pathogens
11. Community Right to Know
12. Compressed Gas Safety
13. Confined Space Standard
14. Electrical Safety
15. First Aid/CPR/AED
16. Food Safety Inspection
17. Forklift Safety
18. Hazardous Waste
19. Hearing Conservation
20. Hoist/Lift/Elevator Safety
21. Integrated Pest Management
22. Laboratory Safety Standard/Chemical Hygiene Plan
23. Lead
24. Control of Hazardous Energy Sources (Lockout/Tagout)
25. Machine Guarding
26. ~~Safety Committee~~Mercury
27. Personal Protection Equipment (PPE)
28. Playground Safety
29. Radon
30. Respiratory Protection
31. Underground and Above Ground Storage Tanks
32. Welding/Cutting/Brazing
33. ~~Fall Protection~~Chlorine
34. ~~National Emission Standards for Hazardous Air Pollutants for School Generators established by the United States E.P.A.~~Ladder/Fall Protection
- ~~35. Laboratory Safety~~
- 35.6. Other areas determined to be appropriate by the health and safety advisory committee.

If a risk is not present in the school district, the preparation of a plan or procedure for that risk will not be necessary.

- B. The administration shall establish procedures to ensure, to the extent practicable, that all employees are properly trained and instructed in job procedures, crisis response duties, and emergency response actions where exposure or possible exposure to hazards and potential hazards may occur.
- C. The administration shall conduct or arrange safety inspections and drills. Any identified hazards, unsafe conditions, or unsafe practices will be documented and corrective action will be taken to the extent practicable to control that hazard, unsafe condition, or unsafe practice.
- D. Communication from employees regarding hazards, unsafe or potentially unsafe working conditions, and unsafe or potentially unsafe practices is encouraged in either written or oral form. No employee will be retaliated against for reporting

hazards or unsafe or potentially unsafe working conditions or practices.

- E. The administration shall conduct periodic workplace inspections to identify potential hazards and safety concerns.
- F. In the event of an accident or a near miss, the school district shall promptly cause an accident investigation to be conducted in order to determine the cause of the incident and to take action to prevent a similar incident. All accidents and near misses must be reported to an immediate supervisor as soon as possible.

V. BUDGET

The superintendent shall be responsible to provide for periodic school board review and approval of the various plan requirements of the health and safety program, including current plan requirements and related written plans and procedures and recommendations for additional plan requirements proposed to be adopted. The superintendent, or such other school official as designated by the superintendent, each year shall prepare preliminary revenue and expenditure budgets for the school district's health and safety program. The preliminary budgets shall be accompanied by such written commentary as may be necessary for them to be clearly understood by the members of the school board and the public. The school board shall review the projected revenues and expenditures for this program and make such adjustments within the expenditure budget to carry out the current program and to implement new recommendations within the revenues projected and appropriated for this purpose. No funds may be expended for the health and safety program in any school year prior to the adoption of the budget document authorizing that expenditure for that year, or prior to the adoption of an amendment to that budget document by the school board to authorize that expenditure for that year. The health and safety program shall be implemented, conducted, and administered within the fiscal restraints of the budget so adopted.

VI. ENFORCEMENT

Enforcement of this policy is necessary for the goals of the school district's health and safety program to be achieved. Within applicable budget limitations, school district employees will be trained and receive periodic reviews of safety practices and procedures, focusing on areas that directly affect the employees' job duties. Employees shall participate in practice drills. Willful violations of safe work practices may result in disciplinary action in accordance with applicable school district policies.

Legal References: Minn. Stat. §123B.56 (Health, Safety, and Environmental Management)
Minn. Stat. §123B.57 (~~Capital Expenditure~~; Health and Safety Projects)
Minn. Stat. § 182.676 (Safety Committees)
Minn. Rules Part 5208.0010 (Accident and Injury Reduction Program;
Applicability)
Minn. Rules Part 5208.0070 (Accident and Injury Reduction Program;

Alternative Forms of Committee)

Cross References: MSBA/MASA Model Policy 407 (Employee Right to Know - Exposure to Hazardous Substances)
MSBA/MASA Model Policy 701 (Establishment and Adoption of School District Budget)
MSBA/MASA Model Policy 806 (Crisis Management Policy)

Date Adopted: 3/15/2020	File Number: Detroit Lakes Policy - 820
Date Revised:	

820 MEMORIAL POLICY

I. PURPOSE

Detroit Lakes Public Schools recognizes that the loss of a student or staff member deeply impacts students, staff and families. The purpose of this policy is to ensure that the district will provide support for staff, students and families impacted from a death by assisting them with connections to appropriate school and community resources. Because it is recognized that memorial decisions made immediately in the aftermath of a crisis or death may be made without full consideration of the potential implications for students, staff, families and the community, Detroit Lakes Public Schools will provide a process for memorial decision-making, as well as Board-approved policies regarding memorial activities.

II. DEFINITIONS

- A. Memorials - Objects or activities to remember an event or deceased person(s).
- B. Living Memorials - A non-tangible memorial intended to be sustained over time.
- C. Crisis Team - An appointed group of staff members who develop and execute district-wide procedures for the handling of mental health needs in the recovery phase of a crisis situation needing grief support.
- D. Crisis - Any natural disaster or unexpected event that negatively affects a student, a staff member or a significant group of the school population and usually involves serious emotional, psychological and/or physical injury or death.
- E. Impact - The magnitude of the potential loss or seriousness of the crisis.

III. GENERAL STATEMENT OF POLICY

In recognition that schools are designed primarily to support learning, school sites should not serve as the main venue for the memorializing of students or staff. Memorial activities conducted at school need to be coordinated and approved through the Crisis Team, as well as building administration. The Crisis Team will assist families and students in selecting memorial activities that are appropriate for school and assist students and staff in healthy bereavement. It is further recognized that building administration should have a certain amount of discretion in these situations to make professional judgements—in consultation with the Superintendent and the Crisis Team—to best meet the overall needs of students, staff, parents and community as a whole.

IV. MEMORIAL POLICY

Living memorials for deceased students and staff will be limited to endowments, scholarships, or items with educational significance. Scholarship and endowment memorials may be established one time, or in the form of a perpetual award, with a description of the purpose of the endowment or scholarship. Other recommended memorial activities include:

- A. Yearbooks - A staff member or student who has died may be acknowledged in the yearbook. The student will be acknowledged their senior year of high school with parent/guardian input and/or approval. Information about the student will be included on a memorial page representing all students in the graduation year. Information shall be limited to the student's name, photo, dates of birth and death, and school activities in which the student participated.
- B. Commemorative Events - A commemorative event may be established and held in the name of the deceased student or staff member. Activities cannot be held during the school day, and should be sponsored by a class, club, or activity in which the deceased student or staff member participated. Advertisement of events must occur outside the school day. It is recommended that commemorative events utilize community partners (e.g., employers of the deceased, faith communities, etc.)
- C. Graduation Recognition - One symbol representing all deceased members of a graduating class or staff member, such as a plant or bouquet of flowers, may be present on stage. A member of the school administration can also direct the audience in a moment of silence to collectively recognize deceased members of the graduating class.
- D. Moment of Silence Recognition - Upon request or permission of the deceased student's or staff member's family, a 'moment of silence' maybe used following the death of a student or staff member to honor their memory. School-wide moments of silence should occur within 2 school days following notification of the death. Moments of silence are also approved for use at ISD 22 School Board meetings, co-curricular events in which the deceased participated, and community-based events.

Existing memorials established prior to the implementation of this policy will remain intact. Existing memorials are generally the sole responsibility of the entity providing the memorial; district staff and/or finances may only be used to maintain current memorials as part of regular maintenance processes and/or to ensure safe conditions. The district reserves the right to remove a memorial if it is not or cannot be maintained or is contrary to the overall education needs of students.

V. PROHIBITED MEMORIAL ACTIVITIES

Selling and/or fundraising of memorial items during the school day is prohibited. District student activity accounts cannot be used to support, finance, or fundraise for memorialization. Utilizing formal all-school or school-wide events, including Commencement, Homecoming festivities, Prom, and other thematic events or weeks to memorialize deceased students or staff is prohibited. Commemorative items or events can be sponsored by community-based agencies and promoted outside the school day. Memorials may not include the retirement, alteration, or discontinued use of school property.

The Superintendent, in consultation with the Crisis Team, has the discretion to consider memorial events that utilize district facilities when the death of a student, staff member, or community member has a significant impact on a majority of students, staff and community.

Formal, school-wide recognition of anniversary dates will not occur. If the death of a student or staff member occurred in a public location accessible by community members, such as a crash site, district staff will not provide memorial monitoring.

School Board Meeting Agenda Memorandum



Kylie Johnson, HR Director
Detroit Lakes Public Schools
kyliejohnson@detlakes.k12.mn.us

DATE: December 5, 2023
TO: Board of Education
FROM: District Bargaining Committee - Board Member: John Steffl, Mark Jenson (Supt), Jason Kuehn (Director of Finance) & Kylie Johnson (HR Director)

SUBJECT : 2023-25 Custodians and Bus Drivers (AFSCME)

The district bargaining committee for contract negotiations is recommending the approval of the AFSCME Master Agreement for the 2023-25 contract period. The AFSCME members have ratified the agreement as follows:

- The financial settlement consists of wage increases of approximately 4% each year.
- Health Insurance contributions to single coverage increased to \$675 per month in 2023-24, & \$700 per month in 2024-2025 (year 2).
- Health Insurance contributions to family coverage increased to \$1,150 per month in 2023-24, & \$1,200 per month in 2024-2025 (year 2).
- Salary schedule steps awarded each year.
- Juneteenth was added as a paid holiday.
- Establishment of 5 annual leave days awarded during the first year of employment.
- Three, noncumulative, personal leave days granted to part-time employees on July 1 2024.
- Increase from 1 to 3 days use of sick leave for birth or adoption of a child.
- Increase in boiler operator stipends and pool certification stipends.

Language and other material changes included the following:

- Personal and annual leave will be allocated to eligible employees on July 1, 2024, rather than on their anniversary date.
- Steps, when granted, will occur on July 1 rather than on anniversary date.
- Sick leave was revised to 12 days for full-time, less than 40 hours per week employees rather than accrual based on hours worked.
- Removal of compensatory time for inclement weather days.
- Probationary period extended from 4 months to 6 months.

The total 2-year package increase is 7.77% for a total 2-year cost of \$230,335.

The district bargaining committee recommends approval of this agreement.



School Board Meeting Agenda Memorandum

Kylie Johnson, HR Director
Detroit Lakes Public Schools
kyliejohnson@detlakes.k12.mn.us

DATE: December 7, 2023
TO: Board of Education
FROM: District Bargaining Committee - Board Members: Mary Rotter, Ethan Walz
Mark Jenson (Supt), Jason Kuehn (Director of Finance) & Kylie Johnson (HR Director)
SUBJECT : 2023-25 Detroit Lakes Education Support Professionals (DLESP)

The district bargaining committee for contract negotiations is recommending the approval of the DLESP Master Agreement for the 2023-25 contract period. The DLESP members have ratified the agreement as follows:

- The financial settlement consists of wage increases of approximately 7% in 2023-24 and 3.7% in 2024-25 (Year 2) for Education Assistants resulting in a starting wage of \$16.50/hr in 2023-24 and \$17.00/hr in 2024-25.
- The financial settlement consists of wage increases of approximately 3.4% in 2023-24 and 3.5% in 2024-25 (Year 2) for COTAs, SLPAs resulting in a starting wage of \$22.00/hr in 2023-24 and \$22.75/hr in 2024-25.
- Physical Item Reimbursement was increased from \$125 to \$200, with hearing aids and insulin pumps added as items to be reimbursed.
- Longevity pay increased for 13+ year team members in 2023-24.
- Retention stipends to supersede existing longevity pay structure in 2024-25.
- Personal Leave increased from 1 to 2 days per school year for team members working 30+ hours per week.
- Steps were not applied in 2023-24 or 2024-25.

Language and other material changes included the following:

- Registered Behavior Technician (RBT) position was added to the bargaining unit.
- Article IX Section 7. E-Learning Days: Language added to clarify E-Learning/Flex Days.

The total 2-year package increase is 9.55% for a total 2-year cost of \$321,452.

The district bargaining committee recommends approval of this agreement.

DATE: December 15, 2023

TO: Mark Jenson, Superintendent and Board of Education

FROM: Jason Kuehn, Director of Finance and Operations

SUBJECT: **Auditing Report for 2022-23**

Included in your Board Meeting materials are the report from the District's auditing firm (Eide Bailly, LLP). These reports were reviewed at the School Board meeting on November 27th by a representative of the auditing firm.

Attached are:

1. Communications Letter on the District
2. Audited Financial Statements on the District
3. Executive Summary.

Administration recommends approval.



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June 30, 2023

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Detroit Lakes Public Schools

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Independent School District No. 22
Detroit Lakes Public Schools
School Board and Administration
June 30, 2023

Name	Position	Term Expires
School Board		
John Steffl	Chairperson	2024
Amy Erickson	Vice Chairperson	2024
April Thomas	Clerk	2026
Mary Rotter	Treasurer	2026
Ethan Walz	Director	2024
Michelle Okeson	Director	2026
Administration		
Mark Jenson	Superintendent	
Jason Kuehn	Director of Finance and Operations	



Independent Auditor's Report

The School Board of
Independent School District No. 22
Detroit Lakes Public Schools
Detroit Lakes, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 22 Detroit Lakes Public Schools ("the District"), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis; schedule of changes in the District's total OPEB liability and related ratios; schedule of employer's share of net pension liability; and schedule of employer's contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining balance sheet-nonmajor governmental funds; combining schedule of revenues, expenditures and changes in fund balance-nonmajor governmental funds; schedule of changes in UFARS fund balances-general fund; uniform financial accounting and reporting standards compliance table; and schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining balance sheet-nonmajor governmental funds; combining schedule of revenues, expenditures and changes in fund balance-nonmajor governmental funds; schedule of changes in UFARS fund balances-general fund; uniform financial accounting and reporting standards compliance table; and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the school board and administration listing but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with Legal Compliance Audit Guide prepared by the Office of the State Auditor pursuant to Minn. Stat. §6.65, we have also issued a report dated December 6, 2023, on our consideration of the District's compliance with aspects of the provisions of the Minnesota Legal Compliance Audit Guide for School Districts. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and not directed primarily toward obtaining knowledge of noncompliance. That report is an integral part of procedures performed in accordance with Office of the State Auditor's Minnesota Legal Compliance Audit Guide for School Districts in considering the District's compliance with certain regulatory requirements pursuant to Minn. Stat. §6.65.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, professional style.

Fargo, North Dakota
December 6, 2023

This section of Detroit Lakes Public Schools – Independent School District No. 22's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2023. Please read it in conjunction with the District's financial statements, which immediately follow this section.

Financial Highlights

Key financial highlights for the 2022-2023 fiscal year include the following:

- *General Fund 01* – The overall revenues were \$41,002,697 while the overall expenditures were \$42,585,222. These, along with net other financing sources of \$28,844, decreased the fund balance by \$1,553,681.
- *Food Service Fund 02* – The overall revenues were \$1,847,984 while the overall expenditures were \$2,033,024. These, along with net other financing sources of \$17,227, decreased the fund balance by \$167,813.
- *Community Service Fund 04* – The overall revenues were \$1,325,144 while the overall expenditures were \$1,366,687. These decreased the fund balance by \$41,543.
- *Capital Projects Fund 06* – The overall revenues were \$292,788 while the overall expenditures were \$1,431,818. These, along with other financing sources of \$2,561,810 increased the fund balance by \$1,422,780.
- *Debt Service Fund 07* – The overall revenues were \$3,927,886 while the overall expenditures were \$3,848,208. These increased the fund balance by \$79,678.

Overview of the Financial Statements

Government-Wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position - the difference between the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources - are one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional non-financial factors such as changes in the District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statement the District's activities are shown in one category:

- *Governmental Activities* – All of the District's basic services are included here, such as regular and special education, transportation, administration, food service, and community education. Property taxes and state aids finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds—focusing on its most significant or “major” funds—not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using revenues (e.g., federal grants).

The District has two kinds of funds:

- *Governmental Funds* – All of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information following the governmental funds statements that explains the relationship (or differences) between them.
- *Fiduciary Funds* – The District is the trustee, or fiduciary, for assets that belong to others. The District is responsible for ensuring that the assets reported in these funds are used only by those to whom the assets belong.

Financial Analysis of the District as a Whole

Net Position

The District's combined net position was \$8,809,284 on June 30, 2023.

Statement of Net Position
 June 30, 2023 and 2022

	2023	2022
Assets		
Current assets	\$ 24,709,725	\$ 26,029,434
Capital assets	80,814,560	80,355,780
Total assets	105,524,285	106,385,214
Deferred Outflows of Resources	8,959,316	10,258,714
Liabilities		
Other liabilities	2,209,879	3,506,935
Long-term liabilities	87,913,967	74,774,851
Total liabilities	90,123,846	78,281,786
Deferred Inflows of Resources	15,550,471	36,030,739
Net Position		
Net investment in capital assets	24,617,518	22,542,436
Restricted for specific purposes	4,724,671	5,553,302
Unrestricted	(20,532,905)	(25,764,335)
Total net position	\$ 8,809,284	\$ 2,331,403

Independent School District No. 22
 Detroit Lakes Public Schools
 Management's Discussion and Analysis
 Year Ended June 30, 2023

Changes in Net Position – The District's total revenues were approximately \$48.4 million for the year ended June 30, 2023. Property taxes and state formula aid accounted for 88.5% of total revenue for the year. Another 8.5% came from program revenues.

The total cost of all programs and services was approximately \$42.0 million. The District's expenses are predominantly related to educating and caring for students. The purely administrative activities of the District accounted for just 4.3% of total costs.

The total revenues exceeded expenses, increasing the net position by approximately \$6.5 million for fiscal year 2023.

Statement of Activities
 Years Ended June 30, 2023 and 2022

	2023	2022
Revenues		
Program revenues		
Charges for service	\$ 2,144,603	\$ 1,353,946
Operating grants and contributions	1,992,625	2,821,291
General		
Property taxes	8,732,522	8,831,643
Aids and payments from state and other	34,130,798	32,848,792
Miscellaneous revenues	1,434,049	870,049
Total revenues	48,434,597	46,725,721
Expenses		
Administration	1,798,181	2,021,738
District support services	1,587,000	1,187,911
Regular instruction	10,696,593	16,385,800
Vocational instruction	1,022,459	887,309
Special education instruction	7,874,809	8,059,915
Community education and services	1,366,685	1,189,246
Instructional support services	3,090,535	2,183,791
Pupil support services	6,878,937	6,701,404
Sites and buildings	5,694,923	3,534,012
Fiscal and other fixed-cost programs	1,946,594	1,924,327
Total expenses	41,956,716	44,075,453
Change in Net Position (Deficit)	6,477,881	2,650,268
Net Position (Deficit) - Beginning	2,331,403	(318,865)
Net Position - Ending	\$ 8,809,284	\$ 2,331,403

Independent School District No. 22
 Detroit Lakes Public Schools
 Management's Discussion and Analysis
 Year Ended June 30, 2023

General Fund

The General Fund includes the primary operations of the District in providing educational services to students from kindergarten through grade 12, including pupil transportation activities, buildings and grounds, and capital outlay projects.

The following schedule presents a summary of General Fund Revenues.

	Year Ended June 30,		Amount of Increase (Decrease)	Percent Increase (Decrease)
	2023	2022		
Local Property Taxes	\$ 4,699,001	\$ 4,849,724	\$ (150,723)	-3.1%
Other Local Sources	2,131,872	1,228,290	903,582	73.6%
State Sources	30,422,036	29,531,989	890,047	3.0%
Federal Sources	3,692,716	3,271,621	421,095	12.9%
Miscellaneous	57,072	63,556	(6,484)	-10.2%
Total general fund revenues	<u>\$ 41,002,697</u>	<u>\$ 38,945,180</u>	<u>\$ 2,057,517</u>	5.3%

Total General Fund revenue increased by \$2,057,517 or 5.3% from the previous year. Basic general education revenue is determined by a state per student funding formula and consists of an equalized mix of property tax and state aid revenue. The mix of property tax and state aid can change significantly from year to year without any net change on revenue. Federal sources increased as a result of additional spending and reimbursement of COVID-19 pandemic relief funding. Other local sources increased due to additional fundraising and donations, one-time E-Rate funding, and increased interest rates in 2023.

The following schedule presents a summary of General Fund expenditures.

	Year Ended June 30,		Amount of Increase (Decrease)	Percent Increase (Decrease)
	2023	2022		
Salaries and Benefits	\$ 31,213,725	\$ 30,426,769	\$ 786,956	2.6%
Purchased Services	5,741,399	5,095,169	646,230	12.7%
Supplies and Materials	1,767,042	1,874,218	(107,176)	-5.7%
Capital Expenditures	2,826,828	4,346,914	(1,520,086)	-35.0%
Other Expenditures	1,036,228	478,419	557,809	116.6%
Total general fund expenditures	<u>\$ 42,585,222</u>	<u>\$ 42,221,489</u>	<u>\$ 363,733</u>	0.9%

Total General Fund expenditures increased by \$363,733 or 0.9% from the previous year. The majority of the increase related to salaries and benefits for additional staff hirings and general wage increases. The District saw an increase in purchased services due to increased transportation costs in 2023. The District also had a decrease in capital expenditures as the District had less building and technology infrastructure upgrades in 2023.

General Fund Budgetary Highlights

The District's general fund results when compared to the final budget are:

- Actual revenues were \$1,784,500 more than budget, primarily due to higher than expected enrollment thereby increasing state aids and also additional interest income from increased interest rates.
- Actual expenditures were \$2,078,170 more than budget, primarily due to higher than expected capital outlay expenditures.

Other Non-Major Funds

The Food Service Fund incurred a current year deficit of \$167,813. The Community Service Fund incurred a current year deficit of \$41,543. From the standpoint of maintaining current operating expenditures within the range of annual revenue, the Community Service Fund and Food Service Fund continue to operate on a sound financial basis.

Capital Assets

By the end of fiscal year 2023, the District had invested approximately \$106.7 million in a broad range of capital assets, including school buildings, athletic facilities, computer and audio-visual equipment, and school vehicles. Total depreciation/amortization expense for the year was \$2,603,439. Note 5 presents the detail of the District's capital assets.

Capital Assets Governmental Activities
 June 30, 2023 and 2022

	2023	2022
Land	\$ 720,909	\$ 720,909
Construction in Progress	102,542	30,860,585
Buildings	94,083,506	60,507,701
Improvements	4,701,697	4,701,697
Equipment	5,104,931	5,091,273
Right-to-Use Lease Assets	2,018,853	2,007,455
Accumulated Depreciation/Amortization	(25,917,878)	(23,533,840)
Total capital assets	\$ 80,814,560	\$ 80,355,780

Long-Term Liabilities

At year end the District had \$56,334,459 of long term debt, excluding pension and OPEB liabilities. This consisted of bonded indebtedness of \$51,435,000, unamortized bond premiums of \$2,609,341, direct borrowing payable of \$824,264, leases payable of \$1,328,437, and vacation and sick leave payable of \$137,417. Note 7 presents the detail of the District's long-term debt. Note 6 presents the details of the District's leases. The District has \$1,489,475 in liabilities for other postemployment benefits. See Note 8 for further information on OPEB obligations. The District has \$30,090,033 in net pension liability at June 30, 2023. See Note 9 for further information on pensions.

Factors Bearing on the District's Future

With the exception of voter-approved excess operating referendum, the District is dependent on the State of Minnesota for its revenue authority. The state did allocate additional resources to school districts at a much greater level in the next two years than has been seen for quite some time. However, with the continuing uncertainty of funding sustainability, the District will continue to monitor its spending to remain fiscally responsible.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or would like additional information, contact the Business Office, Independent School District No. 22, Detroit Lakes, Minnesota.

