

## Human Resources / Finance Committee - Regular School Board Meeting

Duluth Public Schools, ISD 709

Agenda

Tuesday, December 21, 2021

Denfeld High School Media Center

401 N 44th Ave W

Duluth, MN 55807

7:00 PM

1. **Guest Presentations for this Meeting - None**
2. **Department Reports**
  - A. **Human Resources**
    - 1) HR Monthly Department Summary Report 3
  - B. **Business Services**
    - 1) Finance Department Report - Verbal
    - 2) Facilities Department Report 4
    - 3) Enrollment Report 7
    - 4) Child Nutrition Department Report 9
    - 5) Transportation Department Report 10
    - 6) Technology Department Report - *new starting this month!* 11
3. **Consent Agenda**
  - A. Human Resources
    - 1) HR Staffing Report 12
    - 2) Approval of Hourly and Substitute Rate Sheet 14
      - a. Approval of Communications Officer Job Description 16
  - B. Finances
    - 1) Financial Report 20
    - 2) Fiscal Year 21 Audit (in substantial form) 32
    - 3) Fundraisers 112
  - C. Bids, RFPs, and Quotes - None
  - D. Contracts, Change Orders and Leases - None
    - 1) PLACEHOLDER - Contracts, Change Orders and Leases
  - E. Resolutions
    - 1) B-12-21-3855 - Acceptance of Donations to Duluth Public Schools 113
    - 2) B-12-21-3856 - Certified Tax Levy 2021 Payable 2022 114
    - 3) PLACEHOLDER - Resolution
4. **Miscellaneous Informational Items (no action required)**
  - A. District Properties Update 115
  - B. Expenditure Contracts 117
  - C. No Cost Contracts 142
  - D. Revenue Contracts 154
  - E. Change Orders Signed - None
  - F. Referrals to Policy Committee - None



## Human Resources Report Summary November 2021 Activities

### 1) Staffing Updates:

Number of staffing changes Received by HR during the month of November. This is a summary of the consent agenda.

	Certified	Non-Certified
<b># New Hires</b>	9	15
<b># Retirements</b>	1	5
<b># Resignations</b>	1	9
<b># Leave of Absences</b>	2	9

### 2) HR Department Updates:

**Human Resources Director Updates:** Increase wages for substitute teachers and substitute paraprofessionals went into effect on Monday, November 29, 2021. \$150/day and \$13.50/hr respectively. Staff reached out to all active substitutes to check in and verify their availability. We will be emailing all active subs to notify them of the pay rate change. The Pay Equity report will be completed this month and will need approval at the January meeting. The HR department is still short staffed. With two vacancies in the department we are actively looking to fill in the gaps. The HR department is also working through process mapping for hiring tasks and payroll tasks to seek more efficient internal processes.

**Contract Negotiation Updates:** Currently in discussions with DFT; next meeting will be December 15, 2021.

**Benefits Department:** Open Enrollment for Dental, Life, LTD, Flex and Vision (New!) was November 2nd - November 13th for active benefit eligible employees. It went well and we had a good response to the new benefit (vision). We didn't quite reach the 20% minimum so I re-opened that benefit election for 5 additional days. Planning on scheduling an in-person retirement information session for after the 1st of the year. Also considering giving new hires an option for in-person benefits orientation. Working on updating benefits materials on the website.

**Certified Department:** We currently have three full-time vacancies for teachers and one full-time vacancy for Guidance Counselor.

**Non Certified Department:** We currently have nine openings for playground/cafeteria monitors, two bus drivers, and full-time network engineer.

# Facilities Management & Capital Project Status Report November 2021

## Facilities Management – Maintenance and Operations - General

- In the past month, the Facilities maintenance crews have completed 165 work orders and are currently working on 294 open work orders.

## Capital Construction

### Ongoing Discussion with Legal Representation

- PSS Track Lane 1 Ponding Remediation / Resolution - in discussions.

### HOCHS and “On the Hill” construction tasks

- Ongoing meetings are being conducted on all aspects of the projects.

## Building Operations

- Operations staff have been performing an excellent job at keeping our sites safe for students and staff.

## Health, Safety & Environmental Management

- Lincoln Park passed follow up Fire Marshal Inspection
- Second Emergency Management Safety Committee meeting of the 21-22 school year
- UHG Base station antenna installation planning
- Vertical Manlift inspections completed

## Workers’ Compensation Activities

### November 2021

- First report of incidents:----- 10
- OSHA recordable incidents:----- 1
- Days away from work:----- 5
- Days of restricted work:----- 20
- Identifiable work related covid cases as a result of interaction with confirmed positive staff or student cases:----- 0

### 2021 YTD Incidents (January 1, 2021 - December 31, 2021)

- First report of incidents:----- 97
- OSHA recordable incidents:----- 15
- Days away from work:----- 136
- Days of restricted work:----- 196
- Identifiable work related covid cases as a result of interaction with confirmed positive staff or student cases:----- 0

December 9, 2021

John Magas  
Superintendent of Schools

David J. Spooner, C.P.E.  
Manger of Facilities

Cathy Erickson  
CFO/Executive Director of Business Services

Duluth Public Schools  
215 N 1<sup>st</sup> Ave E  
Duluth, MN 55802

RE: Marketing Update  
800 E Central Entrance "Central High School Property"

**800 E. Central Entrance "Central High School Property"**

- Under Contract

**215 N 1<sup>st</sup> Ave E "Historic Old Central High School"**

- Under Contract



**230 East Superior Street • Duluth, MN 55802 • 218.310.0013 • [gregfollmer@gmail.com](mailto:gregfollmer@gmail.com)**

### **Website Advertising**

- Loopnet – visible to CoStar members
- MNCAR – Minnesota Association of Commercial Realtors – membership data base
- GregFollmer.com
- Crexi.com – publicly accessible site
- Social Media Sites Facebook, Twitter, Instagram

Respectfully,

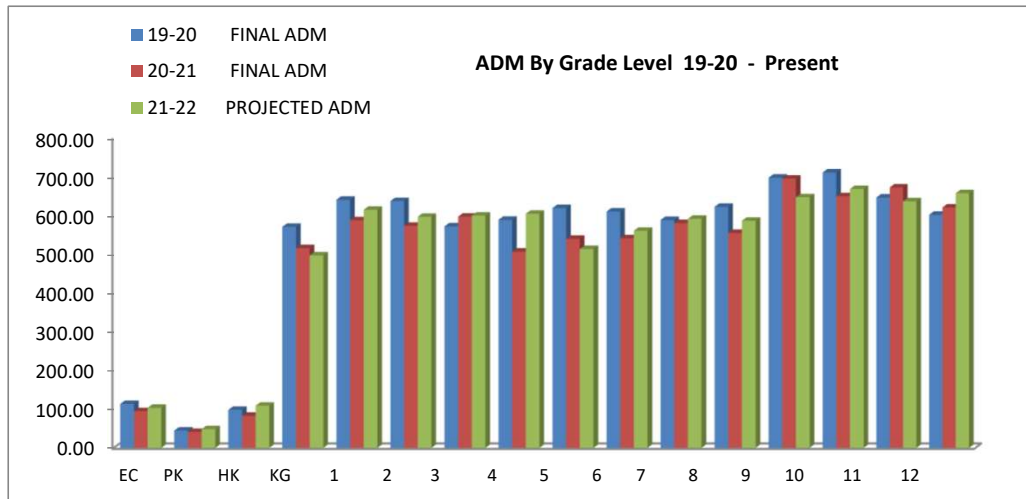
Greg Follmer  
Broker

**Duluth Public Schools Projected Average Daily Membership (ADM) Report  
December 2021**

Grade	Total Number of Enrollments	Unique Student Count	Current Enrollments	Projected ADM	Budgeted ADM	Enrollments /ADM	ADM /Student
EC	344	264	223	104.22	100.00	3.30	0.39
PK	71	55	69	48.74	52.00	1.46	0.89
HK	117	108	107	109.81	90.00	1.02	1.06
KG	537	465	500	498.06	505.00	1.08	1.07
1	764	651	619.05	615.24	610.00	1.24	0.95
2	805	644	601	597.30	610.00	1.34	0.93
3	718	632	604	600.28	612.00	1.19	0.95
4	752	669	618.5	604.98	615.00	1.24	0.91
5	649	573	526	514.50	542.00	1.26	0.90
6	707	621	573.85	561.31	570.00	1.26	0.91
7	728	644	606.65	592.02	587.00	1.23	0.92
8	745	653	601.5	587.00	597.00	1.27	0.90
9	950	745	682.3	647.49	665.00	1.47	0.87
10	1168	797	704.65	668.70	692.00	1.75	0.84
11	1238	763	671.3	637.05	665.00	1.95	0.83
12	1632	964	693.2	657.83	668.00	2.49	0.68
PS	323	250					
<b>Total:</b>	<b>11925</b>	<b>9248</b>	<b>8401</b>	<b>8044.55</b>	<b>8180.00</b>	<b>1.48</b>	<b>0.87</b>

+proj-budg> **-135.45**

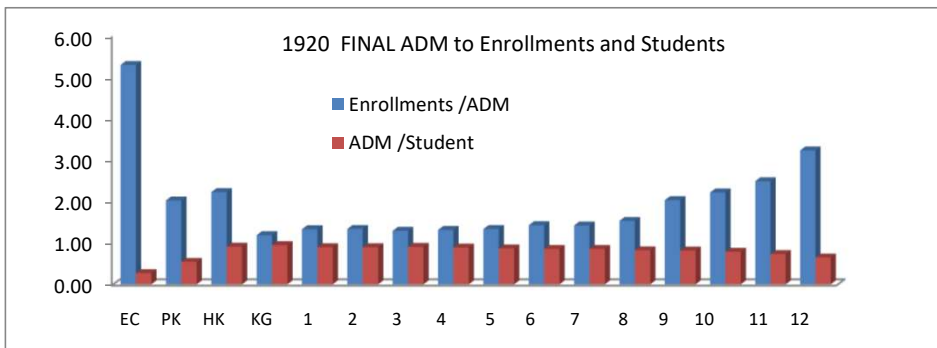
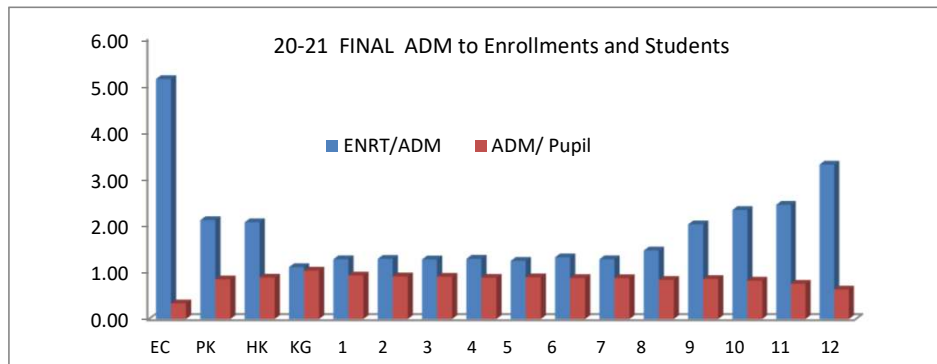
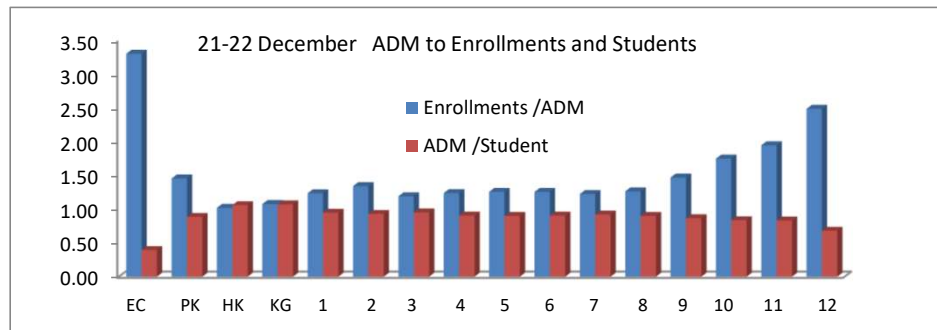
GRADE	19-20 FINAL ADM	20-21 FINAL ADM	21-22 PROJECTED ADM	Add'l Adjustments
EC	114.46	95.45	104.22	
PK	45.12	41.58	48.74	
HK	98.98	83.52	109.81	
KG	571.48	516.69	498.06	
1	641.06	588.40	615.24	
2	637.68	574.16	597.30	
3	572.54	597.62	600.28	
4	589.52	507.84	604.98	
5	619.65	540.73	514.50	
6	610.70	542.05	561.31	
7	589.04	581.07	592.02	
8	622.87	555.74	587.00	
9	697.70	695.44	647.49	
10	711.16	650.09	668.70	
11	646.82	672.61	637.05	
12	602.23	621.11	657.83	
<b>Total:</b>	<b>8371.01</b>	<b>7864.10</b>	<b>8044.55</b>	



**Duluth Public Schools: Enrollments, Students and Projected Average Daily Membership (ADM)  
December 2021**

Grade	Total Number of Enrollments	Unique Student Count	Current Enrollments	Projected ADM	Budgeted ADM	Enrollments /ADM	ADM /Student
EC	344	264	223	104.22	100.00	3.30	0.39
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+proj-budg> -135.45



# Child Nutrition Report

## November 2021

### Human Resources Activity:

- New Employees Hired: 5
- Employee Resignations: 2

### Jobs Open:

Denfeld	4 helpers
East	4 helpers
Lincoln Park	2 helpers
Lowell	1 helper
Congdon Park	1 helper
Ordean East	2 helpers
Piedmont	1 helper
District-wide	1 helper
Subs	3 helpers