Independent School District No. 22
 Detroit Lakes Public Schools
 Statement of Net Position
 June 30, 2023

Assets	
Cash and investments	\$ 16,347,994
Receivables	
Current property taxes	4,206,000
Delinquent property taxes	56,797
Accounts	40,512
Due from other governmental units	3,914,122
Prepaid items	66,088
Inventories	78,212
	<u>24,709,725</u>
Capital assets	
Capital assets not being depreciated	
Land	720,909
Construction in progress	102,542
Capital assets, net of accumulated depreciation/amortization	
Buildings and improvements	73,370,193
Land improvements	2,938,326
Equipment	2,397,257
Right-to-use lease assets	1,285,333
Total capital assets	<u>80,814,560</u>
Total assets	<u>105,524,285</u>
Deferred Outflows of Resources	
Other postemployment benefits	182,449
Pension plans	8,776,867
Total deferred inflows of resources	<u>8,959,316</u>
Liabilities	
Accounts payable	407,330
Salaries payable	982,451
Accrued interest payable	820,098
Long-term liabilities	
Due within one year - other than pensions and OPEB	3,481,258
Due in more than one year - other than pensions and OPEB	52,853,201
Due in more than one year - other postemployment benefits	1,489,475
Due in more than one year - net pension liability	30,090,033
Total liabilities	<u>90,123,846</u>
Deferred Inflows of Resources	
Property taxes levied for subsequent year	8,741,015
Other postemployment benefits	370,153
Pension plans	6,439,303
Total deferred inflows of resources	<u>15,550,471</u>
Net Position	
Net investment in capital assets	24,617,518
Restricted for specific purposes	4,724,671
Unrestricted	(20,532,905)
Total net position	<u>\$ 8,809,284</u>

Independent School District No. 22
 Detroit Lakes Public Schools
 Statement of Activities
 Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental Activities				
Administration	\$ 1,798,181	\$ -	\$ -	\$ (1,798,181)
District support services	1,587,000	28,451	-	(1,558,549)
Regular instruction	10,696,593	692,077	-	(10,004,516)
Vocational instruction	1,022,459	59,538	-	(962,921)
Special education instruction	7,874,809	228,842	-	(7,645,967)
Community education and services	1,366,685	480,967	618,883	(266,835)
Instructional support services	3,090,535	-	-	(3,090,535)
Pupil support services	6,878,937	654,728	1,211,879	(5,012,330)
Sites and buildings	5,694,923	-	161,863	(5,533,060)
Fiscal and other fixed-cost programs	1,946,594	-	-	(1,946,594)
Total governmental activities	\$ 41,956,716	\$ 2,144,603	\$ 1,992,625	\$ (37,819,488)
General Revenues				
Property taxes, levied for general purposes				4,735,910
Property taxes, levied for community education and services				223,954
Property taxes, levied for debt service				3,772,658
Aids and payments from state sources				30,351,838
Aids and payments from federal sources				3,692,716
County apportionment				86,244
Unrestricted investment earnings				404,656
Proceeds on disposal of property and equipment				34,673
Miscellaneous revenues				994,720
Total general revenues				44,297,369
Change in Net Position				6,477,881
Net Position - Beginning				2,331,403
Net Position - Ending				\$ 8,809,284

Independent School District No. 22
 Detroit Lakes Public Schools
 Governmental Funds
 Balance Sheet
 June 30, 2023

	General	Debt Service	Other Governmental Funds	Totals
Assets				
Cash and investments	\$ 11,481,775	\$ 3,175,158	\$ 1,691,061	\$ 16,347,994
Receivables				
Current property taxes	1,879,768	2,228,763	97,469	4,206,000
Delinquent property taxes	31,127	24,338	1,332	56,797
Accounts	18,539	-	21,973	40,512
Due from other governmental units	3,841,652	15,526	56,944	3,914,122
Prepaid items	66,088	-	-	66,088
Inventories	26,955	-	51,257	78,212
Total assets	\$ 17,345,904	\$ 5,443,785	\$ 1,920,036	\$ 24,709,725
Liabilities				
Accounts payable	\$ 359,123	\$ -	\$ 48,207	\$ 407,330
Salaries payable	942,060	-	40,391	982,451
Total liabilities	1,301,183	-	88,598	1,389,781
Deferred Inflows of Resources				
Unavailable revenue-property taxes	31,127	24,338	1,332	56,797
Property taxes levied for subsequent year	3,785,959	4,724,294	230,762	8,741,015
Total deferred inflows of resources	3,817,086	4,748,632	232,094	8,797,812
Fund Balance				
Nonspendable	93,043	-	51,257	144,300
Restricted	3,275,859	695,153	1,548,087	5,519,099
Committed	2,619,414	-	-	2,619,414
Assigned	1,552,640	-	-	1,552,640
Unassigned	4,686,679	-	-	4,686,679
Total fund balance	12,227,635	695,153	1,599,344	14,522,132
Total liabilities, deferred inflows of resources, and fund balance	\$ 17,345,904	\$ 5,443,785	\$ 1,920,036	\$ 24,709,725

Independent School District No. 22
Detroit Lakes Public Schools
Reconciliation of the Balance Sheet to the Statement of Net Position
June 30, 2023

Total Fund Balances - Governmental Funds	\$ 14,522,132
Amounts Reported for Governmental Activities in The Statement of Net Position is Different Because:	
Capital assets used in governmental activities are not financial resources, and, therefore, are not reported as assets in the governmental funds.	80,814,560
Accrued interest payable for long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(820,098)
Delinquent property taxes are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	56,797
Deferred outflows and inflows of resources related to pension and OPEB plans are applicable to future periods and, therefore, are not reported in the funds.	2,149,860
Long-term liabilities, including bonds payable, leases, direct borrowing payable, bond premiums, compensated absences, other post-employment benefits, and pension liabilities are not due and payable in the current period and, therefore are not reported in the funds.	<u>(87,913,967)</u>
Total Net Position - Governmental Activities	<u>\$ 8,809,284</u>

Independent School District No. 22
 Detroit Lakes Public Schools
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Year Ended June 30, 2023

	General	Debt Service	Other Governmental Funds	Totals
Revenues				
Local property tax levies	\$ 4,699,001	\$ 3,772,658	\$ 223,954	\$ 8,695,613
Other local and county sources	1,749,108	-	1,030,803	2,779,911
Investment earnings	382,764	-	21,892	404,656
State sources	30,422,036	155,228	651,660	31,228,924
Federal sources	3,692,716	-	1,163,139	4,855,855
Sales and other conversion of assets	57,072	-	374,468	431,540
Total revenues	41,002,697	3,927,886	3,465,916	48,396,499
Expenditures				
Current				
Administration	1,771,482	-	-	1,771,482
District support services	1,604,561	-	-	1,604,561
Regular instruction	16,446,034	-	-	16,446,034
Vocational instruction	1,020,623	-	-	1,020,623
Special education instruction	7,695,722	-	-	7,695,722
Community education and service	-	-	1,338,487	1,338,487
Instructional support services	2,217,526	-	-	2,217,526
Pupil support services	4,689,357	-	2,005,275	6,694,632
Sites and buildings	3,427,576	-	-	3,427,576
Fiscal and other fixed cost programs	199,430	5,127	53,148	257,705
Debt service				
Principal	632,284	1,955,000	-	2,587,284
Interest	53,799	1,888,081	-	1,941,880
Capital outlay	2,826,828	-	1,434,619	4,261,447
Total expenditures	42,585,222	3,848,208	4,831,529	51,264,959
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,582,525)	79,678	(1,365,613)	(2,868,460)
Other Financing Sources				
Sale of property	17,446	-	17,227	34,673
Bond issued	-	-	2,435,000	2,435,000
Premium on bonds issued	-	-	126,810	126,810
Total other financing sources	28,844	-	2,579,037	2,607,881
Net Change in Fund Balance	(1,553,681)	79,678	1,213,424	(260,579)
Fund Balance, Beginning of Year	13,781,316	615,475	385,920	14,782,711
Fund Balance, End of Year	\$ 12,227,635	\$ 695,153	\$ 1,599,344	\$ 14,522,132

Independent School District No. 22

Detroit Lakes Public Schools

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
Year Ended June 30, 2023

Net Change in Fund Balances - Total Governmental Funds \$ (260,579)

Amounts Reported for Governmental Activities in the Statement of Activities Are Different Because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities the cost of capital assets is allocated over their estimated useful lives as depreciation/amortization expense.

Capital outlay	3,070,032
Depreciation/amortization expense	(2,603,439)

The net effect of the disposal of capital assets is to decrease net position. (7,813)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 3,425

In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. (9,222)

In the statement of activities, OPEB liabilities are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. 25,354

In the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. In the governmental funds, however, the contributions are reported as an expense. 6,099,998

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items. 160,125

Change in Net Position of Governmental Activities \$ 6,477,881

Independent School District No. 22

Detroit Lakes Public Schools

Statement of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – General Fund Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Local property tax levies	\$ 4,595,881	\$ 4,595,881	\$ 4,699,001	\$ 103,120
Other local and county sources	848,041	848,041	1,749,108	901,067
Investment earnings	40,000	40,000	382,764	342,764
State sources	30,086,129	30,086,129	30,422,036	335,907
Federal sources	3,490,396	3,595,896	3,692,716	96,820
Sales and other conversion of assets	52,250	52,250	57,072	4,822
Total revenues	39,112,697	39,218,197	41,002,697	1,784,500
Expenditures				
Current				
Administration	1,903,843	1,903,843	1,771,482	132,361
District support services	1,747,567	1,747,567	1,604,561	143,006
Regular instruction	16,896,164	16,896,164	16,446,034	450,130
Vocational instruction	923,739	923,739	1,020,623	(96,884)
Special education instruction	8,382,367	8,382,367	7,695,722	686,645
Instructional support services	2,298,832	2,298,832	2,217,526	81,306
Pupil support services	4,325,240	4,325,240	4,689,357	(364,117)
Sites and buildings	2,735,990	2,735,990	3,427,576	(691,586)
Fiscal and other fixed cost programs	174,000	174,000	199,430	(25,430)
Debt Service				
Principal	-	-	632,284	(632,284)
Interest	-	-	53,799	(53,799)
Capital outlay	1,119,310	1,119,310	2,826,828	(1,707,518)
Total expenditures	40,507,052	40,507,052	42,585,222	(2,078,170)
Deficiency of Revenues				
Under Expenditures	(1,394,355)	(1,288,855)	(1,582,525)	(293,670)
Other Financing Sources				
Sale of property	-	15,000	17,446	2,446
Leases (as lessee)	-	-	11,398	11,398
Total Other Financing Sources	-	15,000	28,844	13,844
Net Change in Fund Balance	\$ (1,394,355)	\$ (1,273,855)	(1,553,681)	\$ (279,826)
Fund Balance, Beginning of Year			13,781,316	
Fund Balance, End of Year			\$ 12,227,635	

Independent School District No. 22
Detroit Lakes Public Schools
Statement of Fiduciary Net Position
June 30, 2023

	<u>Custodial Funds</u>
Assets	
Cash and cash equivalents	<u>\$ 15,923</u>
Liabilities	
Accounts payable	<u>2,737</u>
Net Position	
Unrestricted	<u>13,186</u>
Total liabilities and net position	<u><u>\$ 15,923</u></u>

Independent School District No. 22
Detroit Lakes Public Schools
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2023

	Custodial Funds
Additions	<u>\$ 17,395</u>
Deductions	<u>87,445</u>
Net Change in Net Position	(70,050)
Net Position, Beginning of Year	<u>83,236</u>
Net Position, End of Year	<u><u>\$ 13,186</u></u>

Note 1 - Summary of Significant Accounting Policies

A. Organization

Independent School District No. 22, Detroit Lakes Public Schools, Detroit Lakes, Minnesota (“the District”) was formed and operates pursuant to applicable Minnesota laws and statutes. The District is governed by a School Board elected by voters of the District. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. Reporting Entity

The accompanying financial statements include all funds, departments, agencies, boards, commissions, and other organizations that comprise the District, along with any component units.

Component units are legally separate entities for which the District (primary government) is financially accountable, or for which the exclusion of the component unit would render the financial statements of the primary government misleading. The criteria used to determine if the primary government is financially accountable for a component unit include whether or not the primary government appoints the voting majority of the potential component unit’s governing body, is able to impose its will on the potential component unit, is in a relationship of financial burden or benefit with the potential component unit, or is fiscally depended upon by the potential component unit.

Based on these criteria, there are no organizations considered to be component units of the District.

C. Government-Wide Financial Statement Presentation

The government-wide financial statements (Statement of Net Position and Statement of Activities) display information about the reporting government as a whole. These statements include all the financial activities of the District, except for the fiduciary funds. The fiduciary fund is reported in the Statement of Fiduciary Net Position at the fund financial statement level. Generally, the effect of interfund activity has been removed from the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other internally directed revenues are reported as general revenues.

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

The District applies restricted resources first when an expense is incurred for which both restricted and unrestricted resources are available. For capital assets that can be specifically identified with, or allocated to functional areas, depreciation expense is included as a direct expense in the functional areas that utilize the related capital assets. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Fund Financial Statement Presentation

Major individual governmental funds are reported as separate columns in the fund financial statements. Aggregated information for the remaining nonmajor governmental funds is reported in a single column in the fund financial statements.

The fiduciary fund is presented in the fiduciary fund financial statement. The District has one type of fiduciary fund, the custodial fund. Since, by definition, fiduciary fund assets are being held for the benefit of a third party and cannot be used for activities or obligations of the District, this fund is excluded from the government-wide statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this basis of accounting transactions are recorded in the following manner:

Revenue Recognition – Revenue is recognized when it becomes measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the District generally considers revenues to be available if they are collected within 60 days after year-end. Grants and similar items are recognized when all eligibility requirements imposed by the provider have been met. State revenue is recognized in the year to which it applies according to Minnesota Statutes. Federal revenue is recorded in the year in which the related expenditure is made. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Recording of Expenditures – Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, severance, postemployment benefits, and pensions, are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving the District the right to use leased assets, are reported as expenditures in the governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

The fiduciary fund financial statement is reported using the economic resources measurement focus and the accrual basis of accounting as described earlier in these notes.

Description of Funds

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

Major Governmental Funds

General Fund – The general fund is used to account for all financial resources except those required to be accounted for in another fund. It includes the general operations and pupil transportation activities of the District, as well as the capital related activities such as maintenance of facilities, equipment purchases, and health and safety projects. The District’s Student Activity Funds are under board control and are reported in the general fund.

Debt Service Fund – The debt service fund is used to account for the accumulation of resources for, and payment of, general obligation bond principal, interest, and related costs.

Nonmajor Governmental Funds

Food Service Fund – The food service fund is used to account for food service revenues and expenditures.

Community Service Fund – The community service fund is used to account for services provided to residents in the areas of recreation, civic activities, nonpublic pupils, adult or early childhood programs, extended day programs, or other similar services.

Capital Projects Fund – The capital projects fund is used to account for capital projects within the District. The District projects were completed and the fund was closed out during the year ended June 30, 2023.

Fiduciary Fund

Custodial Fund – The custodial fund is a fiduciary fund used to administer resources received and held by the District as trustee for others. The custodial fund is used for District events in which the District has no administrative involvement.

E. Other Significant Accounting Policies

Budgeting

An operating budget is adopted by July 1 of each fiscal year for all governmental funds on the same modified accrual basis used to reflect actual revenues and expenditures. The superintendent is authorized to transfer budget amounts within line items; however, supplemental appropriations that amend total appropriations of any fund require a board resolution. Reported budgeted amounts are as originally adopted or as amended by board resolution. Unencumbered appropriations lapse at year-end.

Cash and Investments

Cash balances for all district funds are pooled and invested to the extent available in various investment instruments as authorized by state statutes. Earnings from such investments are allocated to each of the funds based on the fund's average monthly cash and cash equivalents balance. Funds that incur a deficit balance in pooled cash and cash equivalents during the year are charged interest.

Deposits and investments include money market accounts, deposits, certificates of deposit and monies deposited with the Minnesota School District Liquid Asset Fund (MSDLAF), and are stated at fair value. Fair value is the price that would be received to sell the investment in an orderly transaction at year end.

The District has an approved investment policy in place to ensure compliance with state laws relating to investments, and to guarantee that investments meet certain primary criteria.

Receivables

Amounts are shown net of any allowance for uncollectibles. No allowances for uncollectibles have been recorded. The only receivables not expected to be fully collected within one year are property taxes receivable.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Inventories

Inventories are recorded using the consumption method of accounting and consist of purchased food, supplies, and surplus commodities received from the federal government. Food and supply purchases are recorded at invoice cost, computed on a first-in, first-out method. Surplus commodities are stated at standardized costs, as determined by the U.S. Department of Agriculture.

Property Taxes

The majority of district revenue is determined annually by statutory funding formulas. The total revenue allowed by these formulas is allocated between property taxes and state aids by the Legislature based on education funding priorities.

Generally, property taxes are recognized as revenue by the District in the fiscal year that begins midway through the calendar year in which the tax levy is collectible. To help balance the state budget, the Minnesota Legislature utilizes a tool referred to as the “tax shift,” which periodically changes the District’s recognition of property tax revenue. The tax shift advance recognizes cash collected for the subsequent year’s levy as current year revenue, allowing the state to reduce the amount of aid paid to the District. The remaining portion of the taxes collectible in 2023 is recorded as deferred inflows of resources (property taxes levied for subsequent year).

Property tax levies are certified to the County Auditor in December of each year for collection from taxpayers in May and October of the following calendar year. In Minnesota, counties act as collection agents for all property taxes. The county spreads all levies over taxable property. Such taxes become a lien on property on the following January 1. The county general remits taxes to the District at periodic intervals as they are collected. A portion of the property taxes levied is paid by the State of Minnesota through various tax credits, which are included in revenue from state sources in the financial statements.

Current property taxes receivable is the uncollected portion of the taxes levied in 2022 and collectible in 2023. This levy is offset with a deferred inflow of resources for property taxes levied for a subsequent year. Delinquent taxes receivable includes the past six years’ uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for delinquent taxes not received within 60 days after year-end in the fund financial statements.

Capital Assets

Capital assets are capitalized at historical cost, or estimated historical cost for assets where actual historic cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would have been paid to acquire an asset with equivalent service potential on the date of the donation. The District maintains a threshold level of \$10,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets are recorded in the government-wide financial statements, but are not reported in the fund financial statements. Capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public school purposes by the District, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 3 to 50 years. Land and construction in progress are not depreciated.

The District does not possess any material amounts of infrastructure capital assets. Items such as sidewalks and other land improvements are considered to be part of the cost of buildings or other improvable property.

Right to use leased assets are recognized at the lease commencement date and represent the District's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any indirect costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 2 to 15 years.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the District.

Accrued Employee Benefits

Vacation – The District compensates substantially all full-time employees upon termination of employment for unused vacation up to a maximum. As of June 30, 2023, this amount did not exceed a normal year's accumulation. In the fund financial statements, the expenditure for vacation pay is recognized when payment is made, and a liability is recorded only for amounts payable in the current period. In the district-wide statements, vacation expense is recognized as earned and a liability is recorded for all earned vacation pay.

Sick Leave – Substantially all employees are entitled to sick leave. Noncertified employees are not compensated for unused sick leave upon a qualified termination of employment. Certified employees are compensated for unused sick leave upon termination of employment, in conjunction with severance pay. Sick leave pay is shown as an expenditure in the year paid in the governmental funds.

The liability for such vacation or sick leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

Postemployment Benefits Other Than Pensions (OPEB)

Under the provisions of the various employee and union contracts, the District provides certain postemployment benefits other than pensions to eligible retirees. These OPEB obligations are funded on a pay-as-you-go basis. The total OPEB liability, deferred outflows/inflows of resources, and OPEB expense were actuarially determined in accordance with GASB Statement No. 75. Additional information can be found in Note 8.

Pensions

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

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis and Minneapolis School District. This direct aid is a result of the Minneapolis Teachers Retirement Fund Association merger into TRA in 2006. A second direct aid source is from the State of Minnesota for the merger of the Duluth Teacher's Retirement Fund Association (DTRFA) in 2015. Additional information can be found in Note 9.

Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then.

The District has two items that qualify for reporting in this category on the government-wide statement of net position. Deferred outflows of resources related to other postemployment benefits consists of various estimate differences and contributions made to the plan subsequent to the measurement date that will be recognized as expenditures in future years. Deferred outflows of resources related to pension plans consists of various estimate differences and contributions made to the plan subsequent to the measurement date that will be recognized as expenses in future years.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

The District has three types of items that qualify for reporting in this category. The first item, unavailable revenue from property taxes, arises under a modified accrual basis of accounting and is reported only in the Governmental Funds Balance Sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available. The second item is property taxes levied for subsequent years, which represent property taxes received or reported as a receivable before the period for which the taxes are levied, and is reported as a deferred inflow of resources in both the government-wide statement of net position and the governmental funds balance sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available. The third item is deferred inflows related to pension and OPEB plans as a result of various estimate differences that will be recognized as expenses in future years, reported in the government-wide statement of net position.

Net Position

Net position represents the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources in the District's government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any long-term debt attributable to the acquisition, construction, or improvement of those assets. Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Fund Balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." The District's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

- Nonspendable fund balance amounts are comprised of funds that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. They include items that are inherently unspendable, such as, but not limited to, inventories, prepaid items, long-term receivables, non-financial assets held for resale, or the permanent principal of endowment funds.
- Restricted fund balance amounts are comprised of funds that have legally enforceable constraints placed on their use that either are externally imposed by resource providers or creditors (such as through debt covenants), grantors, contributors, voters, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.

- Committed fund balance amounts are comprised of unrestricted funds used for specific purposes pursuant to constraints imposed by formal action of the school board and that remain binding unless removed by the school board by subsequent formal action. The formal action to commit a fund balance must occur prior to fiscal year end; however, the specific amounts actually committed can be determined in the subsequent fiscal year. A majority vote of the school board is required to commit a fund balance to a specific purpose and subsequently to remove or change any constraint so adopted by the board. A committed fund balance cannot be a negative number.
- Assigned fund balance amounts are comprised of unrestricted funds constrained by the school district's intent that they be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. In funds other than the general fund, the assigned fund balance represents the remaining amount that is not restricted or committed. The assigned fund balance category will cover the portion of a fund balance that reflects the school district's intended use of those resources. The action to assign a fund balance may be taken after the end of the fiscal year. The school board, by majority vote, may assign fund balances to be used for specific purposes when appropriate. An appropriation of an existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues satisfies the criteria to be classified as an assignment of fund balance. The board also delegates the power to assign fund balances to the following: the Finance Committee. Assignments so made shall be reported to the school board on a monthly basis, either separately or as part of ongoing reporting by the assigning party if other than the school board. An assigned fund balance cannot be a negative number.
- Unassigned fund balance amounts are the residual amounts in the general fund not reported in any other classification. Unassigned amounts in the general fund are technically available for expenditure for any purpose. The general fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted, and committed fund balances exceed the total net resources of that fund.

If resources from more than one fund balance classification could be spent, the school district will strive to spend resources from fund balance classifications in the following order (first to last): unassigned, assigned, committed, restricted. The School District will strive to maintain an Unassigned General Fund Balance in the range of 15% to 25% of the annual Statutory Operating Debt (SOD) expenditures calculated by Minnesota Department of Education.

Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and workers' compensation for which the District carries commercial insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There were no significant reductions in the District's insurance coverage in fiscal year 2023.

Estimates

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

Reclassifications

Certain reclassifications of amounts previously reported have been made in the accompanying financial statements to maintain consistency between periods presented. The reclassification had no impact on fund balance or net position.

Note 2 - Stewardship, Compliance, and Accountability

Expenditures in Excess of Appropriations

Budget control for the fund is established by its total appropriations. The General Fund had expenditures exceeding appropriations in the amount of \$2,078,170 for the year ended June 30, 2023. These over expenditures were funded by greater than anticipated revenues and existing fund balance.

Note 3 - Deposits and Investments

Deposits

In accordance with applicable Minnesota Statutes, the District maintains deposits at depository banks authorized by the District's School Board. All such depositories are members of the Federal Reserve System.

The following is considered the most significant risk associated with deposits:

Custodial Credit Risk – In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may be lost.

Minnesota Statutes require that all deposits be protected by federal deposit insurance, corporate surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by federal deposit insurance or corporate surety bonds. Authorized collateral includes treasury bills, notes, and bonds; issues of U.S. government agencies; general obligations rated “A” or better; revenue obligations rated “AA” or better; irrevocable standard letters of credit issued by the Federal Home Loan Bank; and certificates of deposit. Minnesota Statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account at a trust department of a commercial bank or other financial institution that is not owned or controlled by the financial institution furnishing the collateral.

At June 30, 2023, all deposits were insured or collateralized by securities held by the District’s agent in the District’s name.

Concentration of Credit Risk – The District maintains its cash in bank deposit accounts which exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per depositor, per insured bank for each account ownership category. At June 30, 2023, the District had approximately \$2,800,000 in excess of FDIC insured limits that were appropriately collateralized.

Investments

The following are considered the most significant risks associated with investments:

Credit Risk - Investments – Minnesota Statutes authorize the District to invest in obligations of the U.S. Treasury, agencies and instrumentalities, bankers' acceptances, certain repurchase agreements and commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record.

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

Interest Rate Risk - Investments – The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following table presents the District’s investments held at fair value:

<u>Type</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Government Securities	<u>\$ 3,856,416</u>	<u>\$ -</u>	<u>\$ -</u>

Independent School District No. 22
 Detroit Lakes Public Schools
 Notes to Financial Statements
 June 30, 2023

The following table presents the District's deposit and investment balances at June 30, 2023:

Type	Fair Value	Investment Maturities (in Years)		
		N/A	< 1	1 - 5
Cash and Cash Equivalents				
Minnesota School				
District Liquid Asset Fund	\$ 6,830,857	\$ 6,830,857	\$ -	\$ -
Deposits	3,089,536	3,089,536	-	-
Money market	998,700	998,700	-	-
Certificates of deposit	1,588,408	-	676,370	912,038
Investments				
Government securities	3,856,416	-	1,693,095	2,163,321
	<u>\$ 16,363,917</u>	<u>\$ 10,919,093</u>	<u>\$ 2,369,465</u>	<u>\$ 3,075,359</u>

The Minnesota School District Liquid Asset Fund is an external investment pool not registered with the Securities and Exchange Commission (SEC) that follows the same regulatory rules of the SEC under rule 2a7. The fair value of the position in the pool is the same as the value of the pool's shares.

Deposits and investments are included on the basic financial statements as follows:

Cash and Cash Equivalents - Statement of Net Position	\$ 16,347,994
Cash and Cash Equivalents - Fiduciary Fund	<u>15,923</u>
	<u>\$ 16,363,917</u>

Note 4 - Due from Other Governmental Units

Amounts receivable from other governments as of June 30, 2023, include:

Fund	Federal	State	Total
Major Funds			
General	\$ 681,716	\$ 3,159,936	\$ 3,841,652
Debt service	-	15,526	15,526
Non-major Funds	3,765	53,179	56,944
	<u>\$ 685,481</u>	<u>\$ 3,228,641</u>	<u>\$ 3,914,122</u>

Note 5 - Capital Assets

Capital asset activity for the year ended June 30, 2023 is as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Capital Assets Not Being Depreciated/Amortized				
Land	\$ 720,909	\$ -	\$ -	\$ 720,909
Construction in progress	30,860,585	2,229,461	32,987,504	102,542
Total capital assets, not being depreciated/amortized	31,581,494	2,229,461	32,987,504	823,451
Capital Assets Being Depreciated/Amortized				
Buildings and improvements	60,507,701	33,575,805	-	94,083,506
Equipment	5,091,273	240,872	227,214	5,104,931
Land improvements	4,701,697	-	-	4,701,697
Right-to-use leased assets	2,007,455	11,398	-	2,018,853
Total capital assets being depreciated/amortized	72,308,126	33,828,075	227,214	105,908,987
Less Accumulated Depreciation/Amortization for				
Buildings and improvements	18,796,162	1,917,151	-	20,713,313
Equipment	2,807,053	120,022	219,401	2,707,674
Land improvements	1,556,324	207,047	-	1,763,371
Right-to-use leased assets	374,301	359,219	-	733,520
Total accumulated depreciation/amortization	23,533,840	2,603,439	219,401	25,917,878
Net capital assets, depreciated/amortized	48,774,286	31,224,636	7,813	79,991,109
Total capital assets, net	\$ 80,355,780	\$ 33,454,097	\$ 32,995,317	\$ 80,814,560

Depreciation/amortization expense for the year ended June 30, 2023 was charged to the following functions/programs:

District support services	\$ 2,895
Regular instruction	40,670
Pupil support services	107,585
Sites and buildings	2,452,289
Total depreciation/amortization expense	\$ 2,603,439

Note 6 - Leases Payable

The District has entered into lease agreements as lessee for the acquisition and use of various athletic facilities, classroom and kitchen space, and technology equipment. The District is required to make principal and interest payments through June 2036 with interest rates of 3.50%. Remaining useful lives range from 2 to 15 years. During the year ended June 30, 2023, the District recognized interest expense of \$53,799 related to leases.

The future principal and interest lease payments as of June 30, 2023, were as follows:

Years Ending June 30,	Principal	Interest
2024	\$ 243,957	\$ 45,122
2025	214,227	36,535
2026	66,115	29,885
2027	68,449	27,551
2028	70,866	25,134
2029-2033	393,672	86,328
2034-2036	271,151	16,848
	\$ 1,328,437	\$ 267,403

Note 7 - Long-Term Liabilities

Changes in long-term liabilities during the year ended June 30, 2023 are as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year
Bonds Payable	\$ 50,955,000	\$ 2,435,000	\$ 1,955,000	\$ 51,435,000	\$ 2,660,000
Unamortized Bond Premium	2,661,977	126,810	179,446	2,609,341	165,129
Direct Borrowings	1,099,019	-	274,755	824,264	274,755
Leases	1,674,568	11,398	357,529	1,328,437	243,957
Compensated Absences	128,195	92,357	83,135	137,417	137,417
	\$ 56,518,759	\$ 2,665,565	\$ 2,849,865	\$ 56,334,459	\$ 3,481,258

Bonds Payable

Following is a summary of bonds payable as of June 30, 2023:

<u>Bond Description</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Principal</u>	<u>Outstanding Balance</u>
General Obligation Abatement Bonds, Series 2018A	2033	3.00%	\$ 4,725,000	\$ 3,565,000
General Obligation School Building Bonds, Series 2019A	2039	3.00-5.00%	47,445,000	41,495,000
General Obligation Facilities Maintenance Bonds, Series 2020A	2035	2.00-4.00%	3,940,000	3,940,000
General Obligation School Building Bonds, Series 2022A	2028	5.00%	2,435,000	<u>2,435,000</u>
				<u>\$ 51,435,000</u>

The bonds are general obligations of the District for which the full faith and credit and unlimited taxing powers of the district are pledged. Bond principal and interest payments are made by the debt service fund.

During the year ended June 30, 2023, the District issued \$2,435,000 of General Obligation School Building Bonds, Series 2022A to finance the betterment of school sites and facilities. The bonds bear an interest rate of 5.00% and call for semiannual interest payments commencing August 2023 and annual principal payments commencing February 2024 through February 2028.

Direct Borrowings

During the year ended June 30, 2023, the District entered into a direct borrowing agreement to finance upgrades to technology infrastructure. The agreement bears an interest rate of 0% and calls for annual payments of principal commencing June 2022 through June 2026.

Following is a summary of direct borrowing payable as of June 30, 2023:

<u>Direct Borrowing Description</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Principal</u>	<u>Outstanding Balance</u>
Cisco Technology Infrastructure	2026	0.00%	\$ 1,373,774	<u>\$ 824,264</u>

At June 30, 2023, the total cost of the asset was \$1,373,774, with accumulated depreciation of \$274,755. Principal payments for direct borrowings are made out of the general fund.

Leases Payable

Leases payable consists of long-term lease agreements as described in Note 6. Payments are made from the general fund.

Compensated Absences

Compensated absences consists of vested vacation and sick leave as discussed in Note 1. These expenditures are paid out of the general fund.

Remaining principal and interest payments on bonds and capital leases are as follows:

Years Ending June 30,	Bonds Payable		Direct Borrowing Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 2,660,000	\$ 1,943,208	\$ 274,755	\$ -	\$ 2,934,755	\$ 1,943,208
2025	2,900,000	1,799,781	274,755	-	3,174,755	1,799,781
2026	3,040,000	1,664,031	274,754	-	3,314,754	1,664,031
2027	3,205,000	1,521,631	-	-	3,205,000	1,521,631
2028	3,350,000	1,371,281	-	-	3,350,000	1,371,281
2029-2033	15,580,000	5,027,206	-	-	15,580,000	5,027,206
2034-2038	17,085,000	2,368,638	-	-	17,085,000	2,368,638
2039-2039	3,615,000	126,525	-	-	3,615,000	126,525
	<u>\$ 51,435,000</u>	<u>\$ 15,822,301</u>	<u>\$ 824,264</u>	<u>\$ -</u>	<u>\$ 52,259,264</u>	<u>\$ 15,822,301</u>

Note 8 - Other Post-Employment Benefits

A. Plan Description

The Independent School District No. 22 other post-employment benefits plan is a defined benefit OPEB plan that provides a single employer defined benefit health care plan to eligible retirees. This plan covers active and retired employees who have reached age 55, with teachers, principals and superintendent needing at least 3 years of service and all other district employees needing 5 years of service. Benefit provisions are established through negotiations between the District and the union representing District employees and are renegotiated at the end of each contract period. Medical coverage is administered by Gravie. The plan does not issue a publicly available financial report. No assets are accumulated in a trust.

B. Benefits Provided

The contract groups have access to other post-retirement benefits of blended medical premiums of \$678 for single and \$1,810 for family coverage. The implicit rate subsidy is only until Medicare eligibility. There are no subsidized post-employment medical, dental, or life insurance benefits, except for one participant with a special agreement to receive a lump sum of \$21,000 less accumulated District matching contributions paid to an HRA upon retirement.

C. Employees Covered by Benefit Terms

At the valuation date of July 1, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	16
Inactive Employees Entitled to but Not yet Receiving Benefit Payments	-
Active Employees	365
	381

D. Total OPEB Liability

The District’s total OPEB liability of \$1,489,475 was measured as of July 1, 2022, and was determined by an actuarial valuation of July 1, 2021.

E. Actuarial Assumptions

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

Inflation	2.50 percent
Salary Increases	Service graded table
Discount Rate	3.80 percent
Healthcare Cost Trend Rates	6.25 percent, grading to 5.00 percent over 5 years, then to 4.00 percent over the next 48 years
Retiree Plan Participation	
Pre-65 subsidy available	100%
Pre-65 subsidy not available	50%
Percent of Married Retirees Electing Spouse Coverage	
Spouse subsidy available	N/A
Spouse subsidy not available	15%

Since the plan is not funded by an irrevocable trust, the discount rate is equal to the 20-Year Municipal Bond Yield.

Mortality rates were based on Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2020 Generational Improvement Scale.

The actuarial assumptions used in the July 1, 2021, valuation were based on inputs from a variety of published sources of historical and projected future financial data.

There were no changes in plan provisions for the year ending June 30, 2023.

The following changes in assumptions were made for the year ending June 30, 2023:

- The inflation rate was changed from 2.00% to 2.50%.
- The discount rate was changed from 2.10% to 3.80%.

F. Changes in the Total OPEB Liability

Balance at June 30, 2022	\$ 1,561,126
Changes from the Prior Year	
Service cost	123,686
Interest cost	34,246
Assumption changes	(120,931)
Benefit payments	<u>(108,652)</u>
Total Net Changes	<u>(71,651)</u>
Balance at June 30, 2023	<u>\$ 1,489,475</u>

The measurement date of the OPEB liability was July 1, 2022; the date of the actuarial valuation on which the total OPEB liability is based was July 1, 2021.

G. Sensitivity of the Total OPEB Liability to Changes in Discount Rate and the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate of one percentage point lower and one percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
Discount Rate	2.80%	3.80%	4.80%
Total OPEB Liability	\$ 1,578,713	\$ 1,489,475	\$ 1,403,806

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend of one percentage point lower and one percentage point higher than the current healthcare cost trend rates:

	1% Decrease in Healthcare Trend Rate	Selected Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
Medical Trend Rate	5.25%, decreasing to 4.00% over 5 years then to 3.00% over the next 48 years	6.25%, decreasing to 5.00% over 5 years then to 4.00% over the next 48 years	7.25%, decreasing to 6.00% over 5 years then to 5.00% over the next 48 years
Total OPEB Liability	\$ 1,336,826	\$ 1,489,475	\$ 1,670,325

H. OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended June 30, 2023, the District recognized OPEB expense of \$91,043. At June 30, 2023, the District reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Liability Gains	\$ -	\$ 253,192
Assumption Changes	65,953	116,961
Employer Contributions Made After the Measurement Date	116,496	-
	<u>\$ 182,449</u>	<u>\$ 370,153</u>

The \$116,496 reported as deferred outflows of resources related to OPEB resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

Years Ended June 30,	OPEB Expense Amount
2024	\$ (66,889)
2025	(66,889)
2026	(66,884)
2027	(39,734)
2028	(46,529)
Thereafter	(17,275)

Note 9 - Defined Benefit Pension Plans

Substantially all employees of the District are required by state law to belong to defined benefit, multi-employer, cost-sharing pension plans administered by the Public Employees' Retirement Association (PERA) or the Teachers' Retirement Association (TRA), both of which are administered on a state-wide basis.

For the year ended June 30, 2023, the District reported its proportionate share of deferred outflows of resources, net pension liabilities, deferred inflows of resources, and pension expense for each of the plans as follows:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources	Pension Expense (Income)
PERA	\$ 1,975,556	\$ 5,987,545	\$ 159,728	\$ 933,699
TRA	6,801,311	24,102,488	6,279,575	3,538,853
Total all plans	\$ 8,776,867	\$ 30,090,033	\$ 6,439,303	\$ 4,472,552

Disclosures relating to these plans are as follows:

Public Employees Retirement Association (PERA)

A. Plan Descriptions

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

The General Employees Retirement Plan covers certain full time and part-time employees of the District. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

B. Benefits Provided

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

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

C. Contributions

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

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2023 and the District was required to contribute 7.50 percent for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2023, were \$437,910. The District's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

At June 30, 2023, the District reported a liability of \$5,987,545 for its proportionate share of the General Employees Fund's net pension liability. The District's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the District totaled \$175,500.

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportionate share of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2021, through June 30, 2022, relative to the total employer contributions received from all of PERA's participating employers. The District's proportionate share was 0.0756 percent at the end of the measurement period and 0.0750 percent for the beginning of the period.

District's Proportionate Share of Net Pension Liability	\$ 5,987,545
State of Minnesota's Proportionate Share of the Net Pension Liability associated With the District	<u>175,500</u>
Total	<u>\$ 6,163,045</u>

For the year ended June 30, 2023, the District recognized pension expense of \$933,699 for its proportionate share of the General Employees Plan's pension expense. In addition, the District recognized \$26,224 as grant revenue for its proportionate share of the State of Minnesota's pension expense for the annual \$16 million contribution.

At June 30, 2023 the District reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ 50,012	\$ 63,537
Changes in Actuarial Assumptions	1,344,660	24,514
Net Collective Difference Between Projected and Actual Investment Earnings	123,757	-
Change in Proportion	19,217	71,677
Contributions Paid to PERA Subsequent to the Measurement Date	<u>437,910</u>	<u>-</u>
Total	<u>\$ 1,975,556</u>	<u>\$ 159,728</u>

The \$437,910 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ended June 30,	Pension Expense Amount
2024	\$ 476,423
2025	538,363
2026	(178,352)
2027	541,484

E. Long-Term Expected Return on Investment

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

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

F. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5 percent in the June 30, 2022 actuarial valuation and 7.0 percent in the June 30, 2023, actuarial valuation. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5 percent was deemed to be within that range of reasonableness for financial reporting purposes.

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

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 29 years of service and 6.0 percent per year thereafter.

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2019. The assumption changes were adopted by the Board and became effective with the July 1, 2020, actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2022:

Changes in Actuarial Assumptions:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

Changes in Plan Provisions:

- There were no changes in plan provisions since the previous valuation.

G. Discount Rate

The discount rate used to measure the total pension liability in 2022 was 6.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees Fund was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Pension Liability Sensitivity

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

Sensitivity Analysis
Net Pension Liability (Asset) at Different Discount Rates

	General Employees Fund	
1% Lower	5.50%	\$ 9,457,641
Current Discount Rate	6.50%	\$ 5,987,545
1% Higher	7.50%	\$ 3,141,531

I. Pension Plan Fiduciary Net Position

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

Teachers Retirement Association (TRA)

A. Plan Descriptions

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

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

B. Benefits Provided

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

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

Tier I Benefits

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

With these provisions:

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

or

Tier II Benefits

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

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

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

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

C. Contribution Rate

Per Minnesota Statutes, Chapter 354 sets the contribution rates for employees and employers. Rates for each fiscal year ending June 30, 2021, June 30, 2022, and June 30, 2023, were:

	June 30, 2021		June 30, 2022		June 30, 2023	
	Employees	Employers	Employees	Employers	Employees	Employers
Basic	11.00%	12.13%	11.00%	12.34%	11.00%	12.55%
Coordinated	7.50%	8.13%	7.50%	8.34%	7.50%	8.55%

The following is a reconciliation of employer contributions in TRA’s fiscal year 2022 ACFR “Statement of Changes in Fiduciary Net Position” to the employer contributions used in Schedule of Employer and Non-Employer Pension Allocations.

	<i>in thousands</i>
Employer Contributions Reported in TRA's ACFR, Statement of Changes in Fiduciary Net Position	\$ 482,679
Employer Contributions Not Related to Future Contribution Efforts	(2,178)
TRA's Contributions Not Included in allocation	<u>(572)</u>
Total Employer Contributions	479,929
Total Non-Employer Contributions	<u>35,590</u>
Total Contributions Reported in <i>Schedule of Employer and Non-Employer Allocations</i>	<u><u>\$ 515,519</u></u>

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

D. Actuarial Assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Key Methods and Assumptions Used in Valuation of Total Pension Liability	
Actuarial Information	
Valuation Date	July 1, 2022
Measurement Date	June 30, 2022
Experience Study	June 28, 2019 (demographic and economic assumptions)
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Investment rate of return	7.00%
Price inflation	2.50%
Wage growth rate	2.85% before July 1, 2028, and 3.25% after June 30, 2028
Projected salary increase	2.85% to 8.85% before July 1, 2028, and 3.25% to 9.25% after June 30, 2028
Cost of living adjustment	1.0% for January 2020 through January 2023, then increasing by 0.1% each year up to 1.5% annually
Mortality Assumptions	
Pre-retirement	RP-2014 white collar employee table, male rates set back five years and female rates set back seven years. Generational projection uses the MP-2015 scale.
Post-retirement	RP-2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP-2015 scale.
Post-disability	RP-2014 disabled retiree mortality table, without adjustment.

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

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

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

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

Changes in actuarial assumptions since the 2021 valuation

- None

E. Discount Rate

The discount rate used to measure the total pension liability was 7.00 percent. There were no change in the discount rate since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the fiscal year 2022 contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the state will be made at current statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

F. Net Pension Liability

On June 30, 2023, the District reported a liability of \$24,102,488 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to TRA in relation to total system contributions including direct aid from the State of Minnesota, City of Minneapolis and Minneapolis School District. District proportionate share was 0.3010 percent at the end of the measurement period and 0.3083 percent for the beginning of the year.

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

District's Proportionate Share of Net Pension Liability	\$ 24,102,488
State's Proportionate Share of the Net Pension Liability Associated With the District	\$ 1,787,292

For the year ended June 30, 2023, the District recognized pension income of \$3,538,853. It also recognized \$245,758 as a decrease to pension expense for the support provided by direct aid.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 356,283	\$ 216,647
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	466,610	-
Changes of Assumptions	3,954,697	5,249,260
Changes in Proportion	361,530	813,668
District's Contributions to TRA Subsequent to the Measurement Date	1,662,191	-
Total	\$ 6,801,311	\$ 6,279,575

The \$1,662,191 reported as deferred outflows of resources related to pensions resulting from District contributions to TRA subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows and inflows of resources related to TRA pensions will be recognized in pension expense as follows:

Years Ended June 30,	Pension Expense Amount
2024	\$ (4,643,022)
2025	440,556
2026	69,692
2027	3,101,806
2028	(109,487)

G. Pension Liability Sensitivity

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.00 percent as well what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

Sensitivity of Net Pension Liability (NPL) to Changes in the Discount Rate

1% decrease (6.00%)	Current (7.00%)	1% increase (8.00%)
\$ 37,996,259	\$ 24,102,488	\$ 12,713,927

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

H. Pension Plan Fiduciary Net Position

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

Note 10 - Fund Balance

Certain portions of fund balances are restricted based on state requirements to track special program funding, to provide for funding on certain long-term liabilities, or as required by other outside parties.

The following is a summary of fund balances as of June 30, 2023:

	General	Debt Service	Other Government Funds	Totals
Nonspendable				
Inventories	\$ 26,955	\$ -	\$ 51,257	\$ 78,212
Prepaid items	66,088	-	-	66,088
Total nonspendable	<u>93,043</u>	<u>-</u>	<u>51,257</u>	<u>144,300</u>
Restricted				
Student activities	231,452	-	-	231,452
Staff development	456,663	-	-	456,663
Operating capital	1,229,271	-	-	1,229,271
Community education	-	-	112,247	112,247
Early childhood and family education	-	-	122,391	122,391
Gifted and talented	13,708	-	-	13,708
School readiness	-	-	236,046	236,046
Adult basic education	-	-	103,560	103,560
Safe schools levy	228,553	-	-	228,553
Food service	-	-	937,490	937,490
Community service	-	-	36,353	36,353
Debt service	-	695,153	-	695,153
Medical assistance	1,116,212	-	-	1,116,212
Total restricted	<u>3,275,859</u>	<u>695,153</u>	<u>1,548,087</u>	<u>5,519,099</u>
Committed				
Separation/retirement benefit	2,619,414	-	-	2,619,414
Assigned				
Construction	1,552,640	-	-	1,552,640
Unassigned				
	4,686,679	-	-	4,686,679
Total fund balance	<u>\$ 12,227,635</u>	<u>\$ 695,153</u>	<u>\$ 1,599,344</u>	<u>\$ 14,522,132</u>

Independent School District No. 22

Detroit Lakes Public Schools

Notes to Financial Statements

June 30, 2023

The UFARS fund balance reporting standards are slightly different than the reporting standards under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Below is a reconciliation between the fund balance reporting under GASB 54 and UFARS reporting standards:

	GASB Balance	Reconciling Items	UFARS Balance
	<u> </u>	<u> </u>	<u> </u>
Nonspendable			
Inventory	\$ 78,212	\$ -	\$ 78,212
Prepaid items	66,088	-	66,088
	<u>144,300</u>	<u>-</u>	<u>144,300</u>
Total nonspendable			
Restricted			
Student activities	231,452	-	231,452
Staff development	456,663	-	456,663
Operating capital	1,229,271	-	1,229,271
Community education	112,247	-	112,247
Early childhood and family education	122,391	-	122,391
Gifted and talented	13,708	-	13,708
School readiness	236,046	-	236,046
Adult basic education	103,560	-	103,560
Safe schools levy	228,553	-	228,553
Food service	937,490	-	937,490
Community service	36,353	-	36,353
Debt service	695,153	-	695,153
Long-term facilities maintenance			
General fund	-	(331,779)	(331,779)
Medical assistance	1,116,212	-	1,116,212
	<u>5,519,099</u>	<u>(331,779)</u>	<u>5,187,320</u>
Total restricted			
Committed			
Separation/retirement benefits	2,619,414	-	2,619,414
	<u>2,619,414</u>	<u>-</u>	<u>2,619,414</u>
Assigned			
Construction	1,552,640	-	1,552,640
	<u>1,552,640</u>	<u>-</u>	<u>1,552,640</u>
Unassigned	4,686,679	331,779	5,018,458
	<u>4,686,679</u>	<u>331,779</u>	<u>5,018,458</u>
Total fund balance	<u>\$ 14,522,132</u>	<u>\$ -</u>	<u>\$ 14,522,132</u>

Note 11 - Flexible Benefit Plan

The District has a flexible benefit plan which is classified as a “cafeteria plan” (the Plan) under section 125 of the Internal Revenue Code. All employee groups of the District are eligible if and when the collective bargaining agreement or contract with their group allows eligibility. Eligible employees can elect to participate by contributing pre-tax dollars withheld from payroll checks to the Plan for healthcare and dependent care benefits.

Before the beginning of the Plan year, which is from September 1, thru August 31, each participant designates a total amount of pre-tax dollars to be contributed to the Plan during the year. At June 30, the District is contingently liable for claims against the total amount of participants’ annual contributions to the medical reimbursement portion of the Plan, whether or not such contributions have been made.

Payment of insurance premiums (health, dental, life, and disability) are made by the District directly to the designated insurance companies. These payments are made monthly and are accounted for in the General Fund and special revenue funds.

Amounts withheld for medical reimbursement and dependent care are paid by the District to an outside administrator upon an employee submitting a request for reimbursement. Payments are made by the outside administrator to participating employees upon submitting a request for reimbursement of eligible expenses actually incurred by the employee.

All property of the Plan and income attributable to that property is solely the property of the District, subject to the claims of the District’s general creditors. Participants’ rights under the plan are equal to those of general creditors of the District in an amount equal to eligible healthcare and dependent care expenses incurred by the participants. The District believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Note 12 - Employee Benefit Plan 403(b)

All teachers are eligible to participate in the matching 403(b) program. The maximum amount of the Elective Deferral under the Plan for any calendar year shall not exceed the lesser of (a) \$18,500 or (b) the Participant’s Includible Compensation. Includible Compensation means an Employee’s actual wages in box 1 of Form W-2 for a year for services to the employer, but subject to a maximum of \$230,000 (or such higher maximum as may apply under Section 401(a)(17) of the Code and increased (up to the dollar maximum) by a compensation reduction election under Section 125, 132(f), 401(k), 403(b) or 457(b) of the Code). The amount of Includible Compensation is determined without regard to any community property laws. Contributions are invested in tax deferred annuities selected and owned by Plan participants. The District contributions for the years ended June 30, 2023, 2022, and 2021 were \$276,526, \$257,910, and \$268,659, respectively.

Note 13 - Commitments and Contingencies

Federal and State Revenue

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

Construction Commitments

The District had construction commitments during the year ended June 30, 2023, for the District's greenhouse project. The total work completed on this project as of June 30, 2023 was \$102,542. The project is expected to be completed in the Spring of 2024, with the total estimated project cost of approximately \$275,000.

Litigation and Potential Exposure

In the ordinary course of its operations, the District is party to legal proceedings as a plaintiff or defendant. The financial impact of remaining actions is not determinable at June 30, 2023, but, in the opinion of management and legal counsel, the ultimate disposition of any or all of these proceedings will not have a material effect on the District's financial position.



Required Supplementary Information
June 30, 2023

Independent School District No. 22
Detroit Lakes Public Schools

Independent School District No. 22
 Detroit Lakes Public Schools
 Schedule of Changes in the District's Total OPEB Liability and Related Ratios
 June 30, 2023

Schedule of Changes in the District's Total OPEB Liability and Related Ratios, Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018
Service Cost	\$ 123,686	\$ 150,971	\$ 131,982	\$ 115,027	\$ 116,805	\$ 113,403
Interest	34,246	43,221	51,788	62,549	61,834	61,615
Changes of Assumptions	(120,931)	54,289	47,558	(31,050)	-	-
Changes in Plan Provisions	-	-	36,836	(21,274)	-	-
Differences Between Expected and Actual Experience	-	(259,054)	-	(159,030)	-	-
Benefit Payments	(108,652)	(155,468)	(157,992)	(146,527)	(164,966)	(178,919)
Net Change in Total OPEB Liability	(71,651)	(166,041)	110,172	(180,305)	13,673	(3,901)
Total OPEB Liability - Beginning	1,561,126	1,727,167	1,616,995	1,797,300	1,783,627	1,787,528
Total OPEB Liability - Ending	<u>\$ 1,489,475</u>	<u>\$ 1,561,126</u>	<u>\$ 1,727,167</u>	<u>\$ 1,616,995</u>	<u>\$ 1,797,300</u>	<u>\$ 1,783,627</u>
Covered Payroll	\$ 20,913,084	\$ 20,303,965	\$ 19,050,262	\$ 18,495,400	\$ 18,238,706	\$ 17,707,482
District's Total OPEB Liability as a Percentage of Covered Payroll	7.12%	7.69%	9.07%	8.74%	9.85%	10.07%

*GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Notes to the Schedule of Changes in the District's Total OPEB Liability and Related Ratios

2023 Changes

Changes in Actuarial Assumptions

- The inflation rate was changed from 2.00% to 2.50%.
- The discount rate was changed from 2.10% to 3.80%.