### Meals and Food Production Activity:

#### Number of meals served in November 2021

Week of:	Breakfast 11/1/2021	Lunch 11/1/2021	Breakfast 11/8/2021	Lunch 11/8/2021	Breakfast 11/15/2021	Lunch 11/15/2021	Breakfast 11/22/2021	Lunch 11/22/2021	Breakfast 11/29/2021	Lunch 29-Nov	Monthly B	Monthly L	Average Daily Breakfast	Average Daily Lunch
<b>Congdon</b>	255	1745	317	1635	254	1437	156	993	96	678	1078	6488	54	324
<b>Denfeld</b>	821	2343	910	2449	880	2494	468	1437	315	975	3394	9698	170	485
<b>East High</b>	806	2357	940	2484	921	2459	607	1362	372	977	3646	9639	182	482
<b>Homecroft</b>	471	1409	582	1401	530	1385	288	787	196	573	2067	5555	103	278
<b>Lakewood</b>	348	772	239	685	264	690	184	419	112	290	1147	2856	57	143
<b>Lester Park</b>	963	1728	1021	1665	923	1736	547	988	341	651	3795	6768	190	338
<b>Lincoln park</b>	558	1984	644	1970	598	2014	367	1157	236	800	2403	7925	120	396
<b>Lowell</b>	1349	1991	1437	2016	1419	2209	832	1181	485	804	5522	8201	276	410
<b>Laura Macart</b>	809	1072	843	1043	832	1072	491	638	332	432	3307	4257	165	213
<b>Myers-Wilkin</b>	1061	1319	1052	1351	1058	1326	523	771	410	553	4104	5320	205	266
<b>Ordean/East</b>	561	2689	606	2775	584	2740	341	1524	193	1123	2285	10851	114	543
<b>Piedmont</b>	1509	1669	1477	1602	1421	1599	745	926	521	644	5673	6440	284	322
<b>Rockridge</b>	50	63	38	44	55	63	34	41	23	29	200	240	10	12
<b>Stowe</b>	771	898	802	923	630	906	418	514	283	361	2904	3602	145	180
<b>Unity</b>	23	70	31	80	40	65	30	55	20	45	144	315	8	45
Nov-21	10355	22109	10939	22123	10409	22195	6031	12793	3935	8935	41669	88155	2085	4437
<b>Denfeld Supp</b>	Mon-thurs	523		558		613		402		313		2409	TOTAL	
Daily average		131		140		153		101		104.333		201		

### Free and Reduce Lunch Benefits Activity:

- Online Applications completed: 1,102
- Paper applications completed: 216

### Food Supply Chain issues

The food supply chain issues continue to be a problem. Menu substitutions and product changes continue, as do price increases. Will be working with the Duluth Community Garden and Collaborative to forge a plan with Farm to School in planning for the future.

## Transportation Report October 2021 Activities

The ISD #709 Transportation department manages both a district owned fleet of vehicles and district employees, including bus drivers, monitors, and mechanics, along with the coordination of contracted transportation services through Voyageur Bus Company.

The Transportation department uses Versatrans as its student transportation software. The department is busy building and/or updating about 430+ routes, many field trips and coordinating with Voyageur. There are *many* updates daily. 51 field trips happened in October and there are currently 22 'on the books' for November.

As you have heard, there is a shortage of bus drivers. Transportation has recently hired two more drivers. It will be about a month before they can actually start driving routes (training program, testing, permitting and licensing). The Transportation department plans daily for bus driver shortages and adjusts routes as needed. This is a very large and complicated process. All drivers received first aid and CPR training this past month (requirement).

COVID is still a valid concern and the Transportation department currently follows all COVID protocols; masks are mandated for students and drivers while on the bus (with exceptions as needed). Drivers have access to a Hudson sprayer with Virex, and 2 electrostatic sprayers to be used between routes for disinfections. Additionally, they have alcohol wipes for their own driving area.

Routine general bus maintenance is ongoing (wiring/electrical, brakes, stop arms, belts, etc.).

With the addition of the two new buses mentioned above, the average fleet age is 6.4 years. Current average mileage is 70,851 (goal is 50,000 – 60,000).

# Technology Report November 2021

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- **Cybersecurity**
  - Google Security
    - 1.2 Million Inbound Emails Accepted
    - 56.5K Emails Identified as Spam (including phishing, malware, spoofing)
    - 13 Emails Blocked under our Data Loss Prevention (DLP) policy (SSN or Credit Card Information)
  
- **E-Rate RFP/Bids**
  - Bid 1296 Network Wireless Infrastructure - USAC Form 470 #220004463
  - Due date is 2:00 P.M., Tuesday, January 4, 2022
  - This will go to the February 2022, School Board Meeting for review and approval
  - Estimated value is \$750,000
  
- **Technology Help Desk Tickets**
  - 506 New Technology Support Tickets Created
  - 529 Tickets were resolved
  - 575 Tickets remain unresolved
  - 171 hours and 29 minutes is the average resolution time
  
- **Projects**
  - CDW-G Services to support our Blended Learning 1 to 1 Initiative
    - Working to schedule and complete our Wireless Validation Survey to support our Blended Learning 1 to 1 Initiative
  - CDW-G Services to help with our Cybersecurity/Security
    - “Virtual Chief Information Security Officer” (vCiso) ser on our Cybersecurity
    - Help us develop cybersecurity Incident Response (IR) Playbooks:
      - Unauthorized Access IR Playbook
      - Data-Breach IR Playbook
      - Ransomware IR Playbook
      - Malware IR Playbook
      - Business Email Compromise IR Playbook
  - Working with Citon for a quote for technology staff augmentation services. These additional services are needed to help setup and deploy the 600+ new Dell desktop systems.
  
- **Program Move Updates**
  - HOCHS
    - We still have our network infrastructure/services running at HOCHS to support the video security camera
  - Garfield - Facilities/Storeroom
    - Facilities SchoolDude Work Order #38193 to install the needed network infrastructure/data cabling for this building
    - Ordered Waiting to receive the Palo Alto PA-410 NGF VPN
  - Arvig - Duluth Adult Education
    - Up and running on our “District” Network this week
  - Tech Village - AEO/ALC
    - Waiting for the Telecommunications Room to be completed before we can install/terminate any of the new network infrastructure
    - Will be moving the services from HOCHS to the Tech Village

**HUMAN RESOURCES ACTION ITEMS FOR: 12/21/2021****CERT APPOINTMENT****POSITION****EFFECTIVE DATES**

CRESCENZO GOMEZ, WENDY N	.5 ELEM INTERVENTIONIST TOSA/MYERS-WILKINS, (BA)III+45 1, ESSER FUNDING, TEMP POS	11/16/2021	6/10/2022
DANIELSON, CRAIG W	.6 PHY ED/DENFELD, (BA) 2, TEMP POS	10/17/2021	12
EDWARDS, KATHLEEN A	.75 ABE TEACHER/ABE, (MA)IV	9/27/2021	6/10/2022
ERICKSON, KALI N	.4 PHY ED/LOWELL, (BA)III+30 1, TEMP POS	10/21/2021	6/10/2022
HYNES, CHERYL L	DEAN OF STUDENTS TOSA/PIEDMONT, (BA)III+15 8	11/22/2021	
KELLEY, LAVINA J	TEMPORARY ASSIGNABLE TEACHER/DW, (BA) 2	10/04/2021	6/10/2022
LATSCHER, KATIE L	GRADE 4/HOMECROFT, (MA)IV 7, TEMP POS, C HUMPHREYS	11/29/2021	6/10/2022
STANG, ERIC G	ASST PRINCIPAL/DENFELD, III 2, M NELSON	11/08/2021	
VANALST, MOLLY M	.4 BAND LESSONS/LINCOLN PARK, (BA)III 1, ESSER FUNDING, TEMP POS	11/15/2021	6/10/2022
Total: 9			

**CERT LEAVE****POSITION****EFFECTIVE DATES**

FRISCHMANN, BREELYNN E	DEAN OF STUDENTS/MYERS-WILKINS, LWOP	11/23/2021	1/28/2022
SEXTON, SARAH M	ECSE TEACHER/DW, DATE TBD	10/08/2021	
Total: 2			

**CERT PERM INCREASE****POSITION/LOCATION/LEAVE TYPE****EFFECTIVE DATES**

VAN SCOY, SHERYL S	LIBRARY MEDIA SPECIALIST/LOWELL, .6 TO .8	8/31/2021	
Total: 1			

**CERT RESIGNATION****POSITION****EFFECTIVE DATES**

EVANS, MARAH E	DEAN OF STUDENTS/LOWELL	10/29/2021	
Total: 1			

**CERT RETIREMENT****POSITION****EFFECTIVE DATES**

BROMAN, NANCY E	ELEMENTARY INTERVENTIONIST/MYERS-WILKINS	1/21/2022	
Total: 1			

**CERT TEMP INCREASE****POSITION****EFFECTIVE DATES**

BRUCE, LINDSAY S	SOCIAL WORKER/LESTER PARK, .6 TO 1.0	11/17/2021	6/17/2022
FORSMAN, JESSICA A	ESSER - SOS COORDINATOR/EAST, 1/6 OVERLOAD	9/08/2021	6/17/2022
HOBAN, TARA J	SPEC ED RESOURCE/CONGDON, 1/6 OVERLOAD, END DATE TBD	11/05/2021	
HORTON, LAURA A	ESSER - SOS COORDINATOR/EAST, 1/6 OVERLOAD	9/08/2021	6/17/2022
KING, JACK D	SPEECH LANGUAGE PATHOLOGIST/DW, 1/6 OVERLOAD, END DATE TBD	11/01/2021	
MATTEVI, MORIAH M	SPEECH LANGUAGE PATHOLOGIST/DW, 1/6 OVERLOAD, END DATE TBD	11/01/2021	
NILSSON, STACEY A	SPEC ED RESOURCE/CONGDON, 1/6 OVERLOAD, END DATE TBD	11/05/2021	
PELKEY, KAYLEE J	GIFTED AND TALENTED TOSA/UHG, 1/6 OVERLOAD	10/11/2021	6/10/2022
REED, MARGARET M	GIFTED AND TALENTED TOSA/UHG, 1/6 OVERLOAD	10/11/2021	6/10/2022
SAVRE, JAMIE B	ESSER - SOS COORDINATOR/EAST, 1/6 OVERLOAD	9/08/2021	6/17/2022
STEINBERGER, JEFFREY D	INDUSTRIAL TECH/ORDEAN EAST, 1/6 OVERLOAD	11/08/2021	6/10/2022
Total: 11			

**NON CERT APPOINTMENT****POSITION****EFFECTIVE DATES**

BELLARIO, MARC L	SCHOOL BUS DRIVER II/TRANSPORTATION, 25/38WKS, \$19.54/HR, T COOK	11/04/2021	
BEYER, ANGELA M	FOOD SERVICE STAELLITE MANAGER II/LESTER PARK, 40/38WKS, \$15.07/HR, D LARSON	10/27/2021	
DAHL, DAVID A	SCHOOL BUS DRIVER II/TRANSPORTATION, 25/38WKS, \$19.54/HR, R PETERSON	11/03/2021	
ELLIS, KAJIA L	INTEGRATION SPECIALIST/ORDEAN EAST, \$39,238.00, M SANCHEZ	11/04/2021	
ERJAVEC, JANE L	SPEC ED PROG PARA JOB COACH/DW, 24/38WKS, \$16.40/HR	11/08/2021	
HINTSALA, CELIA A	SPEC ED BW PARA/PIEDMONT, 31.25/38WKS, \$16.40/HR, T VANDAL	11/01/2021	
KROCHALK, SUSAN L	SPEC ED PROG PARA/PIEDMONT, 20/38WKS, \$16.40/HR, NEW POS	10/26/2021	
MAHAI, ILENE	FOOD SERVICE HELPER/PIEDMONT, 16.25/38WKS, \$11.78/HR, NEW POS	11/15/2021	
MATTHEWS, LISA M	SPEC ED ECSE PARA/DW, 14/38WKS, \$16.40/HR, NEW POS	10/27/2021	
MCRAE, CAYLEE A	SPEC ED PROG PARA/DENFELD, 32.5/38WKS, \$16.40/HR, C WATERHOUSE	12/01/2021	
PAISLEY, MELISSA	FOOD SERVICE HELPER/CONGDON, 15/38WKS, \$11.78/HR, T SULLIN	11/01/2021	
SEYMOUR, CASSANDRA K	SPEC ED PROG PARA/LAURA MACARTHUR, 31.25/38WKS, \$16.40/HR, NEW POS	10/18/2021	
SHEARER, JACK D	CERTIFIED LIFE GUARD PARA/ORDEAN EAST, 32.5/38WKS, \$18.36/HR	11/08/2021	
SIMPSON, LARA M	SPEC ED PROG LPN PARA/DENFELD, 24/38WKS, \$20.45/HR, NEW POS	11/15/2021	
TUOMINEN, ROBBIN L	OSSI/FACILITIES, 14.25/52WKS, \$19.79/HR, NEW POS	11/04/2021	
Total: 15			

**NON CERT LEAVE****POSITION****EFFECTIVE DATES**

ANDERSON, KRISTI J	SPEC ED PARA STUDENT SPECIFIC/DENFELD, "A" PERSONAL LWOP	10/05/2021	10/15/2021
ERICKSON, ALAN C	SPEC ED PARA/PIEDMONT, "A" PERSONAL LWOP	9/27/2021	9/30/2021
GONZALEZ, KIRSTIN J	PARA/MYERS-WILKINS, "A" PERSONAL LWOP	9/27/2021	9/30/2021
HAMLIN, HANNAH J	BW PARA/STOWE, 'A' MEDICAL LWOP	10/04/2021	10/13/2021
HUDACEK, TAMMY L	SPEC ED PARA/DENFELD	11/04/2021	6/10/2022
HUNTER, TARI K	FOOD SERVICE HELPER/HOMECROFT, "A" PERSONAL LWOP	9/23/2021	10/01/2021
LY, NAM H	FOOD SERVICE HELPER/HOMECROFT	11/29/2021	1/10/2022
MCDONALD, ASHLEY M	SPEC ED PARA/EAST, "A" MEDICAL LWOP	10/07/2021	10/13/2021
NELSON, KATHRYN A	SPEC ED PARA/LINCOLN, "A" PERSONAL LWOP	9/20/2021	9/24/2021
Total: 9			

**NON CERT RESIGNATION****POSITION****EFFECTIVE DATES**

CANAVAN, NICHELE L	EXECUTIVE ASSISTANT/ASSISTANT SUPERINTENDENT, REVISED	11/30/2021	
CRACE, TRISHA M	NETWORK ENGINEER II/TECHNOLOGY	12/20/2021	
FRIDSMA, KIMBERLY H	CUSTODIAN II/EAST	11/19/2021	
GROVENBURG, CHARMAINE M	SPEC ED PARA/LESTER PARK	10/11/2021	
KLOBUCHAR, KRISTA L	HEALTH LPN PARA/LAURA MACARTHUR	11/05/2021	
LARSON, DAWNMARIE F	SATELLITE MANAGER II/LESTER PARK	10/15/2021	
MODEAN, ROCHELLE M	PRESCHOOL PARA/MYERS-WILKINS, PRESUMED RESIGNED	8/31/2021	

**NON CERT RESIGNATION**

SEEMAN, CIARA J  
WHITTEMORE, JANICE M  
Total: 9

**NON CERT RETIREMENT**

ESSE, THOMAS W  
FRIDAY, GAYLE M  
HACK, SHERYL L  
KAUFMAN, KATHLEEN A  
THIBAUT, MELINDA K  
Total: 5

**POSITION**

OSSS/ALC  
FOOD SERVICE HELPER/MYERS-WILKINS

**POSITION**

ENGINEER IV/EAST  
KAY ZONE SITE SUPERVISOR/LESTER PARK  
FOOD SERVICE HELPER/LINCOLN PARK  
PUBLIC RELATIONS COORDINATOR/DW  
EXECUTIVE ASSISTANT/SUPERINTENDENT

**EFFECTIVE DATES**

11/08/2021  
10/27/2021

**EFFECTIVE DATES**

12/03/2021  
11/30/2021  
10/31/2021  
1/31/2022  
11/30/2021

## HOURLY/SUBSTITUTE PAY RATE SHEET

PROPOSED EFF. 1/1/2022

<u>COMMUNITY EDUCATION</u>	<u>PROPOSED NEW RATE</u>	<u>COMMENTS</u>
American Indian Facilitator	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
Lifeguard	Hourly \$10.23	\$10.48 Minnesota Minimum Wage plus \$0.15
Locker Room Attendant	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
Pool Director	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
Puppeteer	Hourly \$10.23	\$10.48 Minnesota Minimum Wage plus \$0.15
School-Aged/Pre-K Worker	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
Site Supervisor Substitute	Hourly \$10.50	Correction of Last Year's Typo
Special Needs Helper	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
Swim Instructor	Hourly \$11.50	
Temporary Building Coordinator	Substitute \$12.50	
<u>Youth Development Programs</u>		
Youth Service Facilitator	Hourly \$12.50	
Cross Age Student Helper   Playground Leader   Gym Supervisor		
Activity Leader   Summer Youth Placement Coordinator	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
<u>FOOD SERVICE</u>		
Cook and Head Cook Substitute	Substitute \$10.23	\$10.48 Minnesota Minimum Wage plus \$0.15
Food Service Substitute/Non-Unit Helper	Hourly & Substitute \$10.08	\$10.33 Minnesota Minimum Wage Increase
Production Manager Substitute	Substitute \$10.50	
Satellite Manager Substitute	Substitute \$10.50	
Satellite Mgr Trainer	Hourly \$15.63	
Retired Food Service employees are paid \$1.00/hr in addition to above rates.	Substitute	
<u>MAINTENANCE AND CONSTRUCTION</u>		
Lead Person for Laborers	Substitute \$10.08	\$10.33 Minnesota Minimum Wage Increase
Retired Trades People	Substitute Step B of Maintenance CBA	
Snow Shovelers, Temporary	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
Summer AV Repair	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
Summer Hourly Substitute	Substitute \$10.08	\$10.33 Minnesota Minimum Wage Increase
Welder and Other Skilled Trades	Substitute Step B of Maintenance CBA	
<u>BUILDING OPERATIONS</u>		
Hourly Regular Substitute	Substitute \$11.00	
Substitute for Licensed People	Substitute \$10.08	\$10.33 Minnesota Minimum Wage Increase
Summer Hourly and Summer Hourly Lawn Crew	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
Retired Custodian	Substitute Step B Maintenance CBA	
Retired Custodian II	Substitute Step B Maintenance CBA	
Retired Fireperson I	Substitute \$11.85	
Retired Fireperson II	Substitute Step B Maintenance CBA	
Retired Engineer (Eng. 1/Eng. 2/Eng. 3/Eng. 4)	Substitute Step B Maintenance CBA	
<u>TRANSPORTATION</u>		
Bus Helper	Substitute \$10.08	\$10.33 Minnesota Minimum Wage Increase
Field Trip	Substitute \$10.23	\$10.48 Minnesota Minimum Wage plus \$0.15
<u>PRINT SHOP</u>		
Skilled Tradesperson	Substitute Step A of Maintenance CBA	
Summer Hourly	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
<u>PURCHASING (STOREROOM)</u>		
Hourly Regular Substitute	Substitute \$10.08	\$10.33 Minnesota Minimum Wage Increase
Hourly Student	Hourly \$10.08	\$10.33 Minnesota Minimum Wage Increase
Stock Clerk (Retired Employee)	Substitute Step A of Maintenance CBA	
<u>CLERICAL</u>		
Hourly Clerical	Hourly \$10.23	\$10.48 Minnesota Minimum Wage plus \$0.15
Regular Substitute	Substitute \$10.23	\$10.48 Minnesota Minimum Wage plus \$0.15
Retired/Layoff Employees	Substitute OSS Step 1 of Clerical CBA	

## HOURLY/SUBSTITUTE PAY RATE SHEET

EFF. 1/1/2022

<b>PARAPROFESSIONALS</b>			<b>PROPOSED NEW RATE</b>	<b>COMMENTS</b>
Career Center Assistant	Hourly	\$10.08	\$13.50	Administrative decision for board approval eff 11/29/21
Career Center Coordinator	Hourly	\$12.50	\$13.50	Administrative decision for board approval eff 11/29/21
Child Care Assistant	Substitute	\$10.23	\$13.50	Administrative decision for board approval eff 11/29/21
Community Assistant	Substitute	\$10.08	\$13.50	Administrative decision for board approval eff 11/29/21
Community Liaison	Substitute	\$10.08	\$13.50	Administrative decision for board approval eff 11/29/21
Cultural Assistant (no language skills)	Substitute	\$10.08	\$13.50	Administrative decision for board approval eff 11/29/21
Cultural Assistant (with language skills)	Substitute	\$10.23	\$13.50	Administrative decision for board approval eff 11/29/21
Experience Center Manager	Substitute	\$10.08	\$13.50	Administrative decision for board approval eff 11/29/21
Health Assistant	Substitute	\$11.00	\$13.50	Administrative decision for board approval eff 11/29/21
Hearing Impaired Assistant (Signer) (Transliterators Non-Licensed)	Substitute	\$13.00	\$13.50	Administrative decision for board approval eff 11/29/21
Indian Oriented Assistant	Substitute	\$10.08	\$13.50	Administrative decision for board approval eff 11/29/21
Instructional Assistant (Tutor)	Hourly & Substitute	\$10.08	\$13.50	Administrative decision for board approval eff 11/29/21
Licensed Interpreter for the Deaf	Substitute	\$20.00		
Media Assistant	Substitute	\$10.08	\$13.50	Administrative decision for board approval eff 11/29/21
Mental Health Practitioner Sub	Substitute	\$12.00	\$13.50	Administrative decision for board approval eff 11/29/21
Occupational Therapy Assistant	Substitute	\$10.23	\$13.50	Administrative decision for board approval eff 11/29/21
Physical Therapist Assistant	Substitute	\$14.00		
Special Education Assistant	Hourly & Substitute	\$10.23	\$13.50	Administrative decision for board approval eff 11/29/21
Special Education Assistant (LPN License Required)	Substitute	\$16.50		
Special Education Assistant (RN License Required)	Substitute	\$22.50		
Supervisory Assistant	Substitute	\$10.23	\$13.50	Administrative decision for board approval eff 11/29/21
<i>Technical Tutor</i>				
Graphic Artist   Cultural Assistant (with language skills)   RDT				
Asian Oriented   Evaluation/Testing	Substitute	\$10.23	\$13.50	Administrative decision for board approval eff 11/29/21
<b>MISCELLANEOUS</b>				
Accounting Intern	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Assistant Examiner	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Cafeteria/Playground Monitor	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Crossing Guard	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Deli Assistant	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Deli Operator	Hourly	\$14.00		
Desegregation Assistant	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
GED Examiner	Hourly	\$20.00		
Headstart Nutritionist	Hourly	\$25.00		
Help Desk Technician	Hourly	\$13.00		
HRA Headstart Resource Aide	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Indian Adult Basic Education Assistant	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Parental Involvement Coordinator	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Systems Maintenance Technician	Hourly	\$21.54		
Technology Intern (2 yrs college or above)	Hourly	\$12.00		Correction of Last Year's Typo
Technology Student Intern (after 17 months)	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Technology Student Intern (ISD#709 Student)	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
Work Study	Hourly	\$10.08	\$10.33	Minnesota Minimum Wage Increase
<b>SUBSTITUTE TEACHERS</b>				
All Certified Substitutes	Substitute	\$125.04	\$150.00	Administrative decision for board approval eff 11/29/21
Certified Retired Substitutes Only	Substitute	\$130.00	\$155.00	Administrative decision for board approval eff 11/29/21
Teacher Hourly Rate of Pay	Substitute	\$22.08		

**CLASSIFICATION DESCRIPTION  
COMMUNICATIONS OFFICER**

<p><b><u>TITLE OF IMMEDIATE SUPERVISOR:</u></b> Superintendent</p> <p><b><u>DEPARTMENT:</u></b> Office of the Superintendent</p> <p><b><u>ACCOUNTABLE FOR:</u></b> Communications Specialist, EEA Clerical</p>	<p><b><u>FLSA STATUS:</u></b> Exempt</p> <p><b><u>PAY GRADE</u></b> <b><u>ASSIGNMENT:</u></b> Individual Employment Agreement; rates linked to the Executive Employees Association</p>
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**GENERAL SUMMARY OR PURPOSE OF JOB:**

The Communications Officer leads the communications efforts of the school district and provides strategic communications and marketing direction for the district and its schools. Along with implementing an effective tactical communication plan, this position serves as the strategic leader of the district’s communications and marketing functions and serves as a member of the district’s management/leadership team. Other responsibilities include providing strategic counsel and advice to the Superintendent and district leaders; working to ensure effective communications, marketing, engagement and public relations practices are in place to support the mission, vision and goals of the district; implementation of effective communications/marketing/storytelling strategies that positively impact student success and strengthen the district’s presence and connections in the community while helping to increase the enrollment of the district. Supervises staff in the performance of these functions.

- ESSENTIAL FUNCTIONS**
- Plan and direct public information programs for the school district.
  - Create, implement and monitor a strategic communications and marketing plan on an ongoing basis
  - Coordinate all internal and external communications efforts
  - Serve as the district’s primary contact with local and regional media and work to create and enhance relationships with reporters, editors and media representatives
  - Create and Implement public information campaigns to share information with key audiences
  - Serve as the chief storyteller for the district and create an overall direction for sharing positive content with key audiences
  - Oversee and create content for a variety of electronic and print communication channels
  - Manage school district communications policy development and stakeholder communications.
  - Provide assistance to principals in creating and implementing communications tactics
  - Oversee all social media posts and information on district platforms and serve as a resource to leaders and schools on the effective use of social media
  - Manage all website content for the district pages while assisting with the management of the school website pages
  - Supervise the planning of news conferences or news events.
  - Create and direct marketing campaigns to increase the enrollment of Duluth Public Schools by sharing stories and effectively positioning the district as an excellent choice for families
  - Research and implement new media technologies and processes to continue to enhance the district’s communications and marketing efforts
  - Establish and assist in implementing an engagement plan with feedback loops for internal and external

**CLASSIFICATION DESCRIPTION  
COMMUNICATIONS OFFICER**

- stakeholders groups to provide feedback and insight
- Implement emergency and crisis communications plans and serve as the primary spokesperson/communication lead for crisis/emergency situations
  - Serve as the district’s Freedom of Information officer and directs the process for completing public information requests
  - Oversee the planning and coordination of special events.
  - Serve as the district representative on appropriate community committees and organizations
  - Provide oversight and planning for special events
  - Provide training and professional development opportunities in the area of communications and marketing to district leader

**MINIMUM QUALIFICATIONS:** (necessary qualifications to enter the job; not preferred or desirable qualifications)

- Bachelor’s degree in communications, journalism, English, public relations or a closely-related field or a closely-related field *and*
- Four (4) years of professional experience in public relations, journalism, communications or marketing or a closely-related field required; or an equivalent combination of education, training and/or experience necessary totaling eight (8) years, to successfully perform the essential functions of the work.

**REQUIRED KNOWLEDGE**

- Advanced knowledge of social media, print, electronic, radio/television, and other media used to distribute public information.
- Knowledge of principles, techniques, and objectives of public information.
- Knowledge of policies, procedures, and training.
- Knowledge of laws pertaining to the release of information and other data practices application and compliance requirements.
- Understanding of website development and maintenance.
- Knowledge of effective leadership and personnel practices.
- Knowledge of applied policy analysis methodologies, procedures and techniques.

**QUALIFICATIONS, KNOWLEDGE, AND/OR EXPERIENCES PREFERRED**

- Experience working with major media
- Experience working with school district communications
- Experience writing news releases, articles, plans, reports, advertising copy, and correspondence.
- Experience working with volunteers, youth service, and community service organizations.

**SKILLS REQUIREMENTS – TRAINING & EXPERIENCE:** (Skilled in)

- Excellent verbal/written, and technology-based communication and analytical skills, including, but not limited to newsletters, fact sheets, news releases, and other forms of publicity.
- Management, planning and organization, including project management skills.
- Produce written documents with clearly organized thoughts using proper sentence construction, punctuation, and grammar

**CLASSIFICATION DESCRIPTION  
COMMUNICATIONS OFFICER**

- Ability to work with diverse groups while establishing and maintain effective working relationships.
- Strong collaboration, team building and interpersonal skills.
- Competency working in a culturally diverse environment or the willingness to acquire these skills.
- Exhibits leadership qualities of adaptability, dependability, and accountability.
- Exhibits a service orientation.
- Skill in leading and facilitating meetings.
- Proficient use of Microsoft Office products, including Outlook, Word, Excel, and PowerPoint.