Changes in Plan Provisions

- None

2022 Changes

Changes in Actuarial Assumptions

- Health care trend rates, mortality rates, and withdrawal rates were updated.
- The salary increase rates for non-teachers were updated.
- The inflation rate was changed from 2.50% to 2.00%.
- The discount rate was changed from 2.40% to 2.10%.

Changes in Plan Provisions

- None

2021 Changes

Changes in Actuarial Assumptions

- The discount rate was changed from 3.40% to 3.10%.

Changes in Plan Provisions

- Two additional participants have special agreements to receive a lump sum paid to a Health Care Savings Plan (HCSP) upon retirement.

2020 Changes

Changes in Actuarial Assumptions

- The health care trend rates were changed to better anticipate short term and long term medical increases.
- The mortality tables were updated to the Pub-2010 Public Retirement Plans Headcount-Weighted Mortality Tables (General, Teachers) with MP-2019 Generational Improvement Scale.
- The salary increase rates were changed from a flat 3.00% per year for all employees to rates which vary by service and contract group.
- The discount rate was changed from 3.40% to 3.10%.

Changes in Plan Provisions

- OPEB benefits for the remaining participants entitled to a lump sum contribution at retirement were changed to instead provide the benefit while still in active service. As a result, these benefits are no longer included in the Net OPEB Liability.

2019 Changes

Changes in Actuarial Assumptions

- None

Changes in Plan Provisions

- None

Independent School District No. 22
 Detroit Lakes Public Schools
 Schedule of Employer's Share of Net Pension Liability
 June 30, 2023

Schedule of Employer's Share of Net Pension Liability
 Last 10 Fiscal Years *

Pension Plan	Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability (Asset)	Employer's Proportionate Share (Amount) of the Net Pension Liability (Asset) (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated With District (b)	Total (d) (a+b)	Employer's Covered Payroll (e)	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll (a/e)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
PERA	6/30/2014	0.0841%	\$ 3,950,597	N/A	\$ 3,950,597	\$ 4,500,965	87.8%	78.8%
PERA	6/30/2015	0.0803%	4,161,563	N/A	4,161,563	4,456,052	93.4%	78.2%
PERA	6/30/2016	0.0780%	6,333,213	82,695	6,415,908	4,503,492	140.6%	68.9%
PERA	6/30/2017	0.0806%	5,145,451	64,700	5,210,151	4,962,530	103.7%	75.9%
PERA	6/30/2018	0.0779%	4,321,573	141,834	4,463,407	4,906,777	88.1%	79.5%
PERA	6/30/2019	0.0789%	4,362,204	135,494	4,497,698	5,147,242	84.7%	80.2%
PERA	6/30/2020	0.0761%	4,562,543	140,778	4,703,321	5,097,752	89.5%	79.1%
PERA	6/30/2021	0.0750%	3,202,836	97,820	3,300,656	5,071,016	63.2%	87.0%
PERA	6/30/2022	0.0756%	5,987,545	175,500	6,163,045	5,659,120	105.8%	70.5%
TRA	6/30/2014	0.3018%	\$ 13,906,727	\$ 978,225	\$ 14,884,952	\$ 13,775,757	101.0%	81.5%
TRA	6/30/2015	0.2849%	17,623,883	2,161,428	19,785,311	14,457,520	121.9%	76.8%
TRA	6/30/2016	0.2868%	68,408,643	6,866,720	75,275,363	14,917,907	458.6%	44.9%
TRA	6/30/2017	0.3029%	60,464,335	5,845,239	66,309,574	16,308,080	370.8%	51.6%
TRA	6/30/2018	0.3098%	19,458,340	1,828,135	21,286,475	17,178,227	113.3%	78.1%
TRA	6/30/2019	0.3071%	19,574,618	1,732,412	21,307,030	17,435,383	112.3%	78.1%
TRA	6/30/2020	0.3052%	22,548,585	1,889,770	24,438,355	17,735,833	127.1%	75.5%
TRA	6/30/2021	0.3083%	13,492,130	1,137,904	14,630,034	18,446,888	73.1%	86.6%
TRA	6/30/2022	0.3010%	24,102,488	1,787,292	25,889,780	18,608,537	129.5%	76.2%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10- year trend is compiled, the District will present information for those years for which information is available.

Independent School District No. 22
 Detroit Lakes Public Schools
 Schedule of Employer's Contributions
 June 30, 2023

**Schedule of Employer's Contributions
 Last 10 Fiscal Years ***

Pension Plan	Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered Payroll (d)	Contributions as a Percentage of Covered Payroll (b/d)
PERA	6/30/2015	\$ 334,204	\$ 334,204	\$ -	\$ 4,456,052	7.5%
PERA	6/30/2016	337,762	337,762	-	4,503,492	7.5%
PERA	6/30/2017	372,190	372,190	-	4,962,530	7.5%
PERA	6/30/2018	368,008	368,008	-	4,906,777	7.5%
PERA	6/30/2019	386,043	386,043	-	5,147,242	7.5%
PERA	6/30/2020	382,331	382,331	-	5,097,752	7.5%
PERA	6/30/2021	380,326	380,326	-	5,071,016	7.5%
PERA	6/30/2022	424,434	424,434	-	5,659,120	7.5%
PERA	6/30/2023	437,911	437,911	-	5,838,813	7.5%
TRA	6/30/2015	\$ 1,084,314	\$ 1,084,314	\$ -	\$ 14,457,520	7.5%
TRA	6/30/2016	1,118,843	1,118,843	-	14,917,907	7.5%
TRA	6/30/2017	1,223,106	1,223,106	-	16,308,080	7.5%
TRA	6/30/2018	1,288,367	1,288,367	-	17,178,227	7.5%
TRA	6/30/2019	1,344,268	1,344,268	-	17,435,383	7.7%
TRA	6/30/2020	1,404,678	1,404,678	-	17,735,833	7.9%
TRA	6/30/2021	1,499,732	1,499,732	-	18,446,888	8.1%
TRA	6/30/2022	1,551,952	1,551,952	-	18,608,537	8.3%
TRA	6/30/2023	1,662,191	1,662,191	-	19,440,830	8.6%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10- year trend is compiled, the District will present information for those years for which information is available.

Notes to the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions

PERA

2022 Changes

Changes in Actuarial Assumptions

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2021 Changes

Changes in Actuarial Assumptions

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

Changes in Plan Provisions

- There were no changes in plan provisions since the previous valuation.

2020 Changes

Changes in Actuarial Assumptions

- The price inflation assumption was decreased from 2.50% to 2.25%.
- The payroll growth assumption was decreased from 3.25% to 3.00%.
- Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates.
- Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements.
- Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter.
- Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females.
- The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments.
- The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019.
- The assumed spouse age difference was changed from two years older for females to one year older.
- The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

Changes in Plan Provisions

- Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 Changes**Changes in Actuarial Assumptions**

- The mortality projection scale was changed from MP-2017 to MP-2018.

Changes in Plan Provisions

- The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The State's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 Changes**Changes in Actuarial Assumptions**

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

Changes in Plan Provisions

- The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024.
- Interest credited on member contributions decreased from 4.00 percent to 3.00 percent, beginning July 1, 2018.
- Deferred augmentation was changed to 0.00 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- Contribution stabilizer provisions were repealed.
- Postretirement benefit increases were changed from 1.00 percent per year with a provision to increase to 2.50 percent upon attainment of 90.00 percent funding ratio to 50.00 percent of the Social Security Cost of Living Adjustment, not less than 1.00 percent and not more than 1.50 percent, beginning January 1, 2019.
- For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors.
- Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes**Changes in Actuarial Assumptions**

- The combined service annuity (CSA) loads were changed from 0.80 percent for active members and 60.00 percent for vested and non-vested deferred members. The revised CSA load are now 0.00 percent for active member liability, 15.00 percent for vested deferred member liability, and 3.00 percent for non-vested deferred member liability.
- The assumed postretirement benefit increase rate was changed for 1.00 percent per year for all years to 1.00 percent per year through 2044 and 2.50 percent per year thereafter.

Changes in Plan Provisions

- The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter.
- The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 Changes

Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2035 and 2.50 percent per year thereafter to 1.00 percent per year for all years.
- The assumed investment return was changed from 7.90 percent to 7.50 percent. The single discount rate changed from 7.90 percent to 7.50 percent.
- Other assumptions were changed pursuant to the experience study June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

- The assumed postretirement benefit increase rate was changed from 1.00 percent per year through 2030 and 2.50 percent per year thereafter to 1.00 percent per year through 2035 and 2.50 percent per year thereafter.

Changes in Plan Provisions

- On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increase the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised; the State's contribution of \$6.0 million, which meets the special funding situation definition, was due September 2015.

TRA

2022 Changes

Changes in Actuarial Assumptions

- There have been no changes since the prior valuation.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2021 Changes

Changes in Actuarial Assumptions

- The investment return assumption was changed from 7.50 percent to 7.00 percent.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2018 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased to 4.66% from 8.0%.
- The cost of living adjustment (COLA) was reduced from 2.0% each January 1 to 1.0%, effective January 1, 2019. Beginning January 1, 2024, the COLA will increase 0.1% each year until reaching the ultimate rate of 1.5% on January 1, 2028.
- Beginning July 1, 2024, eligibility for the first COLA changes to normal retirement age (age 65 to 66, depending on date of birth). However, members who retire under Rule of 90 and members who are at least age 62 with 30 years of service credit are exempt.
- The COLA trigger provision, which would have increased the COLA to 2.5% if the funded ratio was at least 90% for two consecutive years, was eliminated.
- Augmentation in the early retirement reduction factors is phased out over a five-year period beginning July 1, 2019 and ending July 1, 2024 (this reduces early retirement benefits). Members who retire and are at least age 62 with 30 years of service are exempt.
- Augmentation on deferred benefits will be reduced to zero% beginning July 1, 2019. Interest payable on refunds to members was reduced from 4.0% to 3.0%, effective July 1, 2018. Interest due on payments and purchases from members, employers was reduced from 8.5% to 7.5%, effective July 1, 2018.
- The employer contribution rate is increased each July 1 over the next six years (7.71% in 2018, 7.92% in 2019, 8.13% in 2020, 8.34% in 2021, 8.55% in 2022, and 8.75% in 2023). In addition, the employee contribution rate will increase from 7.50% to 7.75% on July 1, 2023. The state provides funding for the higher employer contribution rate through an adjustment in the school aid formula.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2017 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased to 5.12% from 4.66%.
- The cost of living adjustment (COLA) was assumed to increase from 2.0% annually to 2.5% annually on July 1, 2045.
- The COLA was not assumed to increase to 2.5% but remain at 2.0% for all future years.
- Adjustments were made to the combined service annuity loads. The active load was reduced from 1.4% to 0.0%, the vested inactive load increased from 4.0% to 7.0% and the non-vested inactive load increased from 4.0% to 9.0%.
- The investment return assumption was changed from 8.0% to 7.5%.
- The price inflation assumption was lowered from 2.75% to 2.5%.
- The payroll growth assumption was lowered from 2.5% to 3.0%.
- The general wage growth assumption was lowered from 3.5% to 2.85% for ten years followed by 3.25% thereafter.
- The salary increase assumption was adjusted to reflect the changes in the general wage growth assumption.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2016 Changes

Changes in Actuarial Assumptions

- The discount rate was decreased to 4.66% from 8.0%.
- The COLA was not assumed to increase for funding or the GASB calculation. It remained at 2% for all future years.
- The price inflation assumption was lowered from 3% to 2.75%.
- The general wage growth and payroll growth assumptions were lowered from 3.75% to 3.5%.
- Minor changes as some durations for the merit scale of the salary increase assumption.
- The pre-retirement mortality assumption was changed to the RP 2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP 2015 scale.
- The post-retirement mortality assumption was changed to the RP 2014 white collar annuitant table, male rates set back three years and female rates set back three years, with further adjustments of the rates. Generational projection uses the MP 2015 scale.
- The post-disability mortality assumption was changed to the RP 2014 disabled retiree mortality table, without adjustment.
- Augmentation in the early retirement reduction factors is phased out o Separate retirement assumptions for members hired before or after July 1, 1989, were created to better reflect each group's behavior in light of different requirements for retirement eligibility.
- Assumed termination rates were changed to be based solely on years of service in order to better fit the observed experience.
- A minor adjustment and simplification of the assumption regarding the election of optional form of annuity payment at retirement were made.

Changes in Plan Provisions

- There have been no changes since the prior valuation.

2015 Changes

Changes of benefit terms

- The DTRFA was merged into TRA on June 30, 2015.

Changes in Actuarial Assumptions

- The annual COLA for the June 30, 2015, valuation assumed 2%. The prior year valuation used 2% with an increase to 2.5% commencing in 2034. The discount rate used to measure the total pension liability was 8.0%. This is a decrease from the discount rate at the prior measurement date of 8.25%. Details, if necessary, can be obtained from the TRA Comprehensive Annual Financial Report.

PERA's Comprehensive Annual Financial Report may be obtained on the PERA's website at www.mnpera.org for notes to the Schedule of Employer's Share of Net Pension Liability and Schedule of Employer's Contributions.

Additional financial and actuarial information can be found in TRA's GASB 67-68 report. Both reports can be obtained at <https://minnesotatra.org>.



Combining and Individual Fund Schedules
June 30, 2023

Independent School District No. 22 Detroit Lakes Public Schools

Independent School District No. 22
 Detroit Lakes Public Schools
 General Fund
 Schedule of Changes in UFARS Fund Balances
 Year Ended June 30, 2023

	Fund Balance (Deficit), Beginning of Year	Net Change in Fund Balance	Fund Balance (Deficit), End of Year
Nonspendable	\$ 60,009	\$ 33,034	\$ 93,043
Restricted for Student Activities	237,344	(5,892)	231,452
Restricted for Staff Development	694,224	(237,561)	456,663
Restricted for Operating Capital	1,341,472	(112,201)	1,229,271
Restricted for Gifted and Talented	43,339	(29,631)	13,708
Restricted for Safe Schools Levy	259,182	(30,629)	228,553
Restricted for Long Term Facilities Maintenance	(397,462)	65,683	(331,779)
Restricted for Medical Assistance	1,396,664	(280,452)	1,116,212
Committed for Separation/Retirement Benefits	2,619,414	-	2,619,414
Assigned for Construction	2,379,685	(827,045)	1,552,640
Unassigned	5,147,445	(128,987)	5,018,458
	<u>\$ 13,781,316</u>	<u>\$ (1,553,681)</u>	<u>\$ 12,227,635</u>

Independent School District No. 22
 Detroit Lakes Public Schools
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2023

	Food Service	Community Service	Capital Projects	Totals
Assets				
Cash and investments	\$ 972,864	\$ 718,197	\$ -	\$ 1,691,061
Receivables				
Current property taxes	-	97,469	-	97,469
Delinquent property taxes	-	1,332	-	1,332
Accounts	3,985	17,988	-	21,973
Due from other governmental units	5,718	51,226	-	56,944
Inventories	51,257	-	-	51,257
Total assets	<u>\$ 1,033,824</u>	<u>\$ 886,212</u>	<u>\$ -</u>	<u>\$ 1,920,036</u>
Liabilities				
Accounts payable	\$ 38,902	\$ 9,305	\$ -	\$ 48,207
Salaries payable	6,175	34,216	-	40,391
Total liabilities	<u>45,077</u>	<u>43,521</u>	<u>-</u>	<u>88,598</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	1,332	-	1,332
Property taxes levied for subsequent year	-	230,762	-	230,762
Total deferred inflows of resources	<u>-</u>	<u>232,094</u>	<u>-</u>	<u>232,094</u>
Fund Balance				
Nonspendable	51,257	-	-	51,257
Restricted	937,490	610,597	-	1,548,087
Total fund balance	<u>988,747</u>	<u>610,597</u>	<u>-</u>	<u>1,599,344</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,033,824</u>	<u>\$ 886,212</u>	<u>\$ -</u>	<u>\$ 1,920,036</u>

Independent School District No. 22
 Detroit Lakes Public Schools
 Nonmajor Governmental Funds
 Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
 Year Ended June 30, 2023

	Food Service	Community Service	Capital Projects	Totals
Revenues				
Local property tax levies	\$ -	\$ 223,954	\$ -	\$ 223,954
Other local and county sources	278,940	480,967	270,896	1,030,803
Investment earnings	-	-	21,892	21,892
State sources	83,382	568,278	-	651,660
Federal sources	1,111,194	51,945	-	1,163,139
Sales and other conversion of assets	374,468	-	-	374,468
Total revenues	1,847,984	1,325,144	292,788	3,465,916
Expenditures				
Current				
Community education and service	-	1,338,487	-	1,338,487
Pupil support services	2,005,275	-	-	2,005,275
Fiscal and other fixed cost programs	-	-	53,148	53,148
Capital outlay	27,749	28,200	1,378,670	1,434,619
Total expenditures	2,033,024	1,366,687	1,431,818	4,831,529
Deficiency of Revenues Under Expenditures	(185,040)	(41,543)	(1,139,030)	(1,365,613)
Other Financing Sources				
Sale of property	17,227	-	-	17,227
Bonds issued	-	-	2,435,000	2,435,000
Premium on bonds issued	-	-	126,810	126,810
Total other financing sources	17,227	-	2,561,810	2,579,037
Net Change in Fund Balance	(167,813)	(41,543)	1,422,780	1,213,424
Fund Balance (Deficit), Beginning of Year	1,156,560	652,140	(1,422,780)	385,920
Fund Balance, End of Year	\$ 988,747	\$ 610,597	\$ -	\$ 1,599,344



Other Supplementary Information
June 30, 2023

**Independent School District No. 22
Detroit Lakes Public Schools**

Independent School District No. 22
 Detroit Lakes Public Schools
 Uniform Financial Accounting and Reporting Standards Compliance Table
 Year Ended June 30, 2023

Fiscal Compliance Report - 6/30/2023

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District: DETROIT LAKES (22-1) [Back](#) [Print](#)

	Audit	UFARS	Audit - UFARS		Audit	UFARS	Audit - UFARS
01 GENERAL FUND				06 BUILDING CONSTRUCTION			
Total Revenue	\$41,002,897	<u>\$41,002,894</u>	\$3	Total Revenue	\$292,788	<u>\$292,788</u>	\$0
Total Expenditures	\$42,585,222	<u>\$42,585,218</u>	\$4	Total Expenditures	\$1,431,818	<u>\$1,431,817</u>	\$1
<i>Non Spendable:</i>				<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$93,043	<u>\$93,043</u>	\$0	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
<i>Restricted / Reserved:</i>				<i>Restricted / Reserved:</i>			
4.01 Student Activities	\$231,452	<u>\$231,452</u>	\$0	4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0
4.02 Scholarships	\$0	<u>\$0</u>	\$0	4.13 Funded by COP/FP	\$0	<u>\$0</u>	\$0
4.03 Staff Development	\$456,663	<u>\$456,663</u>	\$0	4.67 LTFM	\$0	<u>\$0</u>	\$0
4.07 Capital Projects Levy	\$0	<u>\$0</u>	\$0	<i>Restricted:</i>			
4.08 Cooperative Revenue	\$0	<u>\$0</u>	\$0	4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0
4.13 Funded by COP/FP	\$0	<u>\$0</u>	\$0	<i>Unassigned:</i>			
4.14 Operating Debt	\$0	<u>\$0</u>	\$0	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0
4.16 Levy Reduction	\$0	<u>\$0</u>	\$0				
4.17 Taconite Building Maint	\$0	<u>\$0</u>	\$0	07 DEBT SERVICE			
4.24 Operating Capital	\$1,229,271	<u>\$1,229,271</u>	\$0	Total Revenue	\$3,927,886	<u>\$3,927,885</u>	\$1
4.26 \$25 Taconite	\$0	<u>\$0</u>	\$0	Total Expenditures	\$3,848,208	<u>\$3,848,206</u>	\$2
4.27 Disabled Accessibility	\$0	<u>\$0</u>	\$0	<i>Non Spendable:</i>			
4.28 Learning & Development	\$0	<u>\$0</u>	\$0	4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	\$0
4.34 Area Learning Center	\$0	<u>\$0</u>	\$0	<i>Restricted / Reserved:</i>			
4.35 Contracted Alt. Programs	\$0	<u>\$0</u>	\$0	4.25 Bond Refundings	\$0	<u>\$0</u>	\$0
4.36 State Approved Alt. Program	\$0	<u>\$0</u>	\$0	4.33 Maximum Effort Loan Aid	\$0	<u>\$0</u>	\$0
4.38 Gifted & Talented	\$13,708	<u>\$13,708</u>	\$0	4.51 QZAB Payments	\$0	<u>\$0</u>	\$0
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	\$0	4.67 LTFM	\$0	<u>\$0</u>	\$0
4.41 Basic Skills Programs	\$0	<u>\$0</u>	\$0	<i>Restricted:</i>			
4.48 Achievement and Integration	\$0	<u>\$0</u>	\$0	4.64 Restricted Fund Balance	\$695,153	<u>\$695,153</u>	\$0
4.49 Safe Schools Levy	\$228,553	<u>\$228,553</u>	\$0	<i>Unassigned:</i>			
4.51 QZAB Payments	\$0	<u>\$0</u>	\$0	4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	\$0
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	\$0				
4.53 Unfunded Sev & Retirement Levy	\$0	<u>\$0</u>	\$0	08 TRUST			
4.59 Basic Skills Extended Time	\$0	<u>\$0</u>	\$0	Total Revenue	\$0	<u>\$0</u>	\$0
4.67 LTFM	(\$331,779)	<u>(\$331,779)</u>	\$0	Total Expenditures	\$0	<u>\$0</u>	\$0
4.72 Medical Assistance	\$1,116,212	<u>\$1,116,212</u>	\$0	<i>Restricted / Reserved:</i>			
<i>Restricted:</i>				4.01 Student Activities	\$0	<u>\$0</u>	\$0
4.64 Restricted Fund Balance	\$0	<u>\$0</u>	\$0	4.02 Scholarships	\$0	<u>\$0</u>	\$0
4.75 Title VII Impact Aid	\$0	<u>\$0</u>	\$0	4.22 Unassigned Fund Balance (Net Assets)	\$0	<u>\$0</u>	\$0
4.76 Payments in Lieu of Taxes	\$0	<u>\$0</u>	\$0				
<i>Committed:</i>				18 CUSTODIAL			
4.18 Committed for Separation	\$2,619,414	<u>\$2,619,414</u>	\$0	Total Revenue	\$17,395	<u>\$17,395</u>	\$0
4.61 Committed Fund Balance	\$0	<u>\$0</u>	\$0	Total Expenditures	\$87,445	<u>\$87,444</u>	\$1
<i>Assigned:</i>				<i>Restricted / Reserved:</i>			
4.62 Assigned Fund Balance	\$1,552,640	<u>\$1,552,640</u>	\$0	4.01 Student Activities	\$0	<u>\$0</u>	\$0
<i>Unassigned:</i>				4.02 Scholarships	\$0	<u>\$0</u>	\$0
4.22 Unassigned Fund Balance	\$5,018,458	<u>\$5,018,459</u>	(\$1)	4.48 Achievement and Integration	\$0	<u>\$0</u>	\$0
				4.64 Restricted Fund Balance	\$13,186	<u>\$13,186</u>	\$0

Independent School District No. 22
 Detroit Lakes Public Schools
 Uniform Financial Accounting and Reporting Standards Compliance Table
 Year Ended June 30, 2023

02 FOOD SERVICES

Total Revenue	\$1,847,984	<u>\$1,847,980</u>	<u>\$4</u>
Total Expenditures	\$2,033,024	<u>\$2,033,018</u>	<u>\$6</u>
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$51,257	<u>\$51,257</u>	<u>\$0</u>
<i>Restricted / Reserved:</i>			
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$937,490	<u>\$937,491</u>	<u>(\$1)</u>
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

04 COMMUNITY SERVICE

Total Revenue	\$1,325,144	<u>\$1,325,143</u>	<u>\$1</u>
Total Expenditures	\$1,366,687	<u>\$1,366,684</u>	<u>\$3</u>
<i>Non Spendable:</i>			
4.60 Non Spendable Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted / Reserved:</i>			
4.26 \$25 Taconite	\$0	<u>\$0</u>	<u>\$0</u>
4.31 Community Education	\$112,247	<u>\$112,247</u>	<u>\$0</u>
4.32 E.C.F.E	\$122,391	<u>\$122,391</u>	<u>\$0</u>
4.40 Teacher Development and Evaluation	\$0	<u>\$0</u>	<u>\$0</u>
4.44 School Readiness	\$236,046	<u>\$236,046</u>	<u>\$0</u>
4.47 Adult Basic Education	\$103,560	<u>\$103,560</u>	<u>\$0</u>
4.52 OPEB Liab Not In Trust	\$0	<u>\$0</u>	<u>\$0</u>
<i>Restricted:</i>			
4.64 Restricted Fund Balance	\$36,353	<u>\$36,351</u>	<u>\$2</u>
<i>Unassigned:</i>			
4.63 Unassigned Fund Balance	\$0	<u>\$0</u>	<u>\$0</u>

20 INTERNAL SERVICE

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

25 OPEB REVOCABLE TRUST

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

45 OPEB IRREVOCABLE TRUST

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

47 OPEB DEBT SERVICE

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

Independent School District No. 22
 Detroit Lakes Public Schools
 Schedule of Expenditures of Federal Awards
 Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Financial Assistance Listing	Pass-through Entity Identifying Number	Expenditures
Department of Agriculture			
<i>Passed through Minnesota Department of Education</i>			
Child Nutrition Cluster			
Non-Cash Assistance (Commodities):			
National School Lunch Program	10.555	0022-01-000 FIN 701	\$ 145,275
Cash Assistance:			
School Breakfast Program	10.553	0022-01-000 FIN 705	185,898
National School Lunch Program	10.555	0022-01-000 FIN 701	692,201
National School Lunch Program	10.555	0022-01-000 FIN 714	81,173
Summer Food Service Program for Children	10.559	0022-01-000 FIN 709	5,198
Total Child Nutrition Cluster			<u>1,109,745</u>
COVID-19 Pandemic EBT Administrative Costs	10.649C	0022-01-000 FIN 499	3,135
Total Department of Agriculture			<u>\$ 1,112,880</u>
Department of Treasury			
<i>Passed through Minnesota Department of Education</i>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	0022-01-000 FIN 150	39,001
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	0022-01-000 FIN 165	44,913
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	0022-01-000 FIN 166	7,032
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	0022-01-000 FIN 171	282,950
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	0022-01-000 FIN 499	13,000
Total 21.027			<u>386,896</u>
Total Department of Treasury			386,896
Department of Education			
<i>Passed through Minnesota Department of Education</i>			
Title I Grants to Local Educational Agencies	84.010	0022-01-000 FIN 401	568,987
Indian Education Grants to Local Educational Agencies	84.060	0022-01-000 FIN 510	152,850
Supporting Effecton Instruction State Grants	84.367	0022-01-000 FIN 414	96,079
Student Support and Academic Enrichment	84.424	0022-01-000 FIN 433	54,523
Special Education Grants - Grants for Infants and Families	84.181	0022-01-000 FIN 422	37,880
Adult Education - Basic Grants to States	84.002	0022-01-000 FIN 438	11,420
COVID-19 Education Stabilization Fund	84.425W	0022-01-000 FIN 159	25,794
COVID-19 Education Stabilization Fund	84.425U	0022-01-000 FIN 160	1,302,453
COVID-19 Education Stabilization Fund	84.425U	0022-01-000 FIN 161	172,424
COVID-19 Education Stabilization Fund	84.425C	0022-01-000 FIN 499	8,896
COVID-19 Education Stabilization Fund	84.425D	0022-01-000 FIN 163	96,543
Total 84.425			<u>1,606,110</u>
Special Education Cluster			
Special Education Grants to States	84.027	0022-01-000 FIN 419	647,444
COVID-19 Special Education Grants to States	84.027X	0022-01-000 FIN 140	58,546
COVID-19 Special Education Grants to States	84.027X	0022-01-000 FIN 143	23,755
Special Education Grants to States	84.027A	0022-01-000 FIN 425	46,333
COVID-19 Special Education Grants to States	84.173X	0022-01-000 FIN 141	12,451
Special Education Preschool Grants	84.173	0022-01-000 FIN 420	37,267
Total Special Education Cluster			<u>825,796</u>
Total Department of Education			<u>3,353,645</u>
Total Federal Financial Assistance			<u>\$ 4,853,421</u>

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2023. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position or fund balance of the District.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note 3 – Indirect Cost Rate

The District has not elected to use the 10% de minimis cost rate.

Note 4 – Food Donation

Nonmonetary assistance is reported in this schedule at the fair market value of commodities received and disbursed. At June 30, 2023 the District had food commodities totaling \$51,257 in inventory.



Additional Reports
June 30, 2023

**Independent School District No. 22
Detroit Lakes Public Schools**



Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The School Board of
Independent School District No. 22
Detroit Lakes Public Schools
Detroit Lakes, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 22, Detroit Lakes Public Schools (“the District”), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated December 6, 2023.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001, 2023-002, and 2023-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

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

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP". The signature is written in black ink and is positioned above the printed text of the firm's name and location.

Fargo, North Dakota
December 6, 2023



Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance

The School Board of
Independent School District No. 22
Detroit Lakes Public Schools
Detroit Lakes, Minnesota

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Independent School District No. 22’s (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2023. The District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Fargo, North Dakota
December 6, 2023



Independent Auditor's Report on *Minnesota Legal Compliance*

The School Board of
Independent School District No. 22
Detroit Lakes Public Schools
Detroit Lakes, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Detroit Lakes Public Schools (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 6, 2023.

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the contracting – bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and uniform financial accounting and reporting standards sections of the *Minnesota Legal Compliance Audit Guide for School Districts*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

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

A handwritten signature in black ink that reads "Eide Bailly LLP".

Fargo, North Dakota
December 6, 2023

Section I – Summary of Auditor’s Results

FINANCIAL STATEMENTS

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>Federal Financial Assistance Listing</u>
Special Education Cluster	84.027 and 84.173
COVID-19 Education Stabilization Fund	84.425
Dollar threshold used to distinguish between type A and type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

**2023-001 Preparation of Financial Statements and Schedule of Expenditures of Federal Awards
Material Weakness**

Criteria – A good system of internal accounting control contemplates an adequate system for internally preparing the District’s financial statements and schedule of expenditures of federal awards (SEFA).

Condition – The District does not have an internal control system designed to provide for the preparation of the financial statements being audited. The auditors were requested to, and did, draft the financial statements, accompanying notes to the financial statements, and SEFA.

Cause – The District does not have an internal control system designed to provide for the preparation of the financial statements and SEFA being audited.

Effect – The disclosures in the financial statements could be incomplete.

Recommendation – It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost or other considerations.

Views of Responsible Officials – There is no disagreement with the audit finding.

**2023-002 Material Journal Entries
Material Weakness**

Criteria – A good system of internal accounting control contemplates an adequate system for recording and processing entries material to the financial statements.

Condition – During the course of our engagement, we proposed material audit adjustments that were not identified as a result of the District’s existing internal controls, and therefore could have resulted in a material misstatement of the District’s financial statements.

Cause – The District does not have an internal control system designed to identify all necessary adjustments.

Effect – This deficiency could result in a misstatement to the financial statements that would not be prevented or detected.

Recommendation – A thorough review and reconciliation of accounts in each fund should take place prior to the beginning of the audit. This review should be done at both the accounting staff and accounting supervisor levels.

Views of Responsible Officials – There is no disagreement with the audit finding.

**2023-003 Segregation of Duties
Material Weakness**

Criteria – A good system of internal control requires an adequate segregation of duties so that no one individual has incompatible responsibilities. No one person should have more than one duty relating to the authorization (approval), custody of assets (check signers), record keeping and reconciliation functions.

Condition – The District does not have enough staff to adequately separate duties in cash receipts, cash disbursements, payroll and related liabilities, and general ledger maintenance and reconciliation.

Cause – There is a limited amount of office employees involved in the internal control process.

Effect – Inadequate segregation of duties could adversely affect the District's ability to detect misstatements in amounts that would be material in relation to the financial statements in a timely period by employees in the normal course of performing their assigned functions.

Recommendation – The accounting functions should be reviewed to determine if additional segregation of duties is feasible and to improve the efficiency and effectiveness of financial management and financial statement accuracy for the District. Segregation of authorization, custody of assets, record keeping and reconciliation functions would assist in mitigating the risk of fraud or misstatements to the financial statements.

Views of Responsible Officials – There is no disagreement with the audit finding.

Section III – Federal Award Findings and Questioned Costs

None reported

Section IV – Minnesota Legal Compliance Findings

None reported



December 6, 2023

To the Board of
Detroit Lakes Public Schools
Detroit Lakes, Minnesota

We have audited the financial statements of Independent School District No. 22 (“the District”) as of and for the year ended June 30, 2023, and have issued our report thereon dated December 6, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards* and our Compliance Audit under Uniform Guidance

As communicated in our letter dated May 16, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether the District complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Our responsibility, as prescribed by professional standards as it relates to the audit of the District’s major federal program compliance, is to express an opinion on the compliance for each of the District’s major federal programs based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of the District’s internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated December 6, 2023. We have also provided our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor's Report on Compliance with the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance dated December 6, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been non initial selection of accounting policies and no changes in significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the state aid receivable and related revenue from the State of Minnesota is based on the projected student counts at year-end. We evaluated the key factors and assumptions used to develop the state aid receivable and related revenue in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Management's estimate of the other post-employment benefits and net pension liability are based on an actuary's calculation in accordance with the employment contracts. We evaluated the key factors and assumptions used to develop the other post-employment benefits and net pension liability in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to net pension liability.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. The misstatements on the attached schedule that were identified as a result of our audit procedures were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated December 6, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

This report is intended solely for the information and use of the Board of Education and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Eide Sully LLP

Fargo, North Dakota

Client: **125530 - Detroit Lakes Public Schools**
Engagement: **AA 2023 - Detroit Lakes Public Schools**
Period Ending: **6/30/2023**
Trial Balance: **3.00 - Trial Balance**
Workpaper: **3a - Adjusting Journal Entries Report**

Account	Description	Debit	Credit
Adjusting Journal Entries			
Adjusting Journal Entries JE # 1			
CLIENT POST: To adjust property taxes receivable			
B04-110-000---	Curr Property Tax Receivable	829.00	
B07-110-000---	Cur.Prop.Tax Receivable	343,266.00	
R01-002-000-000-001	Levy	267,258.00	
B01-110-000---	Curr Property Tax Receivable		267,258.00
R04-002-000-000-321-001	Comm Ed Levy		829.00
R07-002-000-000-000-001	Levy		343,266.00
Total		611,353.00	611,353.00
Adjusting Journal Entries JE # 2			
CLIENT POST: To adjust delinquent taxes to actual			
B01-111-000---	Delinq.Prop.Tax.Rec.	2,605.00	
B04-111-000---	Delinq.Prop.Tax.Rec.	121.00	
B07-111-000---	Delinq.Prop.Tax.Receivable	1,797.00	
B01-231-000---	Def Rev-Delinq Taxes		2,605.00
B04-231-000---	Def Rev-Delinq Taxes		121.00
B07-231-000---	Def Rev-Delinq Taxes		1,797.00
Total		4,523.00	4,523.00
Adjusting Journal Entries JE # 3			
CLIENT POST: To adjust property taxes for subsequent years			
B01-235-000---	Prop.Tax For Subseq. Yrs	546,649.00	
R04-002-000-000-321-001	Comm Ed Levy	5,565.00	
R07-002-000-000-000-001	Levy	808,982.00	
B04-235-000---	Prop.Tax For Subseq. Yrs		5,565.00
B07-235-000---	Prop.Tax For Subseq. Yrs		808,982.00
R01-002-000-000-000-001	Levy		546,649.00
Total		1,361,196.00	1,361,196.00
Adjusting Journal Entries JE # 4			
CLIENT POST: To spread the levy			
B01-101-000---	General Fund Cash	44,400.00	
B01-101-000---	General Fund Cash	30,000.00	
B04-101-000---	Community Service Cash	15,789.00	
R01-002-000-000-000-001	Levy	15,789.00	
R01-002-000-000-000-001	Levy	242,370.00	
R04-002-000-000-321-001	Comm Ed Levy	30,000.00	
R07-002-000-000-000-001	Levy	44,400.00	
B01-101-000---	General Fund Cash		15,789.00
B04-101-000---	Community Service Cash		30,000.00
B07-101-000---	Debt Redemption Cash		44,400.00
R01-002-000-000-000-001	Levy		44,400.00
R01-002-000-000-000-001	Levy		30,000.00
R01-002-000-000-348-001	Lease Levy and Other Capital		242,370.00
R04-002-000-000-321-001	Comm Ed Levy		15,789.00
Total		422,748.00	422,748.00
Adjusting Journal Entries JE # 5			
CLIENT POST: To record County Apportionment			
R01-002-000-000-000-211	Gen Ed Aid	44,141.00	
R01-002-000-000-000-010	County Apportionment		44,141.00
Total		44,141.00	44,141.00
Adjusting Journal Entries JE # 6			
CLIENT POST: To update State Aid AR/Revenue to actual			
B01-101-000---	General Fund Cash	23,619.00	
B01-121-000---	Due From Mn Department of Education	1,768,127.00	
B01-121-000---	Due From Mn Department of Education	44,006.00	
B04-101-000---	Community Service Cash	23,192.00	
B04-121-000---	Due Fm Mn Department of Education	38,347.00	
B07-121-000---	Due Fm Mn Department of Education	955.00	
R01-002-000-000-000-211	Gen Ed Aid	46,066.00	
R01-002-000-000-000-211	Gen Ed Aid	23,192.00	
R01-002-000-000-000-370	Rev. From State Agenc.	346,836.00	
R01-002-000-000-313-300	Integration State Aid	2,519.00	
R04-002-000-000-328-300	Home Visiting State Aid	57.00	
R04-002-000-000-351-301	Textbooks Non-Public Aid	35,815.00	
R04-002-000-000-351-301	Textbooks Non-Public Aid	23,619.00	

Client: **125530 - Detroit Lakes Public Schools**
 Engagement: **AA 2023 - Detroit Lakes Public Schools**
 Period Ending: **6/30/2023**
 Trial Balance: **3.00 - Trial Balance**
 Workpaper: **3a - Adjusting Journal Entries Report**

Account	Description	Debit	Credit
R07-002-000-000-000-234	Ag Credit State Aid	29.21	
B01-101-000---	General Fund Cash		23,192.00
B04-101-000---	Community Service Cash		23,619.00
R01-002-000-000-000-211	Gen Ed Aid		1,719,236.00
R01-002-000-000-000-211	Gen Ed Aid		2,519.00
R01-002-000-000-000-211	Gen Ed Aid		23,619.00
R01-002-000-000-000-211	Gen Ed Aid		44,006.00
R01-002-000-000-000-212	Literacy Incentive Aid		10,714.00
R01-002-000-000-000-227	Abatement Aid		181.00
R01-002-000-000-313-300	Integration State Aid		7,764.00
R01-002-000-000-320-300	American Indian State Aid		10,138.00
R01-002-000-000-335-300	Q-Comp State Aid		33,176.00
R01-002-000-000-720-300	Non Public State Aid		11,814.00
R01-002-000-000-740-360	State Special Ed.		357,818.00
R01-002-865-000-000-317	LTFM Aid		10,188.00
R04-002-000-000-321-227	Abatement Aid		39.00
R04-002-000-000-322-300	Adult Basic State Aid		16,636.00
R04-002-000-000-325-300	ECFE State Aid		7,616.00
R04-002-000-000-328-300	Home Visiting State Aid		48.00
R04-002-000-000-344-300	Sch Readiness State Aid		8,125.00
R04-002-000-000-351-301	Textbooks Non-Public Aid		38,347.00
R04-002-000-000-351-301	Textbooks Non-Public Aid		23,192.00
R04-002-000-000-351-301	Textbooks Non-Public Aid		57.00
R04-002-000-000-354-300	Preschool Sreening State Aid		3,351.00
R07-002-000-000-000-258	Other Tax Aids		0.10
R07-002-000-000-000-317	LTFM Aid		955.00
R07-002-000-000-000-317	LTFM Aid		29.11
01 A 101 05	MIDWEST-FINANCE CHECKING		
R01-002-000-000-000-001	Levy		
R07-002-000-000-000-229	Disparity Red. Aid		
Total		2,376,379.21	2,376,379.21
Adjusting Journal Entries JE # 7			
CLIENT POST: Reclassification of Gen Ed Aid Restrictions			
R01-002-000-000-302-211	Gen Ed Aid	2,280.00	
R01-002-000-000-316-211	St Dev Gen Ed Aid	569.00	
R01-002-000-000-317-211	Basic Skills Gen Ed Aid	1,001.00	
R01-002-000-000-330-211	L&D Gen Ed Aid	1,435.00	
R01-002-000-000-388-211	Gifted/Tal Gen Ed Aid	54.00	
R01-002-000-000-000-211	Gen Ed Aid		5,339.00
Total		5,339.00	5,339.00
Adjusting Journal Entries JE # 8			
CLIENT POST: To adjust delinquent taxes			
B01-231-000---	Def Rev-Delinq Taxes	728.00	
B04-231-000---	Def Rev-Delinq Taxes	41.00	
B07-231-000---	Def Rev-Delinq Taxes	329.00	
R01-002-000-000-000-001	Levy		728.00
R04-002-000-000-321-001	Comm Ed Levy		41.00
R07-002-000-000-000-001	Levy		329.00
Total		1,098.00	1,098.00
Adjusting Journal Entries JE # 9			
CLIENT POST: Entry to reclass and true-up Federal AR and Revenue for reporting purposes			
B01-122-000---	Due From Fed Thru State	659,272.00	
B01-122-000---	Due From Fed Thru State	10,714.00	
B01-123-000---	Due From Federal Direct	1.00	
B02-122-000---	Due From Fed Thru State	545.00	
B02-122-000---	Due From Fed Thru State	3,765.00	
B04-101-000---	Community Service Cash	11,257.00	
B04-230-000---	Deferred Revenue	25,713.00	
R02-002-000-000-705-300	Breakfast - State Aids & Grants	51,462.00	
B01-101-000---	General Fund Cash		10,712.00
B01-121-000---	Due From Mn Department of Education		659,272.00
B02-101-000---	Food Service Cash		545.00
B02-121-000---	Due Fm Mn Department of Education		3,765.00
B04-122-000---	Due Fm Fed Thru State		11,257.00
R01-002-000-000-000-099	Misc Revenue		3.00
R02-002-000-000-705-476	School Breakfast		51,462.00
R04-002-582-000-165-400	Cofid PreSchool Federal Aid		25,713.00
Total		762,729.00	762,729.00

Client: **125530 - Detroit Lakes Public Schools**
Engagement: **AA 2023 - Detroit Lakes Public Schools**
Period Ending: **6/30/2023**
Trial Balance: **3.00 - Trial Balance**
Workpaper: **3a - Adjusting Journal Entries Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 10			
CLIENT POST: Entry to adjust nonspendable balance at YE			
B01-422-000---	Unassigned Fund Balance	33,034.00	
B02-460-000---	Nonspendable Fund Balance	29,262.00	
B01-460-000---	Nonspendable Fund Balance		33,034.00
B02-464-000---	Restricted Fund Balance		29,262.00
Total		62,296.00	62,296.00

Adjusting Journal Entries JE # 11			
CLIENT POST: to reclass bond premiums			
E06-005-870-000-000-305	Consult/Fees For Svc	6,014.00	
R06-005-000-000-000-631	Sale Of Bonds	120,796.00	
R06-005-000-000-000-632	Bond Premiums		126,810.00
Total		126,810.00	126,810.00

Adjusting Journal Entries JE # 12			
CLIENT POST: To record revenue/expenses for leases entered in CY			
E01-005-000-000-535-000	Long-Term Leases	11,398.00	
E01-005-850-000-302-589	Lease Proceeds		11,398.00
Total		11,398.00	11,398.00

Adjusting Journal Entries JE # 13			
CLIENT POST: Entry to reverse AJE #1478 for Flex Fd 18 and properly move Fd 18 to GF			
B01-101-000---	General Fund Cash	70,537.00	
B01-422-000---	Unassigned Fund Balance	69,847.00	
B18-101-000---	Cash & Cash Equiv	70,537.00	
E01-002-110-000-000-899	Misc Other Expense	690.00	
E18-003-298-000-000-401	General Supplies	70,537.00	
B01-101-000---	General Fund Cash		70,537.00
B18-101-000---	Cash & Cash Equiv		70,537.00
B18-422-000	Unassigned Fund Balance		69,847.00
E18-002-110-000-000-899	Flex Acct Misc. Expense		690.00
R01-002-000-000-000-099	Misc Revenue		70,537.00
Total		282,148.00	282,148.00

Adjusting Journal Entries JE # 100			
CLIENT DO NOT POST: Entry to record FB restrictions for reporting purposes			
B01-403-000---	Rst/Rsvd For Staff Develop	237,561.00	
B01-424-000---	Rst/Rsvd Operating Capital	112,201.00	
B01-438-000---	Rst/Rsvd Gifted/Talented	29,631.00	
B01-449-000---	Rst/Rsvd Safe Schools Levy	30,629.00	
B01-472-000---	Rst/Rsvd for Med Asst	280,452.00	
B04-432-000---	Rst/Rsvd E.C.F.E.	58,724.00	
B04-444-000---	Rst/Rsvd School Readiness	15,918.00	
B21-401-736---	Band	5,892.00	
B01-422-000---	Unassigned Fund Balance		630,683.00
B01-467-000---	Rst/Rsvd for LTFM		65,683.00
B04-431-000---	Rst/Rsvd Community Education		1,573.00
B04-447-000---	Rst/Rsvd Adult Basic Educ		5,749.00
B04-464-000---	Restricted Fund Balance		67,320.00
B01-418-000---	Designation for Severance		
B01-462-000---	Assigned Fund Balance		
Total		771,008.00	771,008.00

Adjusting Journal Entries JE # 2399			
PBC Entires #2343 - 2399			
B02-101-000---	Food Service Cash	10,530.00	
B04-431-000---	Rst/Rsvd Community Education	19,200.00	
E01-002-010-000-000-305	Board Contract Services	371.00	
E01-002-420-000-372-154	School Nurse	600.00	
E01-002-420-000-372-401	MedAssist-Sup/Mat Non-Instr.	10,530.00	
E01-002-420-000-419-185	Spec Ed Gen Other Lic Salaries	243.00	
E01-002-420-000-419-220	Spec Ed Gen Health Ins	410.00	
E01-002-420-000-419-230	Spec Ed Gen Life Ins	10.00	
E01-002-420-000-419-250	Spec Ed Gen TSA	10.00	
E01-002-420-000-419-366	Spec Ed Gen Travel	269.00	
E01-002-940-000-000-340	Prop/Liab Insurance	25,675.00	
E01-003-258-736-000-305	DLHS Band-Consult/Fees For Svc	40.00	
E01-003-294-128-000-335	HS Boys Swimming Rental & Leases	3,479.00	
E01-003-296-128-000-335	HS Girls Swimming Rental & Leases	3,479.00	
E01-003-403-000-419-433	HS Sp Ed MI Sevr Individ Supplies	806.00	

Client: **125530 - Detroit Lakes Public Schools**
 Engagement: **AA 2023 - Detroit Lakes Public Schools**
 Period Ending: **6/30/2023**
 Trial Balance: **3.00 - Trial Balance**
 Workpaper: **3a - Adjusting Journal Entries Report**

Account	Description	Debit	Credit
E01-003-403-000-740-433	HS Sp Ed MI Sevr Individ Supplies	806.00	
E01-003-407-000-740-140	HS Sp Ed SLD Lic Instr Sal	55,746.00	
E01-003-640-000-316-230	Life Insurance	5.00	
E01-055-412-000-740-401	ECSE Sup/Mat Non-Instr.	40.00	
E01-055-420-000-740-305	ECSE Consult/Fees For Svc	40.00	
E02-002-770-000-701-490	School Lunch Food	3,339.00	
E02-002-770-000-701-490	School Lunch Food	18,732.00	
E02-002-770-000-701-491	School Lunch Commodities	145,275.00	
E02-002-770-000-701-491	School Lunch Commodities	3,339.00	
E02-002-770-000-701-491	School Lunch Commodities	145,275.00	
E02-002-770-000-701-495	School Lunch Milk	6,533.00	
E04-002-520-000-322-141	ABE State Non-Lic. Salaries	6,234.00	
E04-002-582-000-165-430	School Readiness SFRF Instr Supplies	11,227.00	
R02-002-000-000-701-471	Fed Lunch-Basic	145,275.00	
B01-101-000---	General Fund Cash		10,530.00
B01-131-000---	Prepaid Expenditures		32,633.00
B01-206-000---	Accounts Payable		411.00
B02-129-000---	Commodities Invent		13,719.00
B02-130-001---	Food Inventory		5,013.00
B02-130-002---	Non-Food Inventory		10,530.00
B02-206-000---	Accounts Payable		6,533.00
B04-444-000---	Rst/Rsvd School Readiness		19,200.00
E01-002-412-000-740-305	ECSE-Consult/Fees For Svc	40.00	
E01-002-420-000-372-185	Spec Ed Gen MA Other Lic Salaries	600.00	
E01-002-420-000-419-368	Sp Ed Fed Reim Out-Of-State Travel	269.00	
E01-002-420-640-419-220	Health Insurance	410.00	
E01-002-420-640-419-230	Life Insurance	10.00	
E01-002-420-640-419-250	Tsa/Mn Deferred Comp	10.00	
E01-002-640-000-316-185	DW St Dev Other Lic Salaries	243.00	
E01-002-640-000-316-230	DW St Dev Life Ins	5.00	
E01-003-402-000-740-433	HS Sp Ed MI Mod Individ Supplies	806.00	
E01-003-403-000-740-433	HS Sp Ed MI Sevr Individ Supplies	806.00	
E01-003-408-000-740-140	HS Sp Ed EBD Lic Instr Sal	55,746.00	
E01-055-420-000-740-305	ECSE Consult/Fees For Svc	40.00	
E02-002-770-000-701-490	School Lunch Food	3,339.00	
E02-002-770-000-701-491	School Lunch Commodities	3,339.00	
E02-002-770-000-701-491	School Lunch Commodities	145,275.00	
E04-002-520-000-166-141	ABE ARP - N-Lic Classroom Pers	6,234.00	
E04-002-582-000-344-430	Sch Readiness Instr Supplies	11,227.00	
R02-002-000-000-701-471	Fed Lunch-Basic	145,275.00	
R02-002-000-000-701-474	Commodity Dist. Prog	145,275.00	
E01-002-420-000-419-250	Spec Ed Gen TSA		
E01-002-420-640-419-250	Tsa/Mn Deferred Comp		
E21-003-298-724-301-401	Boys Tennis Supplies		
E21-003-298-751-301-401	Girls Tennis Supplies		
Total		617,518.00	617,518.00
Adjusting Journal Entries JE # 2403			
PBC Entries - #2400 - 2403			
B01-122-000---	Due From Fed Thru State	22,444.00	
B01-210-000---	Due To Other Mn Dist	41,628.00	
B01-212-000---	Sales Tax Payable	6,950.00	
B02-212-000---	Sales Tax Payable	12.00	
B01-212-000---	Sales Tax Payable		22,444.00
R01-002-000-000-000-099	Misc Revenue		48,578.00
R02-002-000-000-707-099	Ala Carte Misc Revenue		12.00
Total		71,034.00	71,034.00
Adjusting Journal Entries JE # 2405			
PBC Entries #2404 - 2405			
B99-162-000---	Amt Prov/Compens Vacation	9,222.00	
R02-002-000-000-701-601	Sales To Pupils	25,426.00	
B02-206-001	Other Accounts Payable		25,426.00
B99-262-000---	Compensated Vacation Pay		9,222.00
Total		34,648.00	34,648.00
Adjusting Journal Entries JE # 2583			
PBC Entries #2429 - 2583			
B01-101-000---	General Fund Cash	10,530.00	
E01-998-211-000-000-390	Tuition Pay To Mn Distr	1,282.00	
E02-002-770-000-701-401	School Lunch General Supplies	10,530.00	
E04-002-582-000-344-430	Sch Readiness Instr Supplies	34.00	