**PHYSICAL REQUIREMENTS:** (indicate according to the requirements of the essential duties/responsibilities)

Employee is required to:	Never	1-33% Occasionally	34-66% Frequently	66-100% Continuously
Stand		√		
Walk		√		
Sit			√	
Use hands dexterously (use fingers to handle, feel)			√	
Reach with hands and arms		√		
Climb or balance	√			
Stoop/kneel/crouch or crawl				
Talk and hear				√
Taste and smell	√			
<b>Lift &amp; Carry:</b> Up to 10 lbs.		√		
Up to 25 lbs.	√			
Up to 50 lbs.	√			
Up to 100 lbs.	√			
More than 100 lbs.	√			

**GENERAL ENVIRONMENTAL CONDITIONS:**

Work is performed under normal office conditions and there are minimal environmental risks or disagreeable conditions associated with the work.

**GENERAL PHYSICAL CONDITIONS:**

**Work can be generally characterized as:**

**Sedentary Work:** Exerting up to ten (10) pounds of force occasionally and/or a negligible amount of force frequently or constantly to lift, carry, push, pull or otherwise move objects, including the human body.

Vision Requirements: (Check box if relevant)	YES	NO
No special vision requirements	√	
Close Vision (20 in. of less)		
Distance Vision (20 ft. of more)		
Color Vision		
Depth Perception		
Peripheral Vision		

**CLASSIFICATION DESCRIPTION**  
**COMMUNICATIONS OFFICER**

**HR/Finance Committee Monthly Fund Balance Report**  
**July 1 2021 - June 30 2022**

Updated as of 12/13/21

REVENUES	21-22			21-22		21-22		21-22	
	CURRENT YEAR RADOPTED BUDGET		REVISED BUDGET	RECEIVED TO YEAR TO DATE		RECEIPTS ENCUMBERED		BUDGET BALANCE	
	FUND	July - June 2022	July - June 2022	July - June 2022		July - June 2022		July - June 2022	
General	1	\$ 101,087,520.51	\$ 101,590,505.11	\$ 25,900,947.53				\$ 75,689,557.58	
Food Service	2	\$ 3,945,850.00	\$ 3,945,850.00	\$ 1,317,997.41	\$ -			\$ 2,627,852.59	
Transportation	3	\$ 6,504,716.31	\$ 6,504,716.31	\$ 919,726.67				\$ 5,584,989.64	
Community Ed	4	\$ 7,830,758.86	\$ 8,194,302.61	\$ 2,603,535.92				\$ 5,590,766.69	
Operating Captial	5	\$ 7,387,117.02	\$ 7,387,117.02	\$ 392,763.88	\$ -			\$ 6,994,353.14	
Building Construction	6		\$ 31,497,610.17	\$ 31,497,610.17				\$ -	
Debt Service Fund	7	\$ 22,660,833.56	\$ 22,660,833.56	\$ 1,941,582.72				\$ 20,719,250.84	
Trust Fund	8	\$ 251,075.00	\$ 251,075.00					\$ 251,075.00	
Dental Insurance Fund	20	\$ 817,000.00	\$ 817,000.00	\$ 355,584.27				\$ 461,415.73	
Student Acitivity Co-Curric	71		\$ -	\$ -				\$ -	
Student Acitivity	79		\$ 49,788.80	\$ 49,788.80				\$ -	
	98	\$ -	\$ -	\$ -				\$ -	
	99	\$ -	\$ -	\$ -				\$ -	
<b>REVENUE</b>	<b>TOTALS:</b>	<b>\$ 150,484,871.26</b>	<b>\$ 182,898,798.58</b>	<b>\$ 64,979,537.37</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 117,919,261.21</b>	

EXPENSES	21-22			21-22		21-22		21-22	
	CURRENT YEAR RADOPTED BUDGET		REVISED BUDGET	EXPENSES TO YEAR TO DATE		EXPENSES ENCUMBERED		BUDGET BALANCE	
	FUND	July -June	July -June	July - June		July -June		July -June	
General	1	\$ 100,806,716.16	\$ 101,662,401.76	\$ 35,508,809.88	\$ 3,632,149.81			\$ 62,521,442.07	
Food Service	2	\$ 4,243,339.99	\$ 4,243,339.99	\$ 1,215,808.94	\$ 1,183,722.91			\$ 1,843,808.14	
Transportation	3	\$ 6,110,465.19	\$ 6,110,465.19	\$ 2,291,878.49	\$ 294,472.80			\$ 3,524,113.90	
Community Ed	4	\$ 8,233,997.45	\$ 8,597,541.20	\$ 2,648,635.97	\$ 26,320.67			\$ 5,922,584.56	
Operating Captial	5	\$ 8,055,997.62	\$ 8,055,997.62	\$ 3,750,693.41	\$ 453,901.38			\$ 3,851,402.83	
	6	\$ -	\$ 1,616,318.61	\$ 1,555,767.45	\$ 60,551.16			\$ 0.00	
Debt Service Fund	7	\$ 23,166,651.00	\$ 23,166,651.00	\$ 2,928,286.93				\$ 20,238,364.07	
Trust Fund	8	\$ 250,000.00	\$ 250,000.00					\$ 250,000.00	
Dental Insurance Fund	20	\$ 817,000.00	\$ 817,000.00	\$ 265,570.06				\$ 551,429.94	
Student Acitivity Co-Curric	71							\$ -	
Student Acitivity	79		\$ 14,847.24	\$ 14,847.24				\$ -	
	98							\$ -	
	99							\$ -	
<b>EXPENSE</b>	<b>TOTALS</b>	<b>\$ 151,684,167.41</b>	<b>\$ 154,534,562.61</b>	<b>\$ 50,180,298.37</b>	<b>\$ -</b>	<b>\$ 5,651,118.73</b>	<b>\$ -</b>	<b>\$ 98,703,145.51</b>	

Esser 11	Expenses	Fund 06	Expenses	Fund 01 Student Activity	
Fin 155	\$ 3,034,436.23	debt serv payment/prof serv course 000/	\$ 523,797.16	Revenue	\$ 553,225.37
		admin owner pymnt course 800	\$ 107,932.69	Expenses	\$ 536,950.55
		admin design serv course 801	\$ 606,250.92		
		admin constru mngmt course 802	\$ 191,774.00		
		admin commissions course 803	\$ -		
		prof serv 382 000	\$ 121,102.34		
		interior surf constr costs course 804	\$ 65,461.50		
			<b>\$ 1,616,318.61</b>		

**Budget Changes Report**

Duluth Public Schools ISD #709

12/13/2021 9:43:05 AM <sup>21</sup>

<b>Account</b>	<b>Account Description</b>	<b>Debit</b>	<b>Credit</b>	<b>Post Date</b>	<b>Created By</b>	<b>Batch</b>
01 E 005 420 740 305 000	SPSV AGG ST DW CONTRACTED SERV	0.00	15,000.00	08/10/2021	Angela Sepp	New22
01 E 005 420 740 405 000	SPSV AGG ST DW SOFTWARE & LIC	6,930.00	0.00	08/10/2021	Angela Sepp	New22
01 E 005 420 740 433 000	SPSV AGG ST DW INDIV INSTR SUPP	8,070.00	0.00	08/10/2021	Angela Sepp	New22
04 R 005 579 503 500 152	FED HEAD START ARP301C6 - FEDERAL AID -	268,016.00	0.00	09/01/2021	Christopher Peterson	092221CP
04 E 005 579 503 303 152	FED HEAD START ARP301C6 - FED CONTRACTS	25,000.00	0.00	09/01/2021	Christopher Peterson	092221CP
04 E 005 579 503 304 152	FED HEAD START ARP301C6 - FED CONTRACTS	15,000.00	0.00	09/01/2021	Christopher Peterson	092221CP
04 E 005 579 503 366 152	FED HEAD START ARP301C6 - MILEAGE/TRAVEL	32,000.00	0.00	09/01/2021	Christopher Peterson	092221CP
04 E 005 579 503 430 152	FED HEAD START ARP301C6 - CLASSROOM	63,000.00	0.00	09/01/2021	Christopher Peterson	092221CP
04 E 005 579 503 465 152	FED HEAD START ARP301C6 - NON INSTR TECH	56,583.00	0.00	09/01/2021	Christopher Peterson	092221CP
04 E 005 579 503 466 152	FED HEAD START ARP301C6 - INSTR TECH	56,583.00	0.00	09/01/2021	Christopher Peterson	092221CP
04 E 005 579 503 895 152	FED HEAD START ARP301C6 - INDIRECT COSTS	19,850.00	0.00	09/01/2021	Christopher Peterson	092221CP
01 E 005 420 419 303 000	SPSV AGG FD DW FED CONT <25K	0.00	5,000.00	09/10/2021	Angela Sepp	Federal
01 E 005 420 419 466 000	SPSV AGG FD DW INSTR. TECHNOLOGY DEVICES	5,000.00	0.00	09/10/2021	Angela Sepp	Federal
01 E 005 400 372 555 000	SPSV GEN MA DW TECHNOLOGY EQUIP	5,000.00	0.00	09/14/2021	Angela Sepp	MA Tech
01 E 005 420 372 366 000	SPSV AGG MA DW MILEAGE	0.00	5,000.00	09/14/2021	Angela Sepp	MA Tech
01 E 005 219 317 430 000	CMPED-D CUR DW CLASSROOM SUPPLY	375.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 005 605 317 401 000	CMPED CUR DW GEN INSTR - GEN SUPPLIES	18,750.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 005 605 317 405 000	CMPED CUR DW GEN INSTR - NON INSTR	38,250.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 005 605 317 406 000	CMPED CUR DW GEN INSTR - NON INSTR	3,195.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 005 605 317 430 000	CMPED CUR DW GEN INSTR - CLASSROOM	34,500.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 081 277 317 401 000	CMPED MRCK SECD INDIV INSTR - GEN SUPPLIES	1,500.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 081 277 317 430 000	CMPED MRCK SECD INDIV INSTR - CLASSROOM	4,590.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 215 277 317 430 000	CMPED DFLD SECD INDIV INSTR - CLASSROOM	9,354.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 220 277 317 430 000	CMPED EAST SECD INDIV INSTR - CLASSROOM	1,016.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 225 277 317 401 000	CMPED LPMS SECD INDIV INSTR - GEN SUPPLIES	2,309.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 225 277 317 430 000	CMPED LPMS SECD INDIV INSTR - CLASSROOM	1,283.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 335 277 317 406 000	CMPED OEMS SECD INDIV INSTR - NON INSTR	144.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 335 277 317 430 000	CMPED OEMS SECD INDIV INSTR - CLASSROOM	8,077.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 435 276 317 430 000	CMPED CGDN ELEM INDIV INSTR - CLASSROOM	14,885.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 475 276 317 430 000	CMPED HMCR ELEM INDIV INSTR - CLASSROOM	3,059.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 500 275 317 430 000	CMPED LKWD KGR INDIV INSTR - CLASSROOM	536.00	0.00	09/15/2021	Christopher Peterson	091521CP

**Budget Changes Report**

Duluth Public Schools ISD #709

12/13/2021 9:43:05 AM <sup>22</sup>

<b>Account</b>	<b>Account Description</b>	<b>Debit</b>	<b>Credit</b>	<b>Post Date</b>	<b>Created By</b>	<b>Batch</b>
01 E 510 276 317 430 000	CMPED LSTR ELEM INDIV INSTR - CLASSROOM	10,907.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 520 276 317 430 000	CMPED LWLL ELEM INDIV INSTR - CLASSROOM	10,250.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 525 276 317 401 000	CMPED LMAC ELEM INDIV INSTR - GEN SUPPLIES	686.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 525 276 317 430 000	CMPED LMAC ELEM INDIV INSTR - CLASSROOM	15,659.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 540 276 317 401 000	CMPED MWLK ELEM INDIV INSTR - GEN SUPPLIES	7,500.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 540 276 317 430 000	CMPED MWLK ELEM INDIV INSTR - CLASSROOM	10,159.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 550 276 317 401 000	CMPED PDMT ELEM INDIV INSTR - GEN SUPPLIES	867.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 550 276 317 430 000	CMPED PDMT ELEM INDIV INSTR - CLASSROOM	9,281.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 565 276 317 430 000	CMPED STOW ELEM INDIV INSTR - CLASSROOM	3,750.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 575 277 317 401 000	CMPED CHCK SECD INDIV INSTR - GEN SUPPLIES	1,875.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 575 277 317 430 000	CMPED CHCK SECD INDIV INSTR - CLASSROOM	1,258.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 580 277 317 401 000	CMPED ROCK SECD INDIV INSTR - GEN SUPPLIES	2,625.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 580 277 317 405 000	CMPED ROCK SECD INDIV INSTR - NON INSTR	750.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 580 277 317 430 000	CMPED ROCK SECD INDIV INSTR - CLASSROOM	3,750.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 605 277 317 401 000	CMPED AJC SECD INDIV INSTR - GEN SUPPLIES	375.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 605 277 317 405 000	CMPED AJC SECD INDIV INSTR - NON INSTR	188.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 605 277 317 430 000	CMPED AJC SECD INDIV INSTR - CLASSROOM	750.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 611 277 317 401 000	CMPED ALC SECD INDIV INSTR - GEN SUPPLIES	15,026.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 700 412 317 433 000	CMPED-D ECSE INDIV INSTR SUPP	750.00	0.00	09/15/2021	Christopher Peterson	091521CP
01 E 005 605 510 303 340	IE TTL VI DW FED CONT <25K	0.00	447.60	09/20/2021	Olivia Kinsley	OCK92021
01 E 005 605 510 329 340	IE TTL VI DW POSTAGE&EXPRESS	447.60	0.00	09/20/2021	Olivia Kinsley	OCK92021
01 E 005 420 419 401 000	SPSV AGG FD DW GENERAL SUPPLY	0.00	15,000.00	09/21/2021	Angela Sepp	FED01
01 E 005 420 419 433 000	SPSV AGG FD DW INDIV INSTR SUPP	15,000.00	0.00	09/21/2021	Angela Sepp	FED01
04 R 005 520 166 400 000	ARP ABE STRENGTHEN PRG'G - FED AID-THRU	86,567.75	0.00	09/23/2021	Simone Zurich	92321shz
04 E 005 520 166 120 000	ARP ABE STRENGTHEN PRG'G - ADMIN/SUPERV	11,200.00	0.00	09/23/2021	Simone Zurich	92321shz
04 E 005 520 166 210 000	ARP ABE STRENGTHEN PRG'G - FICA/MEDICARE	856.00	0.00	09/23/2021	Simone Zurich	92321shz
04 E 005 520 166 214 000	ARP ABE STRENGTHEN PRG'G - PERA	856.00	0.00	09/23/2021	Simone Zurich	92321shz
04 E 005 520 166 218 000	ARP ABE STRENGTHEN PRG'G - TRA	1,000.00	0.00	09/23/2021	Simone Zurich	92321shz
04 E 005 520 166 220 000	ARP ABE STRENGTHEN PRG'G - HEALTH	2,800.00	0.00	09/23/2021	Simone Zurich	92321shz
04 E 005 520 166 230 000	ARP ABE STRENGTHEN PRG'G - LIFE INSURANCE	20.00	0.00	09/23/2021	Simone Zurich	92321shz
04 E 005 520 166 235 000	ARP ABE STRENGTHEN PRG'G - DENTAL	45.00	0.00	09/23/2021	Simone Zurich	92321shz