Client: **125530 - Detroit Lakes Public Schools**
Engagement: **AA 2023 - Detroit Lakes Public Schools**
Period Ending: **6/30/2023**
Trial Balance: **3.00 - Trial Balance**
Workpaper: **3a - Adjusting Journal Entries Report**

Account	Description	Debit	Credit
E18-003-298-813-000-401	Post Prom Supplies	2,737.00	
B01-206-000---	Accounts Payable		1,282.00
B02-101-000---	Food Service Cash		10,530.00
B04-206-000---	Accounts Payable		34.00
B18-206-000---	Accounts Payable		2,737.00
E01-002-420-000-372-401	MedAssist-Sup/Mat Non-Instr.		10,530.00
Total		25,113.00	25,113.00
Adjusting Journal Entries JE # 2587			
PBC Entry 2587 & 2591			
B98-142-000---	Buildings	33,575,805.00	
B98-143-000---	Equipment	13,658.00	
E01-002-203-000-000-891	DistWide Elem TRA/PERA Special Funding	135,991.00	
E01-002-211-000-000-891	DistWide Sec TRA/PERA Special Funding	135,991.00	
B98-430-000---	Invest. Fixed Assets		33,589,463.00
R01-002-000-000-000-397	TRA/PERA Pension Spec. Funding		271,982.00
Total		33,861,445.00	33,861,445.00
Total Adjusting Journal Entries		41,452,924.21	41,452,924.21
Total All Journal Entries		41,452,924.21	41,452,924.21

DATE: December 15, 2023

TO: Mark Jenson, Superintendent and Board of Education

FROM: Jason Kuehn, Director of Finance and Operations

SUBJECT: **Certification of 2023 Tax Levy Payable in 2024 for the 2024-25 School Year**

The Finance Committee recommends approval of the proposed tax levy for 2024-25 school year payable 2024 of \$9,672,387.34 representing an increase of \$632,815.59 or 7.0% from 2023.

Before the final levy is approved, the Department of Revenue requires all units of government to hold a Truth in Taxation Hearing. The District's Truth in Taxation Hearing will take place during the regularly scheduled board meeting on December 18th, 2023 at 6:00 PM. The district must also allow for public comment at this meeting. The final levy certification will also be adopted at this meeting.

Administration recommends the Board approve the levy.

I. COMPUTATION OF 2023 PAYABLE 2024 LEVY LIMITATION BY FUND (BEFORE COUNTY AUDITOR ADJUSTMENTS):

FUND	INITIAL LEVY LIMITATION	LIMITATION ADJUSTMENTS	ABATEMENT ADJUSTMENTS	OFFSET ADJUSTMENTS	TAC/MAX EFF ADJUSTMENT	MAXIMUM LEVY LIMITATION
GEN-RMV VOTER-EXEMP			N/A			
GEN-RMV OTHER-EXEMP	2,553,972.78	100,571.95-	N/A			2,453,400.83
GEN-NTC VOTER-EXEMP			N/A			
GEN-NTC OTHER-GENED	N/A	N/A	N/A			N/A
GEN-NTC OTHER-EXEMP	2,173,838.12	72,099.54	218.18-	N/A	N/A	2,245,719.48
TOTAL GENERAL	4,727,810.90	28,472.41-	218.18-			4,699,120.31
COM SERV-EXEMP	246,969.96	4,284.24-	14.62-			242,671.10
DEBT-VOTER-NONEXEMP	4,101,333.00	146,288.31-	.94-			3,955,043.75
DEBT-OTHER-NONEXEMP	805,255.87	29,703.69-				775,552.18
TOTAL DEBT SERV	4,906,588.87	175,992.00-	.94-			4,730,595.93
OPEB-VOTER-NONEXEMP						
OPEB-OTHER-NONEXEMP						
TOTAL OPEB/PENSION						
TOTAL	9,881,369.73	208,748.65-	233.74-			9,672,387.34

II. COMPARISON OF 2022 PAYABLE 2023 LEVY LIMITATION WITH 2023 PAYABLE 2024 LEVY LIMITATION (BEFORE COUNTY AUDITOR ADJUSTMENTS):

FUND	2022 PAY 2023 LIMITATION	2023 PAY 2024 LIMITATION	INCREASE (DECREASE)	PERCENT CHANGE
GENERAL	4,084,516.28	4,699,120.31	614,604.03	15.05
COMMUNITY SERVICE	230,761.51	242,671.10	11,909.59	5.16
GENERAL DEBT SERVICE	4,724,293.96	4,730,595.93	6,301.97	.13
OPEB DEBT SERVICE				
TOTAL	9,039,571.75	9,672,387.34	632,815.59	7.00

III. COMPARISON OF 2022 PAYABLE 2023 CERTIFIED LEVY PLUS COUNTY AUDITOR ADJUSTMENTS WITH 2023 PAYABLE 2024 CERTIFIED LEVY PLUS COUNTY AUDITOR ADJUSTMENTS:

FUND	2022 PAY 2023 CERTIFIED LEVY + ADJUSTMENTS	2023 PAY 2024 CERTIFIED LEVY + ADJUSTMENTS	INCREASE (DECREASE)	PERCENT CHANGE
GENERAL	4,084,516.28			
COMMUNITY SERVICE	230,761.51			
GENERAL DEBT SERVICE	4,724,293.96			
OPEB DEBT SERVICE				
TOTAL AFTER ADJUSTMENTS	9,039,571.75			

 <p>DETROIT LAKES LAKERS</p>	<p>ISD #22 – Detroit Lakes Public Schools</p> <p>Public Hearing for Taxes Payable in 2024</p> <p>DECEMBER 18, 2023</p> <p>PRESENTED BY: JASON KUEHN, DIRECTOR OF FINANCE & OPERATIONS</p>
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<p>Minnesota State Law Requirements</p>	<p>A Public Meeting...</p> <ul style="list-style-type: none">• Between November 25th & December 28th• At 6:00 PM or later• May be part of regularly scheduled meeting• Must allow for public comments• May adopt final levy at same meeting <p>...and Presentation of:</p> <ul style="list-style-type: none">• Current year budget• Proposed property tax levy
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2

Hearing Agenda



Background Information on School Funding



District’s Budget



District’s Proposed Tax Levy for Taxes Payable in 2024



Public Comments

MN Legislature Must Set Funding for Minnesota Public Schools

Minnesota Constitution ARTICLE XIII

MISCELLANEOUS SUBJECTS

Section 1

“UNIFORM SYSTEM OF PUBLIC SCHOOLS. The stability of a republican form of government depending mainly upon the intelligence of the people, it is the duty of the legislature to establish a general and uniform system of public schools. The *legislature shall make such provisions by taxation or otherwise* as will secure a thorough and efficient system of public schools throughout the state.”

As a Result, Funding is Highly Regulated

State Sets:

- Formulas which determine revenue; most revenue based on specified amounts per pupil
- Tax policy for local schools
- Maximum authorized property tax levy
 - Districts can levy less, but not more than amount authorized by state, unless approved by voters in November

State also authorizes school board to submit referendums for operating & capital needs to voters for approval

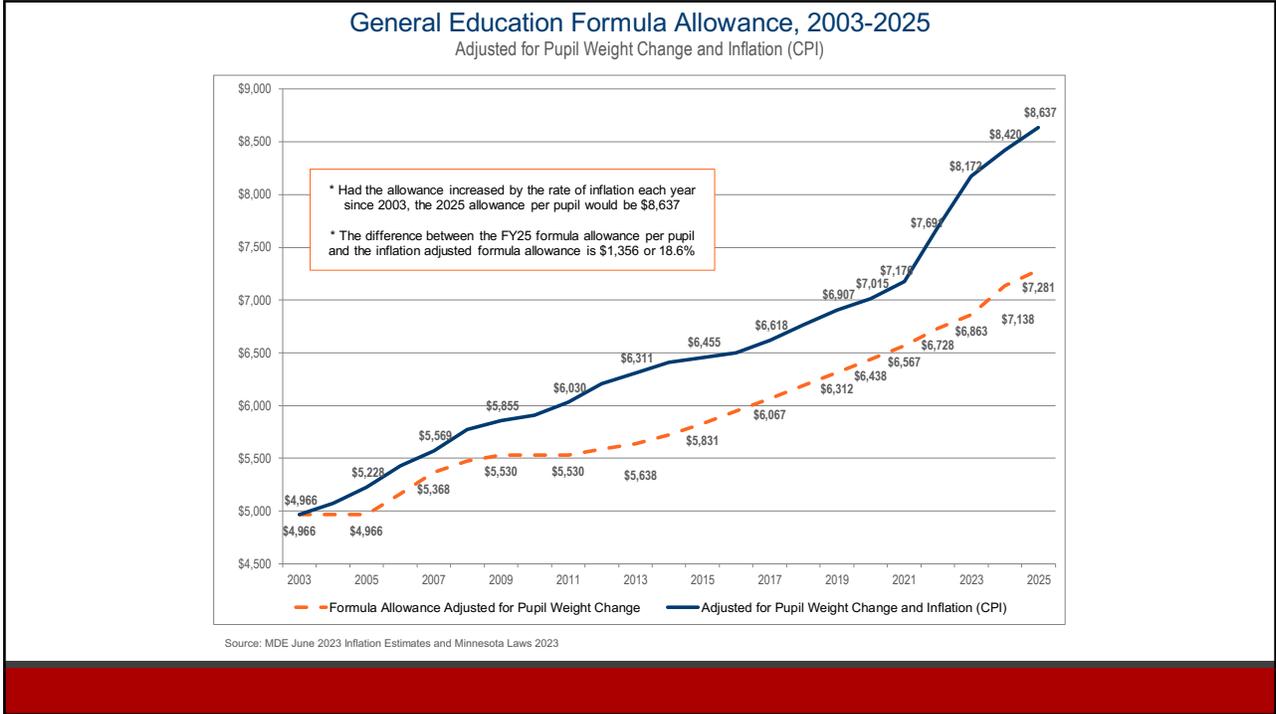
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Basic General Education Formula Lags Inflation

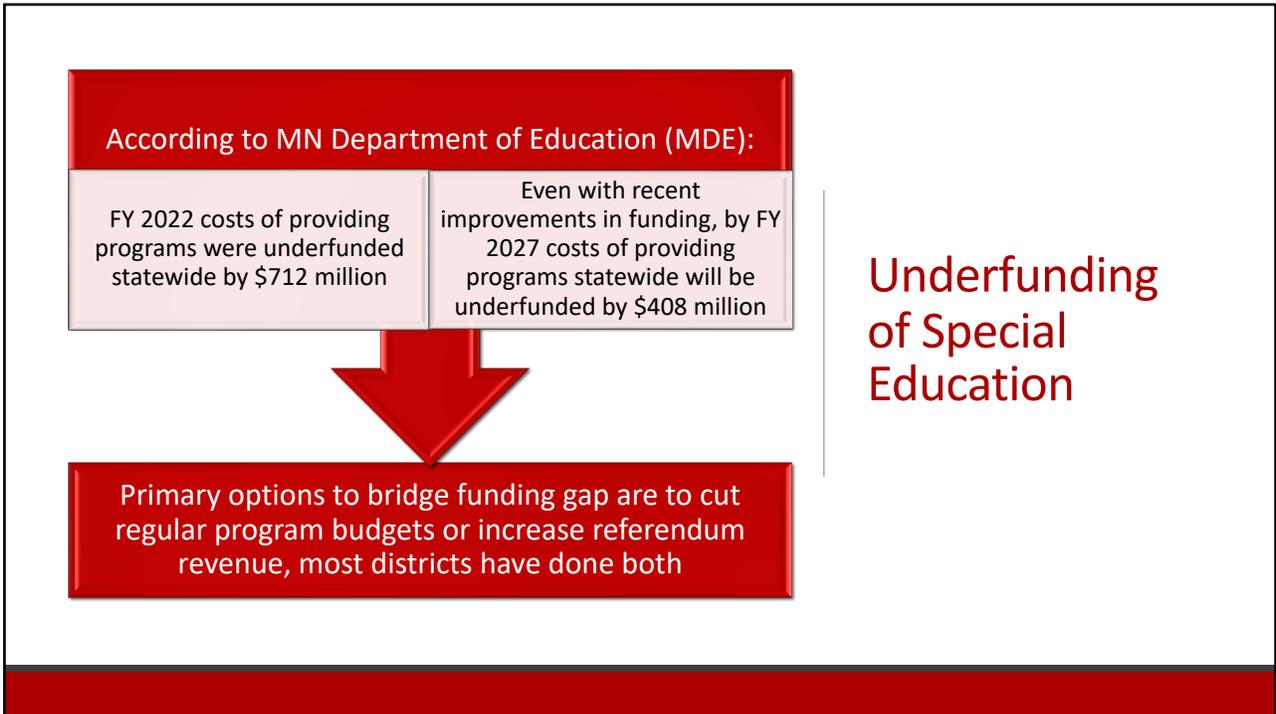
- Since 2002-03, state General Education Revenue formula has not kept pace with inflation
- For Fiscal Year 2023-24, an increase of 4.00% or \$275 over previous year was approved
- For Fiscal Year 2024-25, an increase of 2.00% or \$143 over previous year was approved

Per-pupil allowance for Fiscal Year 2024-25 of \$7,281 would need to increase by another \$1,356 (18.6%) to have kept pace with inflation since 2002-03, resulting in an allowance of \$8,637

6



7



8

Change in Tax Levy does not Determine Change in Budget

-  Tax levy is based on many state-determined formulas plus voter approved referendums
-  Some increases in tax levies are revenue neutral, offset by reductions in state aid
-  *Expenditure budget is limited* by state-set revenue formulas, voter-approved levies & fund balance
-  An increase in school taxes does not always correlate to an equal increase in budget

9

Difference in Levy Cycles



School District:

- Budget year begins July 1st
- 2024 taxes provide revenue for 2024-25 fiscal year
- Budget adopted in June 2024



City/County:

- Budget year begins Jan. 1st
- 2024 taxes provide revenue for 2024 calendar year budget

10

10

Budget Information

Because approval of school district budget lags certification of tax levy by six months, state requires only current year budget information be presented at this hearing. Fiscal Year 2024-25 budget will be adopted by School Board in June 2024.

School district budgets are divided into separate funds, based on purposes of revenue, as required by law.

Our District's Funds:

- General
- Food Service
- Community Service
- Building Construction
- Debt Service

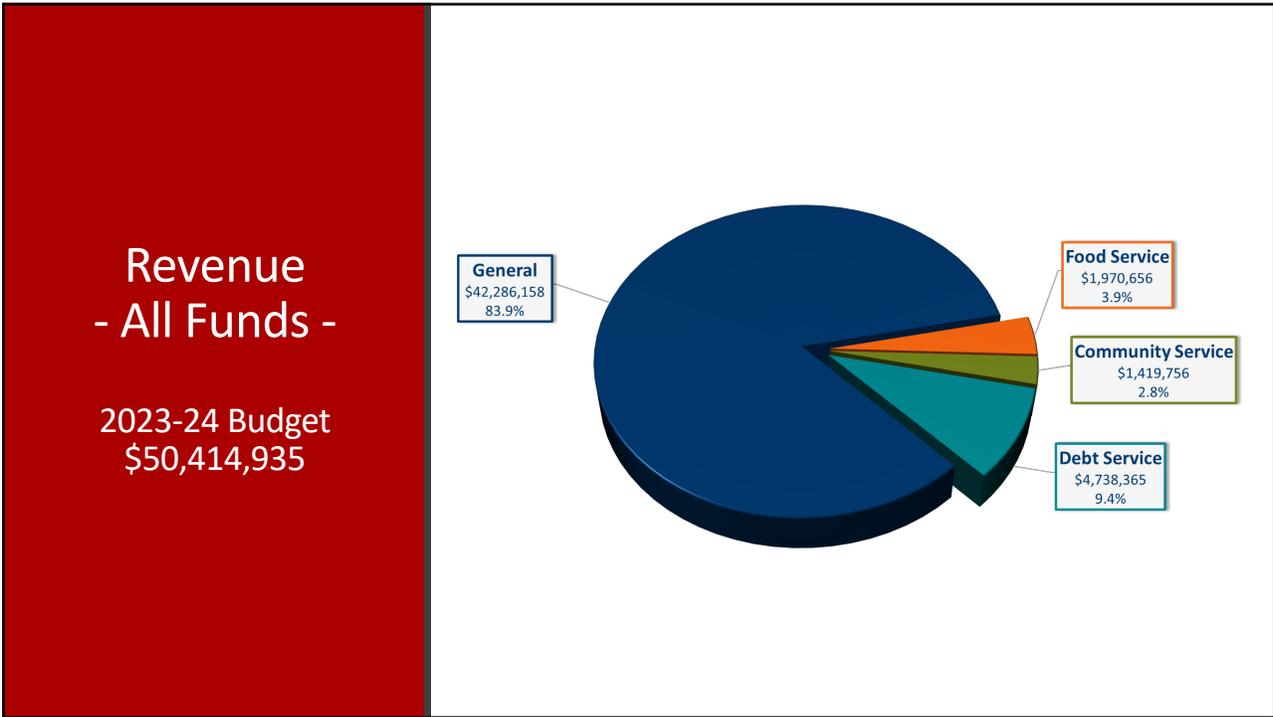


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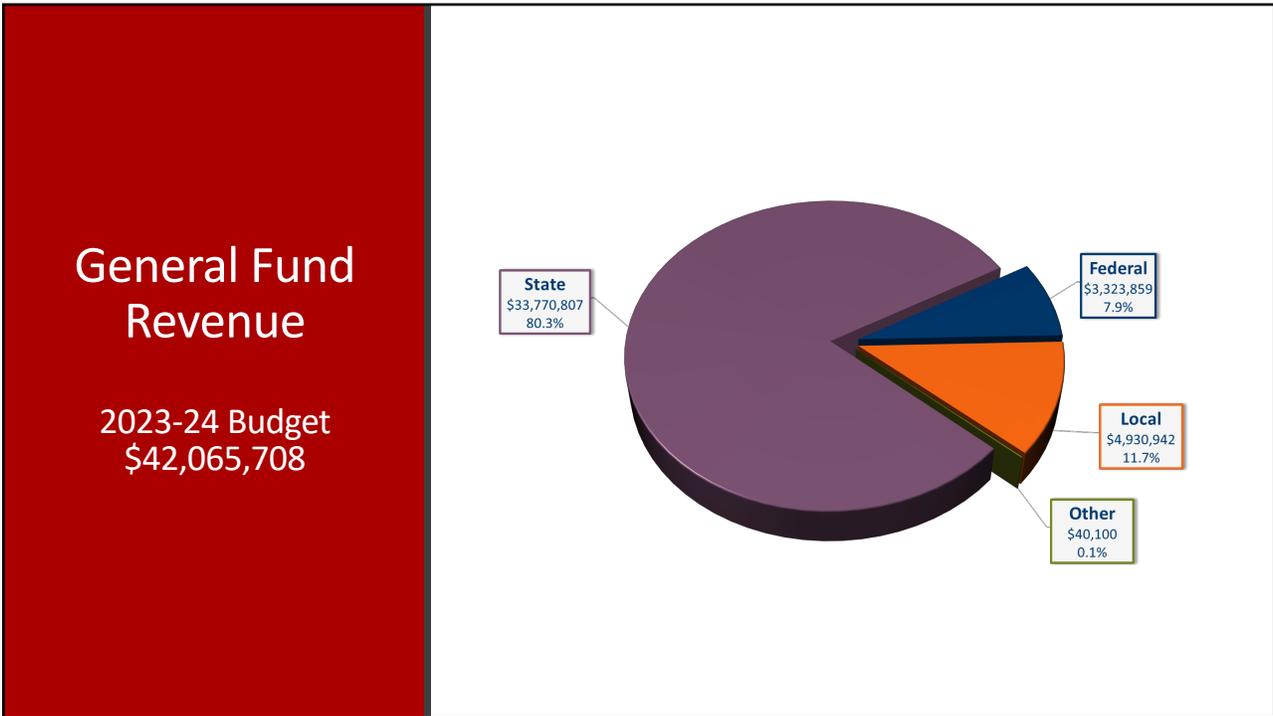
District Revenues & Expenditures
Actual for FY 2023, Budget for FY 2024

FUND	FISCAL 2023 BEGINNING	2022-23 ACTUAL		JUNE 30, 2023 ACTUAL	2023-24 BUDGET		JUNE 30, 2024 PROJECTED
	FUND BALANCES	REVENUES & TRANSFERS IN	EXPENDITURES & TRANSFERS OUT	FUND BALANCES	REVENUES & TRANSFERS IN	EXPENDITURES & TRANSFERS OUT	FUND BALANCES
General/Restricted	\$3,574,763	\$3,178,491	\$3,809,174	\$2,944,080	\$2,543,016	\$2,723,321	\$2,763,775
General/Other	10,289,787	37,841,650	38,764,646	9,366,791	39,743,142	39,557,036	9,552,897
Food Service	1,156,559	1,865,207	2,033,018	988,748	1,970,656	1,967,937	991,467
Community Service	652,228	1,325,143	1,366,684	610,687	1,419,756	1,471,952	558,491
Building Construction	(1,422,780)	2,854,597	1,431,817	0	0	0	0
Debt Service	615,474	3,927,885	3,848,206	695,153	4,738,365	4,610,026	823,492
Total All Funds	14,866,031	50,992,973	51,253,545	14,605,459	50,414,935	50,330,272	14,690,122

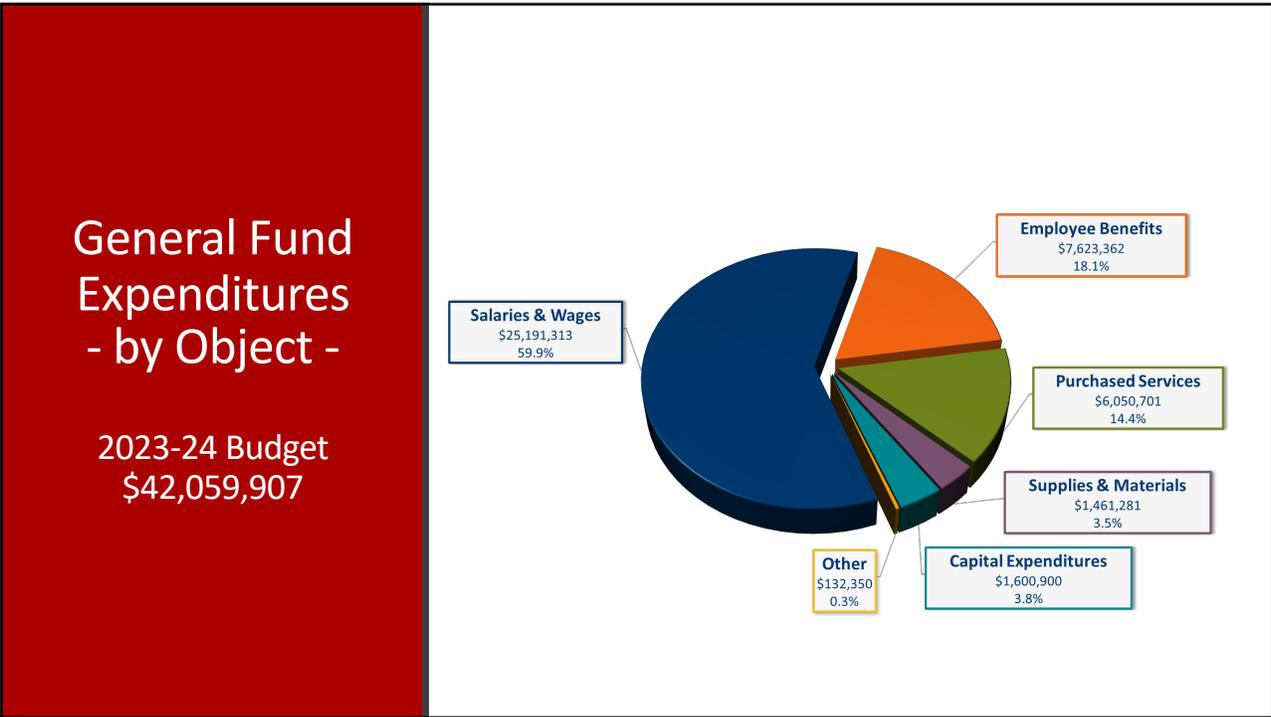
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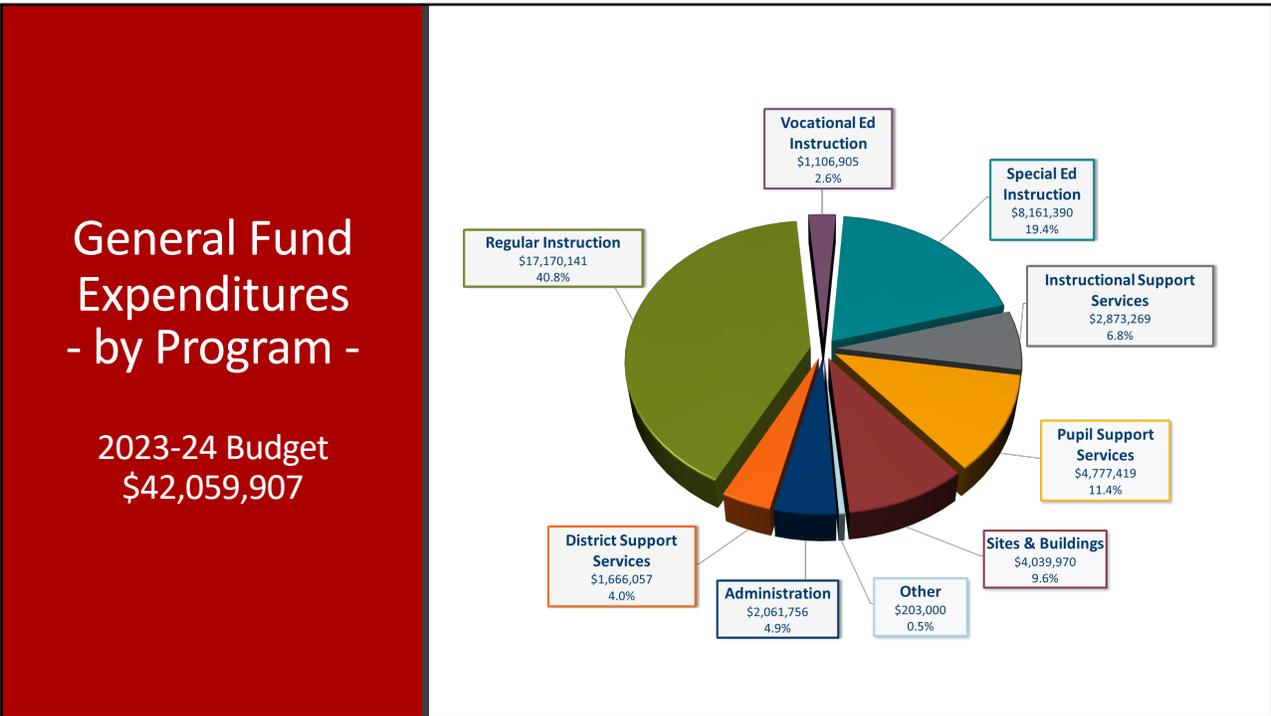
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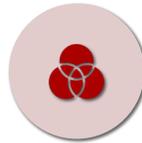


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Payable 2024 Property Tax Levy



Determination of levy



Compare 2023 to 2024 levies



Reasons for changes in tax levy



Impact on taxpayers

17

Property Tax Background

- Every owner of taxable property pays property taxes to various “taxing jurisdictions” (county, city/township, school district, special districts) in which property is located
- Each taxing jurisdiction sets own tax levy, often based on limits in state law
- County sends bills, collects taxes from property owners & distributes funds back to other taxing jurisdictions

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Sample of parcel specific notice mailed to every property owner between November 11 & November 24

Contents:

- Proposed property taxes compared to last year
 - By taxing jurisdiction
 - By voter approved & other for school district
- Time & place of public meetings



Spruce County
 Jane Smith, Auditor-Treasurer
 345 12th Street East, Box 79
 Spruceville, MN 55555-5555
 (555) 345-6789
 www.co.spruce.mn.us

TAXPAYER(S):
 John and Mary Johnson
 123 Pine Rd S
 Spruceville, MN 55555-5555

Property Information
 PID Number: 01.234.56.789.R1
 Property Address: 789 Pine Rd S, Spruceville, MN 55555
 Property Description: Lot 1, Block 1, Spruce Acre Subdivision

PROPOSED TAXES 2024

THIS IS NOT A BILL. DO NOT PAY.

VALUES AND CLASSIFICATION			
Step	Taxes Payable Year	2023	2024
1	Estimated Market Value	\$125,000	\$150,000
	Homestead Exclusion	\$	\$23,800
	Taxable Market Value	\$125,000	\$126,200
	Class	Res 10/Resort	Res 10/Resort
PROPOSED TAX			
2	Property Taxes before credits	\$1,479.52	
	School building bond credits	\$	\$ 12.00
	Agricultural market value credits		
	Other credits		\$1,467.52
Property Taxes after credits			
3			\$1,467.52
PROPERTY TAX STATEMENT Coming in 2024			
The time to provide feedback on PROPOSED LEVIES is NOW It is too late to appeal your value without going to Tax Court.			

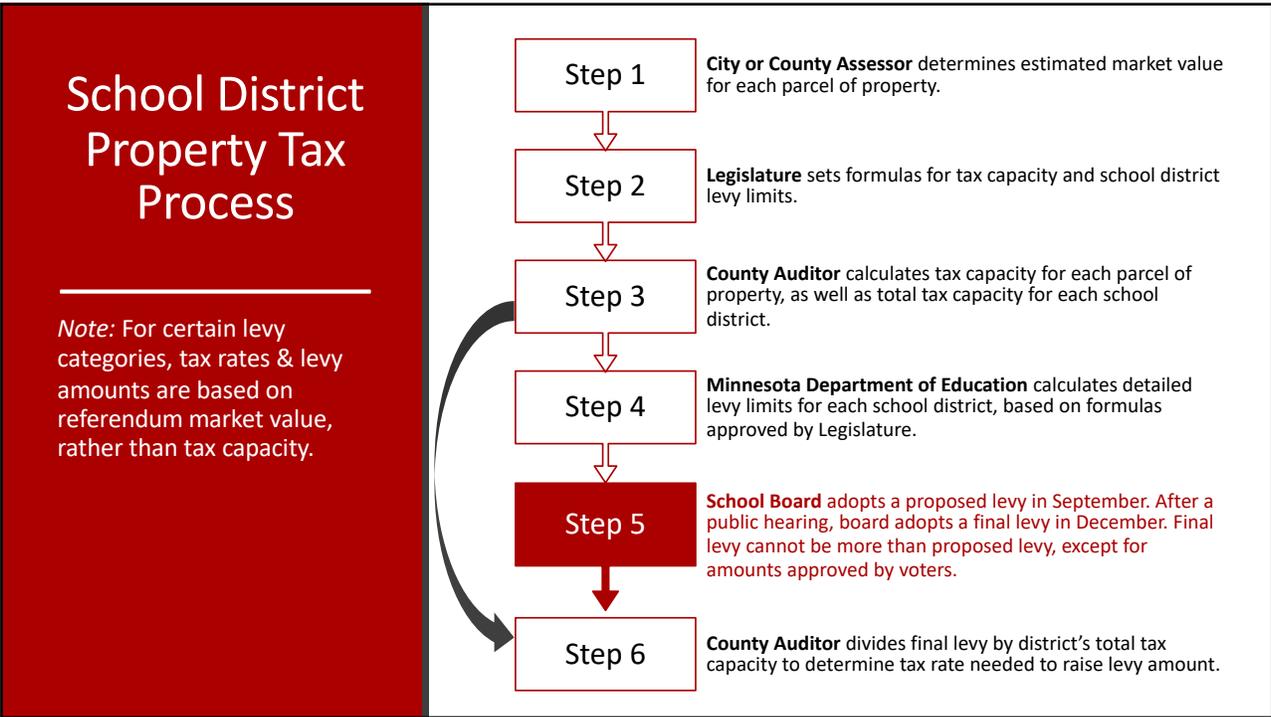
Proposed Property Taxes and Meetings by Jurisdiction for Your Property

Contact Information	Meeting Information	Actual 2023	Proposed 2024
State General Property Tax	No public meeting	\$0	\$0
County of Spruce Spruce County Courthouse 123 Spruce St Spruceville, MN 55555 www.co.spruce.mn.us (555) 123-4567	December 6, 7:00 PM	\$438.06	\$484.18
City of Spruceville Mayor's Office 456 Spruce St Spruceville, MN 55555 www.ci.spruceville.mn.us (555) 123-7654	December 2, 6:30 PM Spruceville City Hall	\$273.79	\$312.06
Spruceville School District 999 150 1st St N Spruceville, MN 55555 www.spruceville.k12.mn.us (555) 123-8765	December 9, 7:00 PM Spruceville High School Cafeteria	\$289.35	\$296.68
Other Levies		\$340.11	\$374.80
Total excluding any special assessments		\$1,341.31	\$1,467.52 9.4%

Your school district was scheduled to hold a referendum at the November general election. If the referendum was approved by the voters, the school district's voter approved property tax for 2024 may be higher than the proposed amount shown on this notice.

School District Property Taxes

- Each school district may levy taxes in over 40 different categories
- Maximum levy amounts (calculated by MDE) for each category are set by:
 - State law
 - Voter approval
- Property Tax Process
 - Key steps in process are summarized on next slide
 - Any of these steps may affect taxes on a parcel of property, but district has control over only 1 of 6 steps



21



22



Overview of District's Proposed Tax Levy

- Proposed Payable 2024 tax levy is an increase from 2023 of \$632,816 or 7.0%
- Changes by levy category and reasons for major increases & decreases in levy are included on following slides

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Comparison of Actual Tax Levy Payable in 2023 to Proposed Levy Payable in 2024

Fund Levy Category	Actual Levy Payable in 2023	Proposed Levy Payable in 2024	\$ Change	% Change
General				
Local Optional Revenue (LOR)	\$1,946,588	\$2,045,028	\$98,440	
Equity	492,096	483,315	(8,781)	
Operating Capital	352,139	419,465	67,327	
Alternate Teacher Compensation	259,472	249,141	(10,331)	
Long Term Facilities Maintenance	674,964	665,277	(9,687)	
Instructional Lease	279,756	299,088	19,332	
Other	562,519	566,498	3,979	
Prior Year Adjustments	(483,018)	(28,691)	454,327	
Total, General Fund	\$4,084,516	\$4,699,120	\$614,604	15.0%
Community Service				
Basic Community Education	\$138,617	\$155,508	\$16,892	
Early Childhood Family Education	89,420	86,282	(3,139)	
Other	2,608	5,180	2,573	
Prior Year Adjustments	117	(4,299)	(4,416)	
Total, Community Service Fund	\$230,762	\$242,671	\$11,910	5.2%
Debt Service				
Voter Approved	\$4,000,036	\$4,101,333	\$101,297	
Other	437,798	438,533	735	
Long Term Facility Maintenance	365,638	366,723	1,085	
Reduction for Debt Excess	(81,290)	(176,016)	(94,725)	
Prior Year Adjustments	2,112	23	(2,090)	
Total, Debt Service Fund	\$4,724,294	\$4,730,596	\$6,302	0.1%
Total Levy, All Funds	\$9,039,572	\$9,672,387	\$632,816	7.0%
Subtotal by Truth in Taxation Categories:				
Voter Approved	3,936,601	3,955,044	18,443	
Other	5,102,971	5,717,344	614,372	
Total	\$9,039,572	\$9,672,387	\$632,816	7.0%

24

Explanation of Levy Changes

Category:	General Fund – Local Optional Revenue (LOR)
Change:	+\$98,440
Use of Funds:	General Operating Expenses
Reason for Change:	Increase in levy share of funding & increase in total revenue, due to growth in tax base and projected slight increase in enrollment

25

Explanation of Levy Changes

Category:	General Fund – Prior Year Adjustments
Change:	+\$454,327
Use of Funds:	Various
Reasons for Change:	<ul style="list-style-type: none"> • Each year, initial levies are based on estimates of enrollment, values and expenditures for future years • In later years, estimates are updated and levies are retroactively adjusted

26

Factors Impacting Individual Taxpayers' School Taxes

Many factors can cause a tax bill for an individual property to increase or decrease from year to year

- Changes in value of individual property
- Changes in total value of all property within District
- Increases or decreases in levy amounts caused by changes in state funding formulas, local needs & costs, voter-approved referendums & other factors

27

What's happening with each slice?

Higher Market Value Increase = Bigger Slice



Lower Market Value Increase = Smaller Slice



Each Property Owner pays a portion of the pie

28

Impact of Property Valuations

Two properties in the district

- Both houses are valued at \$100,000

Total levy of \$500

- Each property will pay \$250 of levy



The diagram illustrates the initial state where two houses, one orange and one blue, are both valued at \$100,000. A pie chart shows that the total levy is \$500, which is split equally into two \$250 portions, one for each house.

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Impact of Property Valuations

Two properties in the district

- Orange house value increases by 10%
- Blue house value increases by 25%

Total levy of \$500

- School District will still generate the same amount of levy even though values increased
- Orange house pays less
- Blue house pays more



The diagram illustrates the state after property values have increased. The orange house is now valued at \$110,000 and the blue house at \$125,000. A pie chart shows that the total levy remains \$500, but it is now split unevenly: \$234 for the orange house and \$266 for the blue house.

30

Four Year School Levy Comparison

- Examples include school district taxes only & are shown based on no change and a 32.8% increase in property value for residential homes over the past four years
 - Actual changes in value may be more or less than this for any parcel of property
 - Intended to provide a fair representation of what happened to school district property taxes over this period for typical properties
- Amounts for 2024 are preliminary estimates; final amounts could change slightly
- Estimates prepared by Ehlers (District’s municipal financial advisors)

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Estimated Changes in School Property Taxes, 2021 to 2024
Based on No Changes in Property Values

Type of Property	Estimated Market Value	Actual Taxes Payable in 2021	Actual Taxes Payable in 2022	Actual Taxes Payable in 2023	Estimated Taxes Payable in 2024	Change in Taxes 2021 to 2024	Change in Taxes 2023 to 2024
Residential Homestead	\$150,000	\$467	\$430	\$370	\$344	-\$123	-\$26
	200,000	649	597	516	479	-170	-37
	250,000	831	765	661	615	-216	-46
	300,000	1,012	932	807	750	-262	-57
	350,000	1,194	1,100	953	885	-309	-68
	400,000	1,376	1,267	1,099	1,020	-356	-79
	500,000	1,723	1,587	1,377	1,278	-445	-99
Commercial/ Industrial	\$250,000	\$1,227	\$1,133	\$1,008	\$926	-\$301	-\$82
	500,000	2,611	2,413	2,153	1,976	-635	-177
	750,000	3,995	3,692	3,299	3,025	-970	-274
	1,000,000	5,379	4,971	4,444	4,074	-1,305	-370
Agricultural Homestead (average value per acre of land and buildings)	\$3,000	\$2.09	\$1.81	\$1.42	\$1.33	-\$0.76	-\$0.09
	4,000	\$2.79	\$2.43	\$1.89	1.77	-1.02	-0.11
	5,000	\$3.48	\$3.03	\$2.36	2.23	-1.25	-0.14
	6,000	\$4.18	\$3.64	\$2.83	2.67	-1.51	-0.16
Agricultural Non-homestead (average value per acre of land and buildings)	\$3,000	\$4.18	\$3.64	\$2.83	\$2.67	-\$1.51	-\$0.16
	4,000	\$5.58	\$4.84	\$3.78	3.56	-2.02	-0.22
	5,000	\$6.97	\$6.05	\$4.73	4.44	-2.53	-0.28
	6,000	\$8.37	\$7.27	\$5.67	5.33	-3.04	-0.33
Seasonal	\$200,000	\$418	\$389	\$365	\$328	-\$90	-\$37
Recreational	300,000	627	583	548	493	-134	-55
Residential	400,000	836	777	731	657	-179	-74
	500,000	1,045	971	914	821	-224	-93

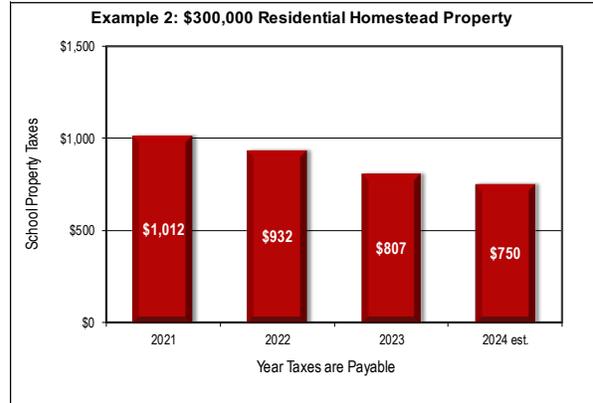
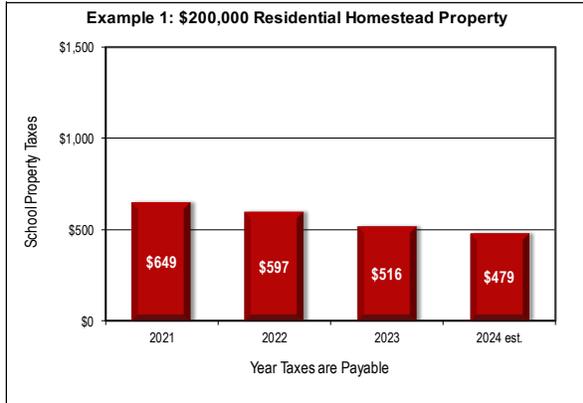
General Notes

1. Amounts are based on school district taxes only, and do not include taxes for city or township, county, state, or other taxing jurisdictions.
2. Estimates of taxes payable in 2024 are preliminary, based on the best data available.
3. For all examples of properties, taxes are calculated based on no changes in estimated market value from 2021 to 2024.
4. For agricultural property, estimates of taxes include impact of School Building Bond Agricultural Credit. Average value per acre is total estimated market value of all land and buildings, divided by total acres. Homestead examples do not include value of house, garage, and one acre, for which tax impact will be same as on a residential homestead property. This calculation does not include impact of Agricultural Homestead Credit, which reduces taxes on each parcel of agricultural homestead property by varying amounts.

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Estimated Changes in School Property Taxes, 2021-24

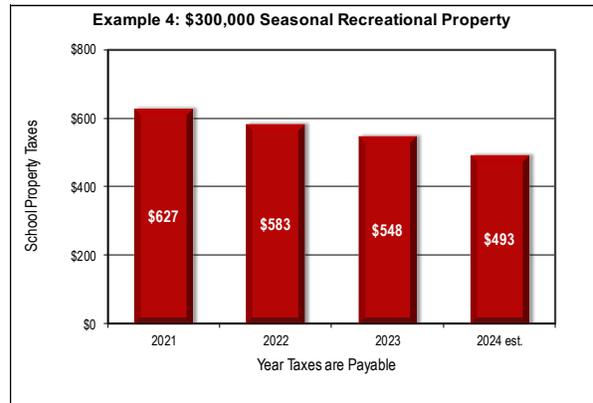
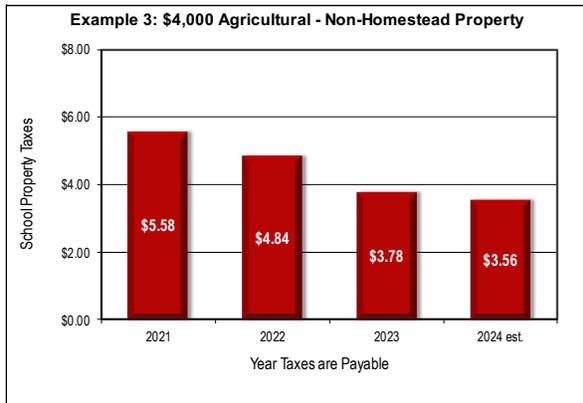
Based on No Changes in Property Value



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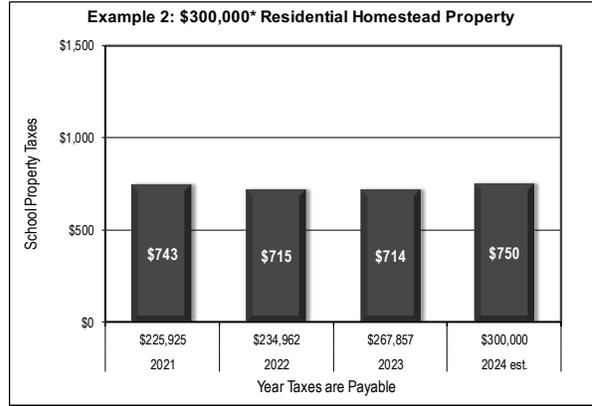
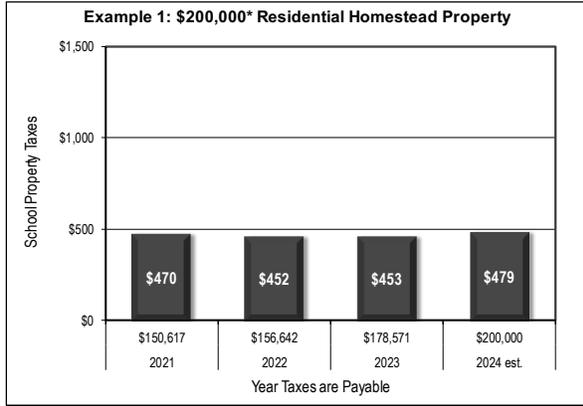
Estimated Changes in School Property Taxes, 2021-24

Based on No Changes in Property Value



34

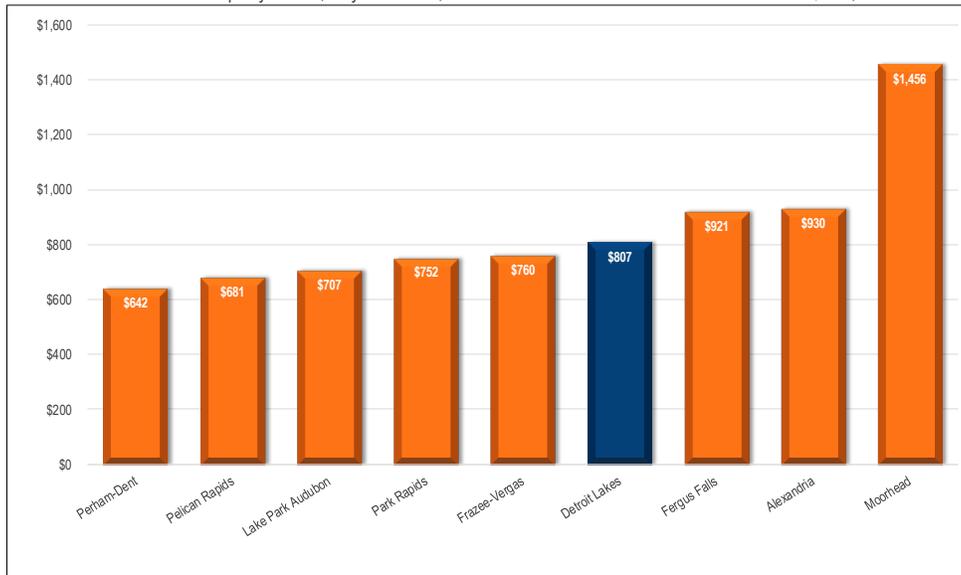
Estimated Changes in School Property Taxes, 2021-24 Based on 32.8% Cumulative Changes in Property Value



* Estimated market value for taxes payable in 2024. Taxes are calculated based on changes in market value of 4.0% from 2021 to 2022, 14.0% from 2022 to 2023 and 12.0% from 2023 to 2024.