Budget Changes Report

Duluth Public Schools ISD #709

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<u>Account</u>	<u>Account Description</u>	<u>Debit</u>	<u>Credit</u>	<u>Post Date</u>	<u>Created By</u>	<u>Batch</u>
04 E 005 520 166 240 000	ARP ABE STRENGTHEN PRG'G - LTD INS	45.00	0.00	09/23/2021	Simone Zunich	92321shz
04 E 005 520 166 251 000	ARP ABE STRENGTHEN PRG'G - HRA	500.00	0.00	09/23/2021	Simone Zunich	92321shz
04 E 005 520 166 270 000	ARP ABE STRENGTHEN PRG'G - WORKERS COMP	60.00	0.00	09/23/2021	Simone Zunich	92321shz
04 E 005 520 166 280 000	ARP ABE STRENGTHEN PRG'G - UNEMPLOYMENT	18.00	0.00	09/23/2021	Simone Zunich	92321shz
04 E 005 520 166 303 000	ARP ABE STRENGTHEN PRG'G - FED CONTRACTS	24,200.00	0.00	09/23/2021	Simone Zunich	92321shz
04 E 005 520 166 401 000	ARP ABE STRENGTHEN PRG'G - GENERAL	38,167.75	0.00	09/23/2021	Simone Zunich	92321shz
04 E 005 520 166 895 000	ARP ABE STRENGTHEN PRG'G - INDIRECT COSTS	6,800.00	0.00	09/23/2021	Simone Zunich	92321shz
01 E 005 416 419 303 000	SMI FED FLOW THROUGH CONTRACTS	0.00	10,000.00	09/23/2021	Angela Sepp	Fed02
01 E 005 420 419 455 000	SPSV AGG FD DW NON INSTR TECHNOLOGY	10,000.00	0.00	09/23/2021	Angela Sepp	Fed02
01 E 012 108 000 320 000	TECH DEPT COMMUNIC SVCS	0.00	2,000.00	09/23/2021	Mikilia Carroll	MC09232021
01 E 012 108 311 820 000	TECH TELE ERATE DUES/LIC FEES	2,000.00	0.00	09/23/2021	Mikilia Carroll	MC09232021
01 E 220 211 000 430 000	SEC ED EAST CLASSROOM SUPPLY	2,500.00	0.00	09/30/2021	Lynn Carlson	LRC093021
01 E 220 211 000 430 000	SEC ED EAST CLASSROOM SUPPLY	0.00	500.00	09/30/2021	Lynn Carlson	LRC093021
01 E 220 212 000 430 000	VISUAL ART EAST CLASSROOM SUPPLY	0.00	2,500.00	09/30/2021	Lynn Carlson	LRC093021
01 E 220 220 000 430 000	ENG-LANG EAST CLASSROOM SUPPLY	250.00	0.00	09/30/2021	Lynn Carlson	LRC093021
01 E 220 256 000 430 000	MATHEMATICS EAST CLASSROOM SUPPLY	250.00	0.00	09/30/2021	Lynn Carlson	LRC093021
01 E 005 605 510 368 340	IE TTL VI DW FED-MILEAGE	0.00	362.87	10/01/2021	Olivia Kinsley	OCK100121
01 E 005 605 510 401 340	IE TTL VI DW GENERAL SUPPLY	362.87	0.00	10/01/2021	Olivia Kinsley	OCK100121
01 E 005 412 420 433 000	SPSV ECSE PRE DW INDIV INSTR SUPP	3,466.00	0.00	10/04/2021	Angela Sepp	ECSE Supplies
01 E 005 412 420 895 000	SPSV ECSE PRE DW INDIRECT COSTS	0.00	3,466.00	10/04/2021	Angela Sepp	ECSE Supplies
01 E 215 740 155 401 011	ESSER II -PUPIL ENGAGEMENT DHS - GEN	9,773.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 220 740 155 401 011	ESSER II -PUPIL ENGAGEMENT EHS - GEN	6,333.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 225 740 155 401 011	ESSER II -PUPIL ENGAGEMENT LPMS - GEN	9,773.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 335 740 155 401 011	ESSER II -PUPIL ENGAGEMENT OEMS - GEN	6,333.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 435 740 155 401 011	ESSER II -PUPIL ENGAGEMENT CGDN - GEN	3,000.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 475 740 155 401 011	ESSER II -PUPIL ENGAGEMENT HMCR - GEN	3,000.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 500 740 155 401 011	ESSER II -PUPIL ENGAGEMENT LKWD - GEN	3,000.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 510 740 155 401 011	ESSER II -PUPIL ENGAGEMENT LSTR - GEN	3,000.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 520 740 155 401 011	ESSER II -PUPIL ENGAGEMENT LWLL - GEN	9,773.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 525 740 155 401 011	ESSER II -PUPIL ENGAGEMENT LMAC - GEN	9,773.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 540 740 155 401 011	ESSER II -PUPIL ENGAGEMENT MWKN - GEN	9,773.00	0.00	10/06/2021	Christopher Peterson	100621CP

**Budget Changes Report**

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<b>Account</b>	<b>Account Description</b>	<b>Debit</b>	<b>Credit</b>	<b>Post Date</b>	<b>Created By</b>	<b>Batch</b>
01 E 550 740 155 401 011	ESSER II -PUPIL ENGAGEMENT PIED - GEN	5,606.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 565 740 155 401 011	ESSER II -PUPIL ENGAGEMENT STOWE - GEN	5,606.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 580 740 155 401 011	ESSER II -PUPIL ENGAGEMENT RESID - GEN	5,606.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 611 740 155 401 011	ESSER II -PUPIL ENGAGEMENT ALC/AEO - GEN	9,773.00	0.00	10/06/2021	Christopher Peterson	100621CP
01 E 005 420 372 401 000	SPSV AGG MA DW GENERAL SUPPLY	0.00	1,000.00	10/06/2021	Angela Sepp	372A
01 E 005 420 372 405 000	SPSV AGG MA DW SOFTWARE & LIC	0.00	3,500.00	10/06/2021	Angela Sepp	372A
01 E 005 420 372 430 000	SPSV AGG MA DW CLASSROOM SUPPLY	0.00	500.00	10/06/2021	Angela Sepp	372A
01 E 005 420 372 433 000	SPSV AGG MA DW INDIV INSTR SUPP	7,000.00	0.00	10/06/2021	Angela Sepp	372A
01 E 005 420 372 555 000	SPSV AGG MA DW TECHNOLOGY EQUIP	0.00	2,000.00	10/06/2021	Angela Sepp	372A
01 E 005 401 740 433 000	SPSV SPCH ST DW INDIV INSTR SUPP	0.00	5,000.00	10/06/2021	Angela Sepp	740B
01 E 005 405 740 433 000	SPSV DHH ST DW INDIV INSTR SUPP	0.00	5,000.00	10/06/2021	Angela Sepp	740B
01 E 005 407 740 433 000	SPSV SLD ST DW INDIV INSTR SUPP	0.00	2,000.00	10/06/2021	Angela Sepp	740B
01 E 005 408 740 393 000	SPSV EBD ST DW SPED&TRANS/DISAB	0.00	5,000.00	10/06/2021	Angela Sepp	740B
01 E 005 410 740 393 000	SPSV OHD ST DW SPED&TRANS/DISAB	0.00	5,000.00	10/06/2021	Angela Sepp	740B
01 E 005 411 740 393 000	SPSV ASD ST DW SPED&TRANS/DISAB	0.00	5,000.00	10/06/2021	Angela Sepp	740B
01 E 005 420 740 433 000	SPSV AGG ST DW INDIV INSTR SUPP	27,000.00	0.00	10/06/2021	Angela Sepp	740B
01 E 005 402 419 366 000	SPSV DCDM FD DW MILEAGE	0.00	1,000.00	10/06/2021	Angela Sepp	Curriculum 419
01 E 005 403 419 366 000	SPSV DCD-S FD DW MILEAGE	0.00	1,000.00	10/06/2021	Angela Sepp	Curriculum 419
01 E 005 405 419 366 000	SPSV DHH FD DW MILEAGE	0.00	1,000.00	10/06/2021	Angela Sepp	Curriculum 419
01 E 005 407 419 366 000	SPSV SLD FD DW MILEAGE	0.00	1,000.00	10/06/2021	Angela Sepp	Curriculum 419
01 E 005 420 419 303 000	SPSV AGG FD DW FED CONT <25K	0.00	5,000.00	10/06/2021	Angela Sepp	Curriculum 419
01 E 005 420 419 433 000	SPSV AGG FD DW INDIV INSTR SUPP	9,000.00	0.00	10/06/2021	Angela Sepp	Curriculum 419
01 E 005 605 313 170 300	OEE ADMIN NONINST SUPP	24,850.00	0.00	10/15/2021	Simone Zurich	shz101521
01 E 540 203 313 141 323	RIS INTERVNTN 10 SALARY-NON LICENSED	0.00	24,850.00	10/15/2021	Simone Zurich	shz101521
01 E 005 605 313 170 300	OEE ADMIN NONINST SUPP	17,120.00	0.00	10/15/2021	Simone Zurich	shz1015212
01 E 540 203 313 220 323	RIS INTERVNTN 10 MEDICAL INS	0.00	17,120.00	10/15/2021	Simone Zurich	shz1015212
01 E 005 605 313 170 300	OEE ADMIN NONINST SUPP	24,600.00	0.00	10/15/2021	Simone Zurich	shz1015213
01 E 005 640 313 145 315	OEE INTRVTN 3-5 SUB TEACHER-LIC	0.00	24,600.00	10/15/2021	Simone Zurich	shz1015213
01 E 225 211 317 185 000	MS CMPED-D LPMS STPD SAL-LIC/CRT	0.00	500.00	10/25/2021	Simone Zurich	shz102521
01 E 225 211 317 186 000	MS CMPED-D LPMS STPD SAL-NONLIC	500.00	0.00	10/25/2021	Simone Zurich	shz102521
01 E 215 620 000 470 000	EDUC MEDIA DFLD LIBRARY/MEDIA	2,575.00	0.00	10/26/2021	Christopher Peterson	102621CP

**Budget Changes Report**

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Account	Account Description	Debit	Credit	Post Date	Created By	Batch
01 E 220 620 000 470 000	EDUC MEDIA EAST LIBRARY/MEDIA	3,815.00	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 225 620 000 470 000	EDUC MEDIA LPMS LIBRARY/MEDIA	1,642.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 335 620 000 470 000	EDUC MEDIA OEMS LIBRARY/MEDIA	2,717.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 435 620 000 470 000	EDUC MEDIA CGDN LIBRARY/MEDIA	1,247.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 475 620 000 470 000	EDUC MEDIA HMCR LIBRARY/MEDIA	937.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 500 620 000 470 000	EDUC MEDIA LKWD LIBRARY/MEDIA	590.00	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 510 620 000 470 000	EDUC MEDIA LSTR LIBRARY/MEDIA	1,352.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 520 620 000 470 000	EDUC MEDIA LWLL LIBRARY/MEDIA	662.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 521 620 000 470 000	EDUC MEDIA LWLL IS LIBRARY/MEDIA	772.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 525 620 000 470 000	EDUC MEDIA LMAC LIBRARY/MEDIA	742.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 540 620 000 470 000	EDUC MEDIA MWKN LIBRARY/MEDIA	862.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 550 620 000 470 000	EDUC MEDIA PDMT LIBRARY/MEDIA	827.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 565 620 000 470 000	EDUC MEDIA STOW LIBRARY/MEDIA	582.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 580 620 000 470 000	EDUC MEDIA ROCK LIBRARY/MEDIA	297.50	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 611 620 000 470 000	EDUC MEDIA ALC LIBRARY/MEDIA	375.00	0.00	10/26/2021	Christopher Peterson	102621CP
01 E 215 620 000 470 000	EDUC MEDIA DFLD LIBRARY/MEDIA	0.00	2,575.00	10/26/2021	Christopher Peterson	102621XCP
01 E 220 620 000 470 000	EDUC MEDIA EAST LIBRARY/MEDIA	0.00	3,815.00	10/26/2021	Christopher Peterson	102621XCP
01 E 225 620 000 470 000	EDUC MEDIA LPMS LIBRARY/MEDIA	0.00	1,642.50	10/26/2021	Christopher Peterson	102621XCP
01 E 335 620 000 470 000	EDUC MEDIA OEMS LIBRARY/MEDIA	0.00	2,717.50	10/26/2021	Christopher Peterson	102621XCP
01 E 435 620 000 470 000	EDUC MEDIA CGDN LIBRARY/MEDIA	0.00	1,247.50	10/26/2021	Christopher Peterson	102621XCP
01 E 475 620 000 470 000	EDUC MEDIA HMCR LIBRARY/MEDIA	0.00	937.50	10/26/2021	Christopher Peterson	102621XCP
01 E 500 620 000 470 000	EDUC MEDIA LKWD LIBRARY/MEDIA	0.00	590.00	10/26/2021	Christopher Peterson	102621XCP
01 E 510 620 000 470 000	EDUC MEDIA LSTR LIBRARY/MEDIA	0.00	1,352.50	10/26/2021	Christopher Peterson	102621XCP
01 E 520 620 000 470 000	EDUC MEDIA LWLL LIBRARY/MEDIA	0.00	662.50	10/26/2021	Christopher Peterson	102621XCP
01 E 521 620 000 470 000	EDUC MEDIA LWLL IS LIBRARY/MEDIA	0.00	772.50	10/26/2021	Christopher Peterson	102621XCP
01 E 525 620 000 470 000	EDUC MEDIA LMAC LIBRARY/MEDIA	0.00	742.50	10/26/2021	Christopher Peterson	102621XCP
01 E 540 620 000 470 000	EDUC MEDIA MWKN LIBRARY/MEDIA	0.00	862.50	10/26/2021	Christopher Peterson	102621XCP
01 E 550 620 000 470 000	EDUC MEDIA PDMT LIBRARY/MEDIA	0.00	827.50	10/26/2021	Christopher Peterson	102621XCP
01 E 565 620 000 470 000	EDUC MEDIA STOW LIBRARY/MEDIA	0.00	582.50	10/26/2021	Christopher Peterson	102621XCP
01 E 580 620 000 470 000	EDUC MEDIA ROCK LIBRARY/MEDIA	0.00	297.50	10/26/2021	Christopher Peterson	102621XCP
01 E 611 620 000 470 000	EDUC MEDIA ALC LIBRARY/MEDIA	0.00	375.00	10/26/2021	Christopher Peterson	102621XCP

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Account	Account Description	Debit	Credit	Post Date	Created By	Batch
01 E 005 401 740 433 000	SPSV SPCH ST DW INDIV INSTR SUPP	1,000.00	0.00	10/28/2021	Angela Sepp	Speech1
01 E 005 420 740 433 000	SPSV AGG ST DW INDIV INSTR SUPP	0.00	1,000.00	10/28/2021	Angela Sepp	Speech1
04 R 005 580 251 099 151	ECFE LLOYD K JOHNSON GRANT - GRANT	8,960.00	0.00	11/01/2021	Christopher Peterson	120221CP
04 E 005 580 251 185 151	ECFE LLOYD K JOHNSON GRANT - STIPENDS	1,685.00	0.00	11/01/2021	Christopher Peterson	120221CP
04 E 005 580 251 210 151	ECFE LLOYD K JOHNSON GRANT -	153.00	0.00	11/01/2021	Christopher Peterson	120221CP
04 E 005 580 251 218 151	ECFE LLOYD K JOHNSON GRANT - TRA	160.00	0.00	11/01/2021	Christopher Peterson	120221CP
04 E 005 580 251 270 151	ECFE LLOYD K JOHNSON GRANT - WORKERS	1.00	0.00	11/01/2021	Christopher Peterson	120221CP
04 E 005 580 251 280 151	ECFE LLOYD K JOHNSON GRANT -	1.00	0.00	11/01/2021	Christopher Peterson	120221CP
04 E 005 580 251 305 151	ECFE LLOYD K JOHNSON GRANT - CONTRACTED	4,600.00	0.00	11/01/2021	Christopher Peterson	120221CP
04 E 005 580 251 401 151	ECFE LLOYD K JOHNSON GRANT - GENERAL	360.00	0.00	11/01/2021	Christopher Peterson	120221CP
04 E 005 580 251 430 151	ECFE LLOYD K JOHNSON GRANT - CLASSROOM	2,000.00	0.00	11/01/2021	Christopher Peterson	120221CP
01 E 005 605 317 143 000	CMPED CUR DW GEN INSTR - LIC INSTR SUPPORT	91,797.98	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 145 000	CMPED CUR DW GEN INSTR - SUB TEACHER-LIC	102,500.00	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 185 000	CMPED CUR DW GEN INSTR - STIPEND - CERT	100,450.00	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 210 000	CMPED CUR DW GEN INSTR - FICA/MEDICARE	22,548.98	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 218 000	CMPED CUR DW GEN INSTR - TRA	23,537.08	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 220 000	CMPED CUR DW GEN INSTR - HEALTH INS	24,717.00	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 230 000	CMPED CUR DW GEN INSTR - LIFE INS	129.00	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 235 000	CMPED CUR DW GEN INSTR - DENTAL INS	401.00	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 240 000	CMPED CUR DW GEN INSTR - LTD INS	175.28	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 251 000	CMPED CUR DW GEN INSTR - HRA	5,923.00	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 270 000	CMPED CUR DW GEN INSTR - WORKERS COMP	1,993.00	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 605 317 280 000	CMPED CUR DW GEN INSTR - UNEMPLOY COMP	798.00	0.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 143 000	CMPED-A CUR DW LIC INST SUP	0.00	91,797.98	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 145 000	CMPED-A CUR DW SUB TEACHER-LIC	0.00	102,500.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 185 000	CMPED-A CUR DW STPD SAL-LIC/CRT	0.00	100,450.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 210 000	CMPED-A CUR DW FICA/MEDICARE	0.00	22,548.98	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 218 000	CMPED-A CUR DW PENS CERT TRA	0.00	23,537.08	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 220 000	CMPED-A CUR DW HLTH INS PRIMARY	0.00	24,717.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 230 000	CMPED-A CUR DW LIFE INSURANCE	0.00	129.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 235 000	CMPED-A CUR DW DENTAL INSURANCE	0.00	401.00	11/10/2021	Christopher Peterson	111021CP

Budget Changes Report

Duluth Public Schools ISD #709

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Account	Account Description	Debit	Credit	Post Date	Created By	Batch
01 E 005 610 317 240 000	CMPED-A CUR DW LTD INSURANCE	0.00	175.28	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 251 000	CMPED-A CUR DW HRA PLAN	0.00	5,923.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 270 000	CMPED-A CUR DW WORKERS COMP	0.00	1,993.00	11/10/2021	Christopher Peterson	111021CP
01 E 005 610 317 280 000	CMPED-A CUR DW UNEMPLOYMNT COMP	0.00	798.00	11/10/2021	Christopher Peterson	111021CP
01 E 225 211 317 366 000	MS CMPED-D LPMS MILEAGE	0.00	349.34	11/15/2021	Susan Archambeau-	sgab111521
01 E 225 211 317 401 000	MS CMPED-D LPMS GENERAL SUPPLY	349.34	0.00	11/15/2021	Susan Archambeau-	sgab111521
01 R 005 412 141 400 000	SPSV ECSE ARP 619 - FED AID THRU MDE	38,989.94	0.00	12/02/2021	Christopher Peterson	120221ACP
01 R 005 420 140 400 000	SPSV AGG ARP 611 - FED AID THRU MDE	388,546.97	0.00	12/02/2021	Christopher Peterson	120221ACP
01 R 005 422 144 400 000	SPSV INT ARP CEIS - FED AID THRU MDE	75,447.69	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 401 140 185 000	SPSV SPCH ARP 611 - STIPEND LIC/CERT	2,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 401 140 210 000	SPSV SPCH ARP 611 - FICA/MEDICARE	153.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 401 140 218 000	SPSV SPCH ARP 611 - PENS CERT TRA	154.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 401 140 270 000	SPSV SPCH ARP 611 - WORKERS COMP	12.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 401 140 280 000	SPSV SPCH ARP 611 - UNEMPLOYMENT	1.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 402 140 161 000	SPSV DCDM ARP 611 - PARA PERS CARE	1,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 402 140 185 000	SPSV DCDM ARP 611 - STIPEND LIC/CERT	3,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 402 140 210 000	SPSV DCDM ARP 611 - FICA/MEDICARE	3,573.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 402 140 214 000	SPSV DCDM ARP 611 - PENS NCRT PERA	75.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 402 140 218 000	SPSV DCDM ARP 611 - PENS CERT TRA	3,606.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 402 140 252 000	SPSV DCDM ARP 611 - OPEB	57.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 402 140 270 000	SPSV DCDM ARP 611 - WORKERS COMP	290.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 402 140 280 000	SPSV DCDM ARP 611 - UNEMPLOYMENT	28.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 403 140 161 000	SPSV DCDS ARP 611 - PARA PERS CARE	1,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 403 140 185 000	SPSV DCDS ARP 611 - STIPEND LIC/CERT	1,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 403 140 210 000	SPSV DCDS ARP 611 - FICA/MEDICARE	153.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 403 140 214 000	SPSV DCDS ARP 611 - PENS NCRT PERA	75.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 403 140 218 000	SPSV DCDS ARP 611 - PENS CERT TRA	77.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 403 140 252 000	SPSV DCDS ARP 611 - OPEB	57.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 403 140 270 000	SPSV DCDS ARP 611 - WORKERS COMP	12.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 403 140 280 000	SPSV DCDS ARP 611 - UNEMPLOYMENT	1.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 405 140 164 000	SPSV DHH ARP 611 - DEAF INTRP SAL	1,500.00	0.00	12/02/2021	Christopher Peterson	120221ACP

**Budget Changes Report**

Duluth Public Schools ISD #709

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12/13/2021 9:43:05 AM

<b>Account</b>	<b>Account Description</b>	<b>Debit</b>	<b>Credit</b>	<b>Post Date</b>	<b>Created By</b>	<b>Batch</b>
01 E 005 405 140 185 000	SPSV DHH ARP 611 - STIPEND LIC/CERT	500.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 405 140 210 000	SPSV DHH ARP 611 - FICA/MEDICARE	153.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 405 140 214 000	SPSV DHH ARP 611 - PENS NCRT PERA	113.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 405 140 218 000	SPSV DHH ARP 611 - PENS CERT TRA	39.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 405 140 270 000	SPSV DHH ARP 611 - WORKERS COMP	12.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 405 140 280 000	SPSV DHH ARP 611 - UNEMPLOYMENT	1.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 407 140 161 000	SPSV SLD ARP 611 - PARA PERS CARE	2,500.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 407 140 185 000	SPSV SLD ARP 611 - STIPEND LIC/CERT	5,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 407 140 210 000	SPSV SLD ARP 611 - FICA/MEDICARE	574.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 407 140 214 000	SPSV SLD ARP 611 - PENS NCRT PERA	375.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 407 140 218 000	SPSV SLD ARP 611 - PENS CERT TRA	193.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 407 140 252 000	SPSV SLD ARP 611 - OPEB	143.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 407 140 270 000	SPSV SLD ARP 611 - WORKERS COMP	47.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 407 140 280 000	SPSV SLD ARP 611 - UNEMPLOYMENT	5.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 140 000	SPSV EBD ARP 611 - SALARY LIC TEACHER	153,502.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 161 000	SPSV EBD ARP 611 - PARA PERS CARE	40,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 185 000	SPSV EBD ARP 611 - STIPEND LIC/CERT	5,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 210 000	SPSV EBD ARP 611 - FICA/MEDICARE	13,005.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 214 000	SPSV EBD ARP 611 - PENS NCRT PERA	3,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 218 000	SPSV EBD ARP 611 - PENS CERT TRA	10,036.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 220 000	SPSV EBD ARP 611 - HEALTH INS	45,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 230 000	SPSV EBD ARP 611 - LIFE INS	348.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 235 000	SPSV EBD ARP 611 - DENTAL INS	1,060.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 251 000	SPSV EBD ARP 611 - HRA	16,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 252 000	SPSV EBD ARP 611 - OPEB	10,091.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 270 000	SPSV EBD ARP 611 - WORKERS COMP	1,054.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 280 000	SPSV EBD ARP 611 - UNEMPLOYMENT	102.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 408 140 433 000	SPSV EBD ARP 611 - INDIV INSTR SUPPLIES	6,730.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 411 140 161 000	SPSV ASD ARP 611 - PARA PERS CARE	2,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 411 140 185 000	SPSV ASD ARP 611 - STIPEND LIC/CERT	5,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 411 140 210 000	SPSV ASD ARP 611 - FICA/MEDICARE	536.00	0.00	12/02/2021	Christopher Peterson	120221ACP

Budget Changes Report

Duluth Public Schools ISD #709

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12/13/2021 9:43:05 AM

<u>Account</u>	<u>Account Description</u>	<u>Debit</u>	<u>Credit</u>	<u>Post Date</u>	<u>Created By</u>	<u>Batch</u>
01 E 005 411 140 214 000	SPSV ASD ARP 611 - PENS NCRT PERA	150.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 411 140 218 000	SPSV ASD ARP 611 - PENS CERT TRA	386.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 411 140 252 000	SPSV ASD ARP 611 - OPEB	115.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 411 140 270 000	SPSV ASD ARP 611 - WORKERS COMP	43.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 411 140 280 000	SPSV ASD ARP 611 - UNEMPLOYMENT	4.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 140 000	SPSV ECSE ARP 619 - SALARY LIC TEACHER	21,232.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 185 000	SPSV ECSE ARP 619 - STIPEND LIC/CERT	2,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 210 000	SPSV ECSE ARP 619 - FICA/MEDICARE	1,875.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 218 000	SPSV ECSE ARP 619 - PENS CERT TRA	1,892.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 220 000	SPSV ECSE ARP 619 - HEALTH INS	5,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 230 000	SPSV ECSE ARP 619 - LIFE INS	348.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 235 000	SPSV ECSE ARP 619 - DENTAL INS	1,060.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 251 000	SPSV ECSE ARP 619 - HRA	1,250.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 252 000	SPSV ECSE ARP 619 - OPEB	1,047.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 270 000	SPSV ECSE ARP 619 - WORKERS COMP	152.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 280 000	SPSV ECSE ARP 619 - UNEMPLOYMENT	15.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 412 141 895 000	SPSV ECSE ARP 619 - INDIRECT COSTS	3,118.94	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 416 140 161 000	SPSV SMI ARP 611 - PARA PERS CARE	2,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 416 140 185 000	SPSV SMI ARP 611 - STIPEND LIC/CERT	2,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 416 140 210 000	SPSV SMI ARP 611 - FICA/MEDICARE	306.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 416 140 214 000	SPSV SMI ARP 611 - PENS NCRT PERA	225.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 416 140 218 000	SPSV SMI ARP 611 - PENS CERT TRA	154.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 416 140 252 000	SPSV SMI ARP 611 - OPEB	115.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 416 140 270 000	SPSV SMI ARP 611 - WORKERS COMP	25.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 416 140 280 000	SPSV SMI ARP 611 - UNEMPLOYMENT	2.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 151 000	SPSV AGG ARP 611 - OCC THERAP SAL	250.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 154 000	SPSV AGG ARP 611 - SCHL NURSE SAL	250.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 155 000	SPSV AGG ARP 611 - LIC NURSE SVC	500.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 185 000	SPSV AGG ARP 611 - STIPEND LIC/CERT	2,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 210 000	SPSV AGG ARP 611 - FICA/MEDICARE	230.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 218 000	SPSV AGG ARP 611 - PENS CERT TRA	154.00	0.00	12/02/2021	Christopher Peterson	120221ACP