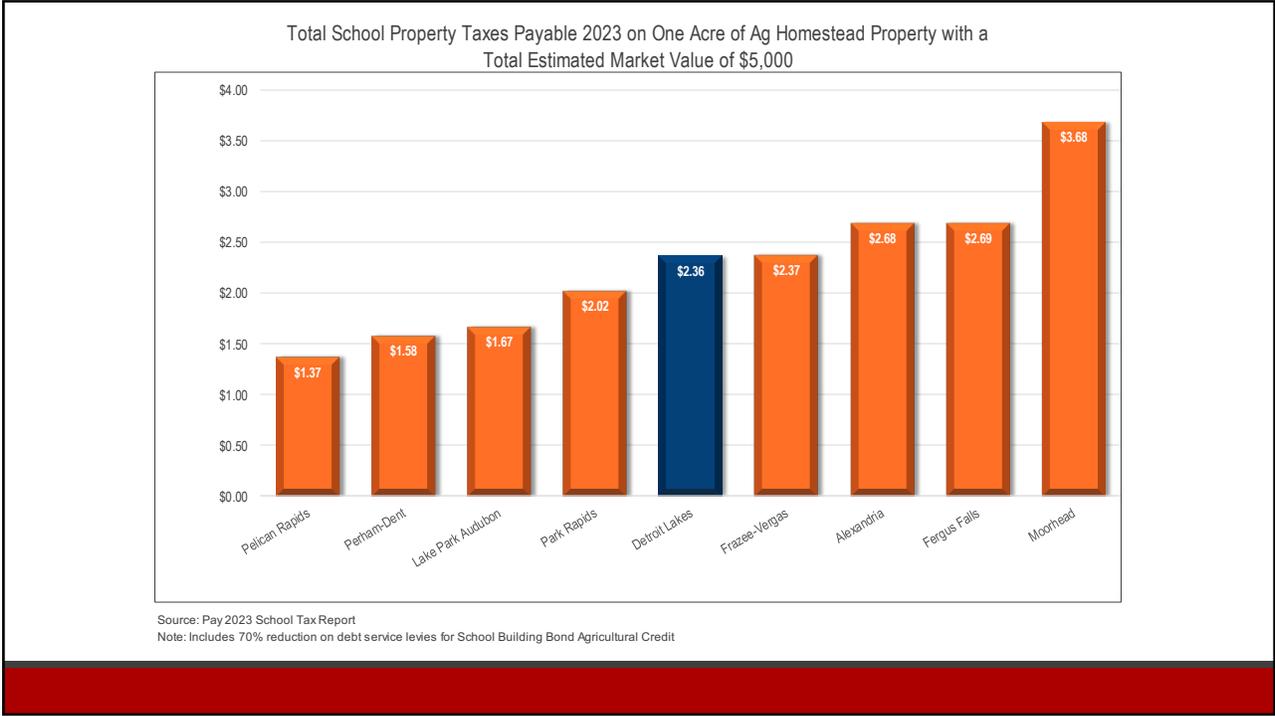
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Total School Property Taxes, Payable 2023, on a Home with an Estimated Market Value of \$300,000

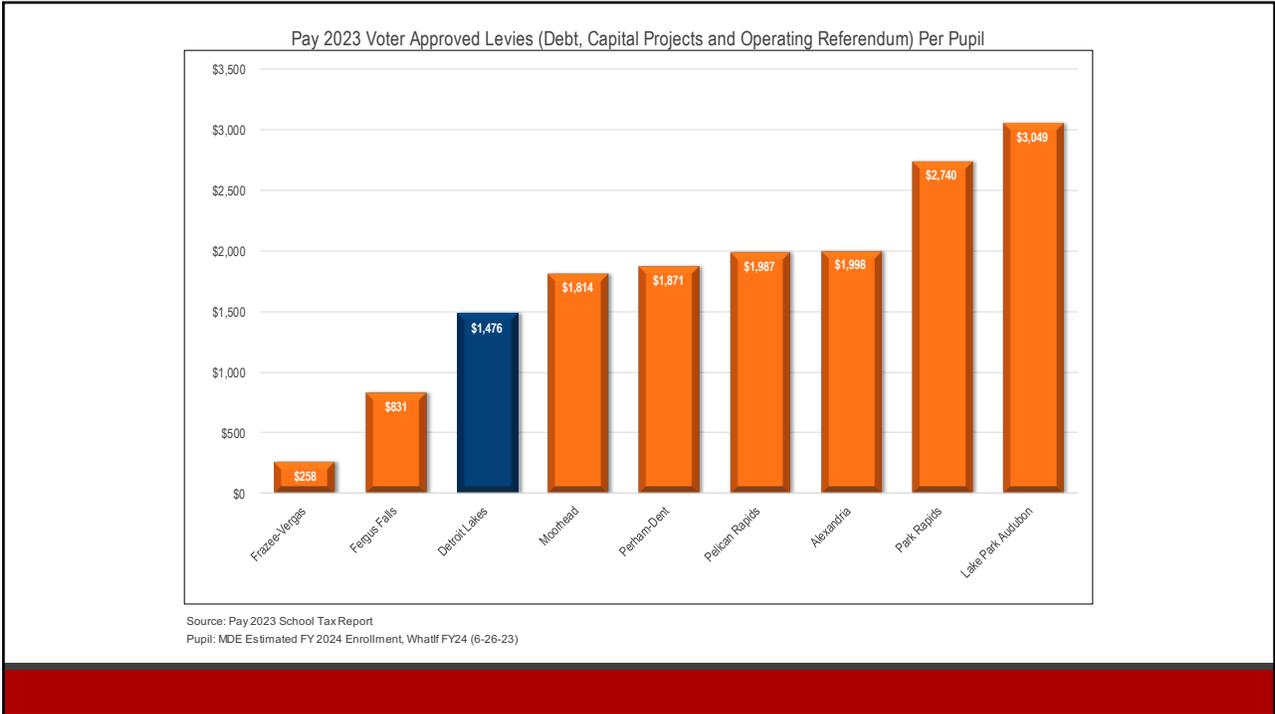


Source: Pay 23 School Tax Report

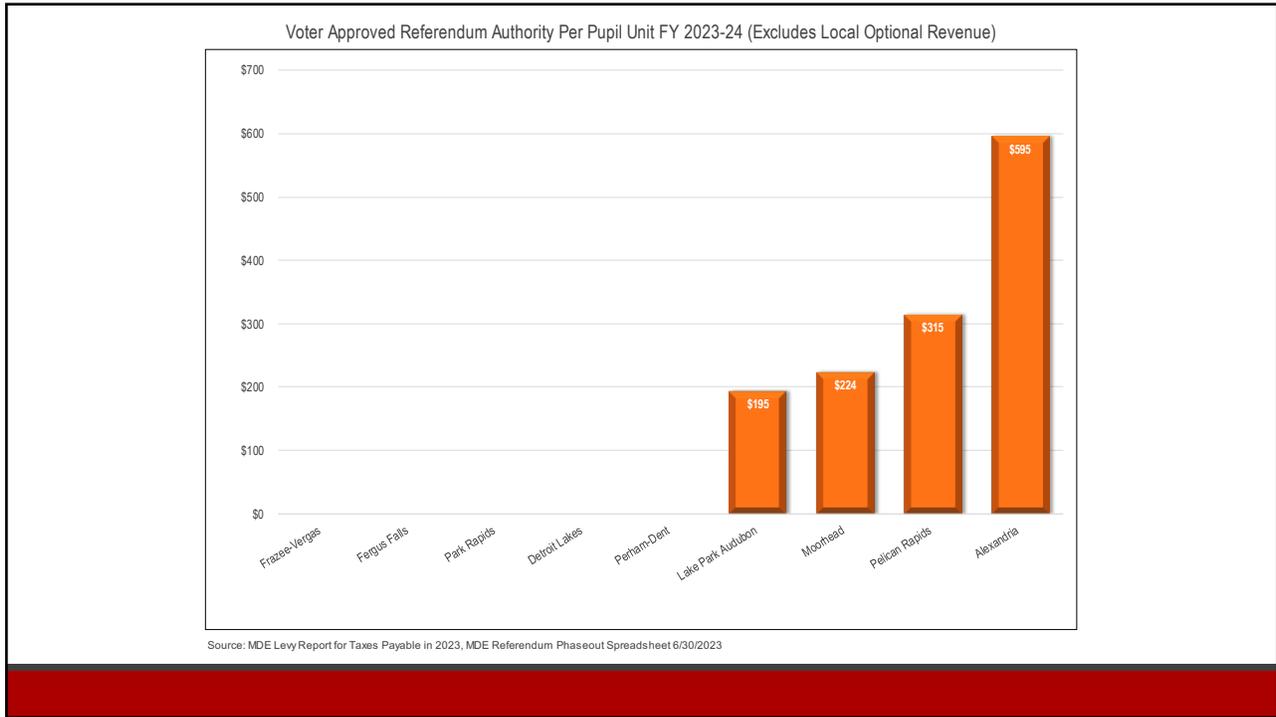
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State Property Tax Refunds & Deferral

Homestead Credit Refund

- Available for all homestead property, both residential and agricultural (house, garage and one acre (HGA) only)
- Refund is sliding scale, based on total property taxes and income (maximum refund is \$3,140 for homeowners and \$2,440 for renters)

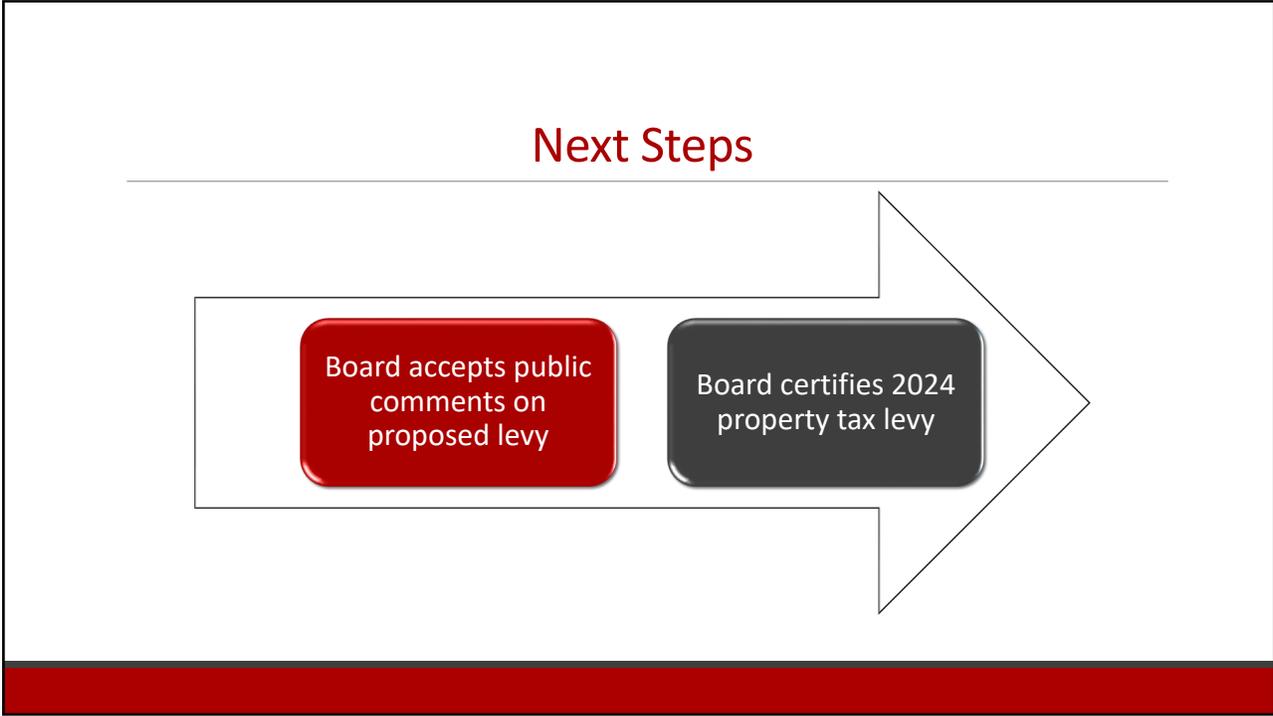
Special Property Tax Refund

- Available for all homestead property, both residential & agricultural (HGA only) with a gross tax increase of at least 6% and \$100 over prior year
- Refund is 60% of tax increase that exceeds greater of 6% or \$100 (max \$2,500)

Senior Citizen Property Tax Deferral

- Allows people 65 years of age or older with household income of \$96,000 or less to defer a portion of property taxes on their home
- Deferred property taxes plus accrued interest must be paid when home is sold or homeowner(s) dies

40



41

DETROIT LAKES
LAKERS

PUBLIC COMMENTS

The slide features the Detroit Lakes Lakers logo on the left, which includes the text "DETROIT LAKES" above "LAKERS" in a stylized font, and a graphic of a sailboat. To the right of the logo, separated by a vertical line, is the text "PUBLIC COMMENTS".

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Detroit Lakes Public Schools Monthly Enrollment Summary 2023-2024

Month: December

D.L. Preschool Special Ed.

	EIC	ECSE	Total
Roosevelt	37	77	114

Non-resident Preschool Special Ed.

	EIC	ECSE	Total
Roosevelt	0	9	9

KINDERGARTEN

	Kind.	Kind SpEd	Total
Roosevelt	67	23	90
Rossman	75	28	103
Totals	142	51	193

GRADES 1 - 5

	Grade 1	Grade 2	Grade 3	Grade 4	Grade 5	Total
Roosevelt	96	93	100	97	110	496
Rossman	93	97	96	96	103	485
Totals	189	190	196	193	213	981

ELEMENTARY TOTALS

Kindergarten	Gr.1-5	Total
193	981	1174

MIDDLE SCHOOL

	Grade 6	Grade 7	Grade 8	Total
Middle School	197	211	203	611

SENIOR HIGH

	Grade 9	Grade 10	Grade 11	Grade 12	Subtotal	PSEO/F	PSEO/P	Total
Senior High	205	195	226	208	834	0	0	834

2023-2024

K-12 Total

2708

2022-2023

K-12 Total

2687

2021-2022

K-12 Total

2727

MONTHLY TOTALS*

EIC	37
ECSE	86
Kind. Sp. Ed.	51
Kindergarten	142
Grades 1-5	981
Middle School	611
Senior High	834
ALC	64
E-Laker Online	14
Transitions	11
TOTAL	2831

*Does not include non-resident students on tuition agreement

ALC

D.L.	45
Other	19
Total	64

LAKER TRANSITIONS

D.L.	10
Other	1
Total	11



Detroit Lakes Public Schools Yearly Enrollment Summary 2023-2024

Date: December

EIC										ECSE									
Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
49	28	33	37							58	61	70	77						

EIC -- Non Resident										ECSE -- Non Resident									
Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
2	0	0	0							4	6	7	9						

Kindergarten - Special Ed.										Kindergarten										
Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		
Roosevelt	22	22	22	23						Roosevelt	69	68	67	67						
Rossman	28	28	28	28						Rossman	83	78	77	75						
Totals	50	50	50	51	-	-	-	-	-	Totals	152	146	144	142	-	-	-	-	-	-

Kindergarten Total									
Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
Roosevelt	91	90	89	90	-	-	-	-	-
Rossman	111	106	105	103	-	-	-	-	-
Totals	202	196	194	193	-	-	-	-	-

Grade One										Grade Two										
Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		
Roosevelt	97	97	95	96	-	-	-	-	-	Roosevelt	93	93	93	93	-	-	-	-	-	-
Rossman	97	95	94	93	-	-	-	-	-	Rossman	102	96	96	97	-	-	-	-	-	-
Totals	194	192	189	189	-	-	-	-	-	Totals	195	189	189	190	-	-	-	-	-	-

Grade Three										Grade Four										
Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		
Roosevelt	98	98	100	100	-	-	-	-	-	Roosevelt	96	95	96	97	-	-	-	-	-	-
Rossman	96	94	94	96	-	-	-	-	-	Rossman	100	98	97	96	-	-	-	-	-	-
Totals	194	192	194	196	-	-	-	-	-	Totals	196	193	193	193	-	-	-	-	-	-

Grade Five									
Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
MS	110	110	110	110	-	-	-	-	-
Rossman	107	103	103	103	-	-	-	-	-
Totals	217	213	213	213	-	-	-	-	-



Detroit Lakes Public Schools

Yearly Enrollment Summary

2023-2024

Date: December

Grades 1 - 5 Totals										ALC									
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Rsvlt/MS	494	493	494	496	-	-	-	-	-	Resident	47	44	41	45					
Rossman	502	486	484	485	-	-	-	-	-	Non-Resid.	15	18	20	19					
Totals	996	979	978	981	-	-	-	-	-	Total	62	62	61	64					

Middle School										E-Laker Online									
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May		Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Gr. Six	196	197	197	197	-	-	-	-	-	Resident	2	10	10	10					
Gr. Seven	213	212	211	211	-	-	-	-	-	Non-Resid.	2	5	4	4					
Gr. Eight	207	206	204	203	-	-	-	-	-	Total	4	15	14	14					
Totals	616	615	612	611	-	-	-	-	-										

Senior High									
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Gr. Nine	212	209	207	205	-	-	-	-	-
Gr. Ten	207	204	202	195	-	-	-	-	-
Gr. Eleven	235	233	228	226	-	-	-	-	-
Gr. Twelve	220	213	209	208	-	-	-	-	-
Subtotals	874	859	846	834	-	-	-	-	-
PSEO-FT	0	-	-	-	-	-	-	-	-
PSEO-PT	0	-	-	-	-	-	-	-	-
Totals	874	859	846	834	-	-	-	-	-



Detroit Lakes Public Schools Elementary Grade Sections 2023-2024

Month: December

		Roosevelt		Rossman		Grade Average
Kindergarten						21.44
	Section 1&3	22	23	20	21	
	Section 2&4	23	22	22	19	
	Section 5			21		
Building Average		22.50		20.60		
Grade 1						18.90
	Section 1&3	18	20	19	19	
	Section 2&4	19	19	18	18	
	Section 5	20		19		
Building Average		19.20		18.60		
Grade 2						23.63
	Section 1&3	23	23	25	24	
	Section 2&4	23	23	24	24	
	Section 5					
Building Average		23.00		24.25		
Grade 3						24.50
	Section 1&3	26	25	24	24	
	Section 2&4	25	24	24	24	
	Section 5					
Building Average		25.00		24.00		
Grade 4						24.13
	Section 1&3	24	24	25	24	
	Section 2&4	25	24	22	25	
	Section 5					
Building Average		24.25		24.00		
Grade 5						26.63
	Section 1&3	28	28	26	26	
	Section 2&4	28	26	25	26	
	Section 5					
Building Average		27.50		25.75		

The district class size average for K-5 is:

20.97

The class size average on this page is different than the class size average calculated by the State. The class size average on this page reflects students in a classroom with the regular classroom teacher and does not count specialists such as music, phy.ed. and art teachers which the state uses in calculating class size average.

**Detroit Lakes Public Schools
Monthly Enrollment Summary - FY 2024
December 1, 2023**

Roosevelt					
Grade	Current	Previous (November)	Opening Day	Sections	Per Section
K	90	89	90	4	23
1	96	95	96	5	19
2	93	93	93	4	23
3	100	100	98	4	25
4	97	96	97	4	24
5	110	110	113	4	28
RSVT Total	586	583	587	25	24
Difference		3	(1)		Avg/section

Rossman					
Grade	Current	Previous (November)	Opening Day	Sections	Per Section
K	103	105	105	5	21
1	92	94	96	5	18
2	97	96	97	4	24
3	96	94	95	4	24
4	96	97	99	4	24
5	103	103	102	4	26
RSM Total	587	589	594	26	23
Difference		(2)	(7)		Avg/section

Middle School			
Grade	Current	Previous (November)	Opening Day
6	197	197	197
7	211	211	214
8	203	204	208
MS Total	611	612	619
Difference		(1)	(8)

High School				Online		ALC			
Grade	Current	Previous (November)	Opening Day	Grade	Current	Grade	Current	Previous (November)	Opening Day
9	205	207	211	9	2	9	-	-	-
10	195	202	207	10	2	10	14	10	8
11	226	228	235	11	3	11	28	26	33
12	208	209	220	12	7	12	22	25	28
HS Total	834	846	873	Total Online	14	Total	64	61	69
Difference		(12)	(39)			Difference		3	(5)

Pre K ADM*	45
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* - Average Daily Membership (ADM) counts are based on partial day calculations

	Pre K	K	1-5	6-8	9-12	Total
Opening Day	45	195	986	619	964	2,809
October	45	196	979	615	946	2,781
November	45	194	978	612	932	2,761
December	45	193	980	611	923	2,752
January	-	-	-	-	-	-
February	-	-	-	-	-	-
March	-	-	-	-	-	-
April	-	-	-	-	-	-
May	-	-	-	-	-	-
Ending Day	-	-	-	-	-	-
Average	45	195	981	614	941	2,776

District Wide Summary			
Pre-K	45		
K	193		
1	188		
2	190		
3	196		
4	193		
5	213		
	980		
6	197		
7	211	Laker Online	14
8	203	Transitions	11
	611	Rossman	587
		Roosevelt	586
9	207	DLMS	611
10	211	DLHS	834
11	257	ALC	64
12	248	PSEO	-
	923	Pre-K	45
Total	2,752	Monthly Total	2,752

Comparisons	
Last Month Report	2,761
Difference	(9)
2023-24 Opening Day	2,809
Difference	(57)

Activities Committee Minutes

12/6/23 8:30am HS

Present: Nielsen, Okeson, Jenson, Kuehn, Hegg, Erickson, Thomas, Omang

Absent: None

1. Cooperative Agreements - Shared information regarding the updated winter Cooperative agreements
 - a. Boys Swim - Perham/NYM/Fraze (Perham/NYM added) - will have to monitor this as it puts us close to the AA cutoff
 - b. Alpine - Perham/Fazee/LPA/Hawley/Moorhead (Perham Added)
2. Conference Update- We have asked the MSHSL to place us in a conference. It would look that the most likely place to be assigned would be the Central Lakes Conference. This is one of the conferences we applied to and were denied membership
 - a. All paperwork on our end completed and submitted to the MSHSL
 - b. Dec 21 Deadline for other schools to submit their info to the MSHSL
 - c. Hope to hear in January of MSHSL decision
 - d. We believe this conference affiliation would start with the 2024-25 school year.
3. 6th grade activities on hold - Sports Physical requirements?
 - a. Rob shared there has not been a big push this year for 6th grade. Even though we had planned to roll out some limited 6th grade opportunities beginning this fall it was not publicized.
 - b. Hegg/Nielsen realized we had not considered a physical requirement for participation. Committee agreed this should be a requirement for 6th grade participation. We will look to begin rolling out these opportunities next fall
4. Online Ticketing - Go Fan
 - a. Being used successfully by many schools. No cost to the district, tickets have a \$1/ticket fee added.
 - b. Partnered with rSchool so they automatically show up on our event calendar.
 - c. Have an option for people to just swipe a card on site to purchase a ticket in 30 seconds. Also QR code option that allows for the same.
5. Adding/Deleting a sport policy
 - a. Reviewed the policy that was board approved.
 - b. Had some discussion regarding Title IX and how it may be a factor in adding any activities. Shared info regarding the MDE report showing we had a disparity in opportunities between male and female students. Working with MSHSL to get information on how these numbers were calculated and to confirm accuracy. Have also sent multiple emails to MDE requesting information regarding how this is calculated with no response.
6. [Winter Numbers](#)
 - a. Winter participation numbers are steadily increasing. All very close to pre-COVID.
 - b. Gymnastics numbers down slightly. Had a number of first time MS students come out last year. Discovered gymnastics is probably not something you can pick up as a 7th or 8th grader.
 - c. We did not replace one MS coach with these lower numbers
7. Musical
 - a. Attendance was comparable to past years.
 - b. Online ticketing seemed to be successful
 - c. Shared information about the possibility of reducing the number of shows to have a fuller venue
 - d. Mr. Thelen is considering starting practices before school and moving the performance a week earlier
8. Meeting adjourned at 9:15am



City of Detroit Lakes

1025 Roosevelt Ave., P.O. Box 647 Detroit Lakes, MN 56502

SPORTS ARENA COMMISSION

AGENDA

Tuesday, December 12, 2023

7:30 AM

The Meeting will be held in the Community Room at the Detroit Lakes Police Department, 807 Summit Avenue Detroit Lakes MN.

1. Consideration to approving the [Minutes](#) from the meeting held on September 26, 2023.
2. Consideration to approve the [Financials](#) for Sept, Oct, & Nov 2023.
3. Arena CIP Review
4. In-ice advertising
5. Update schedule of events (all tentative at this point)
 - a. LRBA Show, March 21-24
 - b. Craft Beer Tour, April 5
 - c. Shrine Circus, April 9
 - d. MMA, April 26-28
 - e. Dick Beardsley Races, Sept 6-7
6. Update Arena addition project
 - a. Update from Fairboard on parking lot collaboration
7. 2024 Meeting dates
8. Other

Respectfully,
KELCEY KLEMM
City Administrator

Sports Arena Commission Members:

Chad Carlblom - Chairman

Matt Boeke - Alderman Ward 3-At Large

John Steffl - School District 22- At Large

Rob Nielsen - School District 22

Judd Syverson - Detroit Lakes Youth Hockey Association

Mike Ullmer - Becker County Fair Board

Meeting Dates:

December 12 @ 7:30am

**INDEPENDENT SCHOOL DISTRICT #22
FINANCE COMMITTEE MEETING AGENDA
Finance Committee Meeting - December 14, 2023**

Members Present:

Mary Rotter Ethan Walz Mark Jenson Jason Kuehn Josh Omang Trisha Mariotti

Members Absent:

April Thomas

A Finance Committee Meeting was held on Thursday, December 14th at the District Office.. The agenda was as follows:

1. Fund Balances Review

Director of Finance Kuehn reviewed the fund balances through the month of November and receipts for the month of November. District expenditures and revenues through November were reviewed in comparison to the budget.

2. Review of Disbursements

Two sets of disbursement were reviewed by the Finance Committee. The committee recommends approval of the hand payables for November. The committee also recommends approval of the check summaries for December 11th.

3. Certification of 2023 Payable 2024 Levy

Director of Finance Kuehn reviewed the final levy certification amounts which will be presented during the Truth and Taxation Meeting on Monday, December 18th at 6:00 PM. The Finance Committee recommends the approval of the proposed tax levy for the 2024-25 school year of \$9,672,387.34 which represents an increase of 7.0% from the previous year.

4. District Policy #714 - Fund Balances

The committee reviewed District Policy #714 and discussed options to address the District's Unassigned Fund Balance falling below the policy parameters following the official close of the 2023 fiscal year.

Next Meeting: Friday, January 19th, 2024 (12:00 PM @ District Office)