Budget Changes Report

Duluth Public Schools ISD #709

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Account	Account Description	Debit	Credit	Post Date	Created By	Batch
01 E 005 420 140 252 000	SPSV AGG ARP 611 - OPEB	35.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 270 000	SPSV AGG ARP 611 - WORKERS COMP	19.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 280 000	SPSV AGG ARP 611 - UNEMPLOYMENT	2.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 401 000	SPSV AGG ARP 611 - GENERAL SUPPLIES	8,555.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 420 140 895 000	SPSV AGG ARP 611 - INDIRECT COSTS	31,083.97	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 156 000	SPSV INT ARP CEIS - SCHL SOC WRKR	15,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 160 000	SPSV INT ARP CEIS - MENTL HLTH PRAC	25,568.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 210 000	SPSV INT ARP CEIS - FICA/MEDICARE	3,103.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 214 000	SPSV INT ARP CEIS - PENS NCRT PERA	1,918.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 218 000	SPSV INT ARP CEIS - PENS CERT TRA	1,158.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 220 000	SPSV INT ARP CEIS - HEALTH INS	10,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 230 000	SPSV INT ARP CEIS - LIFE INS	44.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 235 000	SPSV INT ARP CEIS - DENTAL INS	133.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 251 000	SPSV INT ARP CEIS - HRA	2,000.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 252 000	SPSV INT ARP CEIS - OPEB	698.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 270 000	SPSV INT ARP CEIS - WORKERS COMP	159.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 280 000	SPSV INT ARP CEIS - UNEMPLOYMENT	15.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 430 000	SPSV INT ARP CEIS - CLASSROOM SUPPLIES	9,617.00	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 422 144 895 000	SPSV INT ARP CEIS - INDIRECT COSTS	6,034.69	0.00	12/02/2021	Christopher Peterson	120221ACP
01 E 005 416 740 370 000	SPSV SMI ST DW RENT&LEASE-EQUIP	500.00	0.00	12/03/2021	Angela Sepp	Hoyer1
01 E 005 416 740 433 000	SPSV SMI ST DW INDIV INSTR SUPP	0.00	500.00	12/03/2021	Angela Sepp	Hoyer1
01 E 081 640 150 401 000	ARP STAFF ENGAGEMENT RESID - SUPPLIES	300.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 215 640 150 401 000	ARP STAFF ENGAGEMENT DFLD - SUPPLIES	2,000.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 220 640 150 401 000	ARP STAFF ENGAGEMENT EAST - SUPPLIES	2,000.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 225 640 150 401 000	ARP STAFF ENGAGEMENT LPMS - SUPPLIES	1,500.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 335 640 150 401 000	ARP STAFF ENGAGEMENT OEMS - SUPPLIES	1,500.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 435 640 150 401 000	ARP STAFF ENGAGEMENT CGDN - SUPPLIES	750.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 475 640 150 401 000	ARP STAFF ENGAGEMENT HMCR - SUPPLIES	500.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 500 640 150 401 000	ARP STAFF ENGAGEMENT LKWD - SUPPLIES	300.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 510 640 150 401 000	ARP STAFF ENGAGEMENT LSTR - SUPPLIES	750.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 520 640 150 401 000	ARP STAFF ENGAGEMENT LOWELL - SUPPLIES	750.00	0.00	12/07/2021	Christopher Peterson	120821CP

Budget Changes Report

Duluth Public Schools ISD #709

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<u>Account</u>	<u>Account Description</u>	<u>Debit</u>	<u>Credit</u>	<u>Post Date</u>	<u>Created By</u>	<u>Batch</u>
01 E 525 640 150 401 000	ARP STAFF ENGAGEMENT LMAC - SUPPLIES	1,000.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 540 640 150 401 000	ARP STAFF ENGAGEMENT MWKN - SUPPLIES	1,000.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 550 640 150 401 000	ARP STAFF ENGAGEMENT PIED - SUPPLIES	500.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 565 640 150 401 000	ARP STAFF ENGAGEMENT STOWE - SUPPLIES	1,000.00	0.00	12/07/2021	Christopher Peterson	120821CP
01 E 611 640 150 401 000	ARP STAFF ENGAGEMENT ALC - SUPPLIES	500.00	0.00	12/07/2021	Christopher Peterson	120821CP

Independent School  
District No. 709  
Duluth, Minnesota

Financial Statements and  
Supplementary Information

Year Ended June 30, 2021

Draft

Year Ended June 30, 2021

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Year Ended June 30, 2021

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## School Officials

<u>Elective</u>	<u>Office</u>	<u>Term Expires</u>
Jill Lofald	Chair	January 3, 2022
Kelly Durick Eder	Vice Chair	January 3, 2022
Anna Oswald	Clerk	January 8, 2024
Sally Trnka	Treasurer	January 3, 2022
David Kirby	Director	January 8, 2024
Rosalie Loeffler-Kemp	Director	January 3, 2022
Paul Sandholm	Director	January 8, 2024

### Appointive

John Magas	Superintendent
Catherine Erickson	Deputy Clerk

Draft

## Independent Auditor's Report

To the School Board  
Independent School District No. 709  
Duluth, Minnesota

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 709, Duluth, Minnesota (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### *Auditor's Responsibility*

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

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

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States.

**Required Supplementary Information**

Accounting principles generally accepted in the United States require that the management's discussion and analysis, pages 4 – 8 information about the District's other postemployment health care plan, page 55, and information about the District's net pension liability, pages 56 and 57, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, 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 nonmajor governmental funds financial statements and fiscal compliance table, pages 58 through 60, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements. The combining nonmajor governmental funds financial statements, fiscal compliance table, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the combining nonmajor governmental funds financial statements, fiscal compliance table and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE, 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 District's internal control over financial reporting and compliance.

Wipfli LLP

REPORT DATE  
Duluth, Minnesota

## Management's Discussion and Analysis

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Draft

## Management's Discussion and Analysis Year Ended June 30, 2021

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As management of Independent School District No. 709 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021.

### Financial Highlights

Key financial highlights for the 2020-2021 fiscal year include the following:

- Net position increased \$15,759,926 or 57% of the prior year's net position.
- Overall actual revenues in the Statement of Activities were \$151,362,741 and expenses were \$135,602,815; leaving expenditures exceeding revenues by \$15,759,926.
- General Fund unassigned fund balance increased \$1,854,213 compared to Fiscal Year 2020, which accounts for 1.5% of General Fund Revenues.
- Assigned Fund Balances, which include Severance, Technology, Curriculum, Transportation, Facilities, and Textbooks increased by \$3,783,359. These funds will be spent in FY22 and future fiscal years for planned investments.
- The District's Debt Service Fund fund balance increased \$18,766,112. This accounts for a reserve for refunding proceeds.

### Overview of the Financial Statements

The financial section of the financial statements consists of four parts - Independent Auditor's Report, required supplementary information which includes the Management's Discussion and Analysis (this section), the basic financial statements and supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

### 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 and deferred outflows of resources, and 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 it has changed.

The *statement of net position* presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. To assess the 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.

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

## Management's Discussion and Analysis Year Ended June 30, 2021

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The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, operation and maintenance of plant, student transportation, and operation of non-instructional services.

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, state statutes, and to control and manage money for particular purposes. All of the funds of the District can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

*Governmental funds* - Most of the District's basic services are included in governmental funds. Governmental fund financial statements focus on near-term inflows of cash and other financial assets that can readily be converted to cash, as well as 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, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. A reconciliation is provided to facilitate a comparison between governmental fund financial statements and government-wide financial statements.

*Proprietary funds* - The District maintains two proprietary funds, both internal service funds, which accumulate and allocate costs internally among the District's various functions. The District's internal service funds are used to account for the District's postemployment benefits and health insurance benefits. Because these services predominately benefit the governmental function, they have been included in the governmental activities in the government-wide financial statements.

*Fiduciary funds* - The District is the trustee, or fiduciary, for assets that belong to others, such as the employee insurance and employee flex benefit plan. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the government-wide financial statements because the District cannot use these assets to finance its operation.

### Financial Analysis of the District as a Whole

Net position may serve over time as a useful indicator of a district's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources as of June 30, 2021.

# Independent School District No. 709

## Management's Discussion and Analysis Year Ended June 30, 2021

### Statement of Net Position June 30,

	2021	2020
Capital assets	\$ 277,504,097	\$ 284,001,433
Current and other assets	100,630,447	74,305,663
<b>Total assets</b>	<b>378,134,544</b>	<b>358,307,096</b>
Deferred Outflows of Resources	34,379,888	59,247,614
Long-term liabilities	302,137,212	292,747,476
Other liabilities	20,992,052	23,419,538
<b>Total liabilities</b>	<b>323,129,264</b>	<b>316,167,014</b>
Deferred Inflows of Resources	101,000,166	128,762,620
Net position		
Net investment in capital assets	65,503,070	226,220,636
Restricted	26,155,945	5,292,559
Unrestricted (deficit)	(103,274,013)	(258,888,119)
<b>Total net position (deficit)</b>	<b>\$ (11,614,998)</b>	<b>\$ (27,374,924)</b>

### Change in Net Position For the Years Ended June 30,

	2021	2020
Revenues		
Program revenues		
Charges for service	\$ 4,839,832	\$ 5,979,285
Operating grants and contributions	17,159,407	37,174,478
Capital grants and contributions		
General revenues		
Property taxes	38,289,828	38,966,533
State aids	91,038,436	71,537,909
Other	35,238	1,194,654
<b>Total revenues</b>	<b>151,362,741</b>	<b>154,852,859</b>

# Independent School District No. 709

## Management's Discussion and Analysis Year Ended June 30, 2021

Change in Net Position (Continued) For the Years Ended June 30,		
	2021	2020
<b>Expenses</b>		
District and school administration	5,676,011	5,739,727
District support services	8,180,796	5,093,589
Regular instruction	50,341,217	52,055,114
Vocational instruction	1,290,460	1,683,720
Exceptional instruction	23,929,868	28,146,414
Instructional support services	4,486,209	5,784,985
Pupil support services	8,963,434	10,472,260
Sites, buildings and equipment	17,001,411	15,983,351
Food service	3,009,046	4,206,337
Community service	7,154,987	8,457,215
Interest and fiscal charges on long-term debt	3,304,720	7,057,695
Fiscal and other fixed cost programs	2,264,656	164,789
<b>Total expenses</b>	<b>135,602,815</b>	<b>144,845,196</b>
Change in net position	15,759,926	10,007,663
Beginning of year net position	(27,374,924)	(37,382,587)
End of year net position (deficit)	\$ (11,614,998)	\$ (27,374,924)

### Financial Analysis of the District's Funds

While the government-wide presentations are designed to present users with a more complete picture of the District's financial position and results of operation, the traditional fund accounting basis provides users with information that can be used by the District to make decisions in the near-term.

### General Fund Budgetary Highlights

The General Fund (which includes the District's general, transportation and capital funds) adopted an original revenue and other financing sources budget of \$115,391,101, which was revised to \$121,835,218. Actual revenues were \$1,598,534 under budget or 1.3%.

The General Fund adopted an original expenditure budget of \$114,059,336, which was revised to \$120,575,045, to account for construction projects and the additional costs associated with the Covid Pandemic. In the end, expenditures were \$9,791,307 under budget due to timing issues of projects and supply chain related to capital planning, some unfilled staff positions, and the effects of new Federal Funds. A portion of these funds are required to be in reserved fund balances.

While the District's final budget for the General Fund anticipated that expenditures and other financing uses would exceed revenues and other financing sources by \$74,904, the actual results for the year showed expenditures and other financing uses exceeded revenues and other financing sources by \$121,141.

- Revenues and other financing sources were \$15,531 under budget due to the District not being able to use all of the COVID money it planned, netted against the conservative state and federal aid budgets.
- Expenditures were \$910,850 less than anticipated due to the effects of COVID and distance learning. In addition, capital projects were put off until after the fiscal year end.

## Management's Discussion and Analysis Year Ended June 30, 2021

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### Capital Asset and Debt Administration

#### Capital Assets

By the end of fiscal year 2021, the District had invested \$365,944,175 in capital assets, including school buildings and technology equipment. Total depreciation expense for the year was \$7,390,742. More detailed information about the District's capital assets is presented in Note 3 to the financial statements.

#### Debt Administration

At June 30, 2021, the District had \$183,538,184 in general obligation bonds, certificates of participation, and capital lease obligations outstanding. The District's debt rating from the State of Minnesota Credit Enhancement Program is Aa2. Under current state statutes, the District's general obligation bonded debt issuances are subject to a legal limitation of 10 percent of the fair market value of property in the District. The District is within its legal authority for bonded debt.

The District also had \$106,312,141 in compensated absences, severance benefits, postemployment health benefits payable, and net pension liability at June 30, 2021.

More detailed information about the District's long-term liabilities is presented in Notes 4, 5 and 9 to the financial statements.

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

Duluth Public Schools has been working with the District's financial advisors to utilize bonding in relation to the Long-Term Facilities Maintenance (LTFM) 10-year planning. This structure is allowing for more stability in funding and providing flexibility in completing projects.

#### Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors 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 questions about this report or need additional financial information contact the Business Office, Independent School District #709, 4316 Rice Lake Road, Suite 108, Duluth, MN 55811 or call Simone Zunich, Finance Manager, (218) 336-8700.

## Government-Wide Financial Statements

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Draft

# Independent School District No. 709

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## Statement of Net Position (Deficit)

June 30, 2021

	Governmental Activities
<b>Assets and Deferred Outflows of Resources</b>	
Current assets	
Cash and temporary cash investments	\$ 63,130,276
Current property taxes receivable	22,064,032
Delinquent property taxes receivable	2,042,250
Accounts receivable	206,933
Interest receivable	62
Due from other Minnesota school districts	1,195,519
Due from the Minnesota Department of Education	8,942,251
Due from the federal government through the Minnesota Department of Education	2,756,315
Due from other governmental units	44,240
Inventory	133,936
Prepaid items	114,633
<b>Total current assets</b>	<b>100,630,447</b>
Capital assets, net of depreciation	
Assets not being depreciated	9,914,335
Assets being depreciated, net	267,589,762
<b>Total capital assets, net of depreciation</b>	<b>277,504,097</b>
<b>Total assets</b>	<b>378,134,544</b>
Deferred outflows of resources	
Items related to OPEB	751,740
Items related to pension plans	33,628,148
<b>Total deferred inflows of resources</b>	<b>34,379,888</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 412,514,432</b>

# Independent School District No. 709

45

## Statement of Net Position (Deficit) (Continued)

June 30, 2021

	Governmental Activities
<b>Liabilities, Deferred Inflows of Resources, and Net Position</b>	
Current liabilities	
Salaries payable	\$ 7,582,721
Accounts payable	2,592,581
Accrued interest payable	5,256,144
Due to other Minnesota school districts	83,688
Due to other governments	11
Accrued expenses	5,151,911
Claims payable	21,420
Unearned revenue	303,576
Current portion of long-term liabilities	32,837,598
<b>Total current liabilities</b>	<b>53,829,650</b>
<b>Long-term liabilities</b>	<b>269,299,614</b>
<b>Total liabilities</b>	<b>323,129,264</b>
Deferred inflows of resources	
Property taxes levied for subsequent year's expenditures	39,280,641
Items related to OPEB	1,452,882
Items related to pension plans	60,266,643
<b>Total deferred inflows of resources</b>	<b>101,000,166</b>
Net position (deficit)	
Net investment in capital assets	65,503,070
Restricted	26,155,945
Unrestricted (deficit)	(103,274,013)
<b>Total net position (deficit)</b>	<b>(11,614,998)</b>
<b>Total liabilities, deferred inflow of resources, and net position (deficit)</b>	<b>\$ 412,514,432</b>

See accompanying notes to financial statements.

# Independent School District No. 709

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## Statement of Activities

For the Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
<b>Governmental activities</b>					
District and school administration	\$ 5,676,011				\$ (5,676,011)
District support services	8,180,796				(8,180,796)
Regular instruction	50,341,217	1,693,941	7,804,278		(40,842,998)
Vocational instruction	1,290,460		150,082		(1,140,378)
Exceptional instruction	23,929,868		2,201,207		(21,728,661)
Instructional support services	4,486,209	145,195	1,800,987		(2,540,027)
Pupil support services	8,963,434		600,329		(8,363,105)
Sites, buildings and equipment	17,001,411				(17,001,411)
Food service	3,009,046				(3,009,046)
Community service	7,154,987	3,000,696	4,602,524		448,233
Interest and fiscal charges on long-term debt	3,304,720				(3,304,720)
Fiscal and other fixed cost programs	2,264,656				(2,264,656)
Unallocated depreciation expense					
<b>Total governmental activities</b>	<b>\$ 135,602,815</b>	<b>\$ 4,839,832</b>	<b>\$ 17,159,407</b>	<b>\$</b>	<b>(113,603,576)</b>
<b>General revenues</b>					
<b>Taxes</b>					
					17,282,713
					990,279
					20,016,836
					91,038,436
					16,529
					18,709
					<b>129,363,502</b>
Change in net position					15,759,926
Net position (deficit), beginning of the year					(27,374,924)
<b>Net position (deficit), end of the year</b>				<b>\$</b>	<b>(11,614,998)</b>

See accompanying notes to financial statements.

# Independent School District No. 709

47

## Governmental Funds – Balance Sheet

June 30, 2021

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and temporary investments	\$ 26,260,066	\$ 9	\$ 33,264,162	\$ 2,983,398	\$ 62,507,635
Current property taxes receivable	10,611,540		10,935,081	517,411	22,064,032
Delinquent property taxes receivable	864,078		1,131,098	47,074	2,042,250
Accounts receivable	200,125			5,668	205,793
Interest receivable	62				62
Due from other Minnesota school districts	1,195,519				1,195,519
Due from the Minnesota Department of Education	8,380,948		224,843	336,460	8,942,251
Due from the federal government through the Minnesota Department of Education	2,274,812			481,503	2,756,315
Due from other governmental units	44,240				44,240
Due from other funds	979,471				979,471
Inventory	26,473			107,463	133,936
Prepaid expenses	111,202			3,431	114,633
<b>Total assets</b>	<b>\$ 50,948,536</b>	<b>\$ 9</b>	<b>\$ 45,555,184</b>	<b>\$ 4,482,408</b>	<b>\$ 100,986,137</b>
<b>Liabilities</b>					
Salaries payable	\$ 7,102,861	\$	\$	\$ 479,860	\$ 7,582,721
Accounts payable	1,840,884	651,552		33,814	2,526,250
Due to other Minnesota school districts	83,688				83,688
Due to other governments	11				11
Due to other funds		979,471			979,471
Accrued expenses	4,770,243			381,668	5,151,911
Unearned revenue	255,763			21,378	277,141
<b>Total liabilities</b>	<b>14,053,450</b>	<b>1,631,023</b>		<b>916,720</b>	<b>16,601,193</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - delinquent property taxes	864,078		1,131,098	47,074	2,042,250
Property taxes levied for subsequent year's expenditures	16,356,884		21,883,771	1,039,986	39,280,641
<b>Total deferred inflows of resources</b>	<b>17,220,962</b>		<b>23,014,869</b>	<b>1,087,060</b>	<b>41,322,891</b>
<b>Fund balances</b>					
Nonspendable	413,962			121,899	535,861
Restricted	5,280,063	10	22,540,315	2,356,729	30,177,117
Assigned	10,090,319				10,090,319
Unassigned	3,889,780	(1,631,024)			2,258,756
<b>Total fund balances</b>	<b>19,674,124</b>	<b>(1,631,014)</b>	<b>22,540,315</b>	<b>2,478,628</b>	<b>43,062,053</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 50,948,536</b>	<b>\$ 9</b>	<b>\$ 45,555,184</b>	<b>\$ 4,482,408</b>	<b>\$ 100,986,137</b>

See accompanying notes to financial statements.

# Independent School District No. 709

48

## Governmental Funds – Reconciliation of the Balance Sheet to the Statement of Net Position (Deficit)

June 30, 2021

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Total fund balances - governmental funds	\$ 43,062,053
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Amounts reported for governmental activities in the statement of activities are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Cost of capital assets	365,944,715
Less accumulated depreciation	(88,440,618)

Long-term liabilities, including bonds, capital leases payable, compensated absences, and severance benefits, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of net position.

General obligation bonds	(33,390,000)
Certificates of participation	(149,989,081)
Capital leases	(159,103)
Compensated absences	(457,109)
Severance benefits	(14,355,531)
Unamortized bond premium and discounts	(12,286,887)

Other postemployment benefits and the deferred outflows of resources and deferred inflows of resources related to OPEB are only reported in the statement of net position.

Total OPEB liability	(16,683,844)
Deferred outflows of resources related to OPEB	751,740
Deferred inflows of resources related to OPEB	(1,452,882)

The net pension liability and the deferred outflows of resources and inflow of resources of resources related to pensions are only reported in the statement of net position.

Net pension liability	(74,815,657)
Deferred outflows of resources related to pensions	33,628,148
Deferred inflows of resources related to pensions	(60,266,643)

Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.

2,042,250

Governmental funds do not report a liability for accrued interest until due and payable.

(5,256,144)

An internal service fund is used by management to charge the costs of OPEB to individual funds. These assets and liabilities of the internal service fund are included in the statement of net position.

509,595

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Total net position (deficit) - governmental activities	\$ (11,614,998)
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See accompanying notes to financial statements.

# Independent School District No. 709

49

## Governmental Funds – Statement of Revenues, Expenditures, and Changes in Fund Balances For the Year Ended June 30, 2021

	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Local property tax levies	\$ 17,180,294	\$	\$ 19,965,769	\$ 1,002,863	\$ 38,148,926
Other local and county revenues	3,233,643			1,068,177	4,301,820
Revenue from state sources	86,251,788		2,248,427	2,538,220	91,038,435
Revenue from federal sources	11,617,839			5,477,147	17,094,986
Sales and other conversion of assets	560,412			42,021	602,433
Interest income	18,702		7		18,709
<b>Total revenues</b>	<b>118,862,678</b>		<b>22,214,203</b>	<b>10,128,428</b>	<b>151,205,309</b>
<b>Expenditures</b>					
<b>Current</b>					
District and school administration	5,634,874				5,634,874
District support services	8,013,530				8,013,530
Regular instruction	44,164,568				44,164,568
Vocational instruction	1,235,517				1,235,517
Exceptional instruction	23,924,613				23,924,613
Community education and services				7,108,580	7,108,580
Instructional support services	4,483,337				4,483,337
Pupil support services	8,711,197			2,992,832	11,704,029
Site, buildings, and equipment	8,190,499	783			8,191,282
Fiscal and other fixed cost programs	2,264,656				2,264,656
<b>Debt service</b>					
Principal	1,695,052		15,036,344		16,731,396
Interest and other fiscal costs	1,214,379		6,796,747		8,011,126
Capital outlay	1,255,621	1,630,240		60,631	2,946,492
<b>Total expenditures</b>	<b>110,787,843</b>	<b>1,631,023</b>	<b>21,833,091</b>	<b>10,162,043</b>	<b>144,414,000</b>
Excess (deficiency) of revenues over expenditures	8,074,835	(1,631,023)	381,112	(33,615)	6,791,309
<b>Other financing sources (uses)</b>					
Issuance of debt	5,070,000		18,385,000		23,455,000
Premium on the issuance of debt	16,528				16,528
Payment to refunding escrow agent	(4,965,387)				(4,965,387)
<b>Total other financing sources</b>	<b>121,141</b>		<b>18,385,000</b>		<b>18,506,141</b>
Net change in fund balance	8,195,976	(1,631,023)	18,766,112	(33,615)	25,297,450
Fund balances, beginning	11,478,148	9	3,774,203	2,512,243	17,764,603
<b>Fund balances, ending</b>	<b>\$ 19,674,124</b>	<b>\$ (1,631,014)</b>	<b>\$ 22,540,315</b>	<b>\$ 2,478,628</b>	<b>\$ 43,062,053</b>

See accompanying notes to financial statements.

## General Fund – Statement of Revenues, Expenditures, and Change in Fund Balance – Budget and Actual

For the Year Ended June 30, 2021

Total net changes in fund balances - governmental funds	\$ 25,297,450
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However in the statement of activities, the costs of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlays	942,283
Depreciation expense	(7,390,742)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities a gain or (loss) is reported for each disposal.	
Loss from disposal of capital assets	(48,877)
The issuance of long-term debt provides current financial resources to governmental funds but increase long-term liabilities in the statement of net position.	
Certificates of participation	(23,455,000)
Premium on issuance of bonds	(16,528)
Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	
Principal payments on general obligations bonds	4,735,000
Principal payments on certificates of participation	16,811,344
Principal payments on capital leases	149,480
Issuance of bond discount	841,475
Amortization of bond premiums/discounts	1,709,963
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	
	2,172,455
Vested employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year.	
Change in total OPEB liability	(783,579)
Change in deferred outflows of resources related to OPEB	(1,119,853)
Change in deferred inflows of resources related to OPEB	231,587
Change in severance benefits	312,849
Change in compensated absences	39,908
Change in net pension liability	(9,237,632)
Change in deferred outflows of resources related to pensions	(23,747,873)
Change in deferred inflows of resources related to pensions	28,043,895
Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditure, and therefore are deferred in the funds.	
	140,903
The net income of the internal service fund is reported in the statement of activities.	131,417
<b>Change in net position - governmental activities</b>	<b>\$ 15,759,925</b>

# Independent School District No. 709

## General Fund – Statement of Revenues, Expenditures, and Change in Fund Balance – Budget and Actual

For the Year Ended June 30, 2021

	Budget		Actual	Variance Over (Under)
	Original	Final		
<b>Revenues</b>				
Local property tax levies	\$ 17,874,756	\$ 17,874,756	\$ 17,180,294	\$ (694,462)
Other local and county revenues	4,146,141	4,068,394	3,233,643	(834,751)
Revenue from state sources	83,810,728	83,007,824	86,251,788	3,243,964
Revenue from federal sources	5,878,574	13,203,342	11,617,839	(1,585,503)
Sales and other conversion of assets	656,938	656,938	560,412	(96,526)
Interest income	351,630	351,630	18,702	(332,928)
<b>Total revenues</b>	<b>112,718,767</b>	<b>119,162,884</b>	<b>118,862,678</b>	<b>(300,206)</b>
<b>Expenditures</b>				
<b>Current</b>				
District and school administration	5,522,316	5,933,293	5,634,874	(298,419)
District support services	5,821,487	8,665,486	8,013,530	(651,956)
Regular instruction	47,016,657	50,398,251	44,164,568	(6,233,683)
Vocational instruction	1,508,536	1,368,080	1,235,517	(132,563)
Exceptional instruction	24,503,703	24,501,203	23,924,613	(576,590)
Instructional support services	3,607,140	3,792,982	4,483,337	690,355
Pupil support services	8,962,496	8,294,970	8,711,197	416,227
Site, buildings, and equipment	8,596,611	9,439,821	8,190,499	(1,249,322)
Fiscal and other fixed cost programs	3,363,554	3,363,554	2,264,656	(1,098,898)
<b>Debt service</b>				
Principal	1,550,000	1,612,000	1,695,052	83,052
Interest and other fiscal costs	1,122,334	1,122,334	1,214,379	92,045
Capital outlay	2,484,502	2,083,071	1,255,621	(827,450)
<b>Total expenditures</b>	<b>114,059,336</b>	<b>120,575,045</b>	<b>110,787,843</b>	<b>(9,787,202)</b>
Excess (deficiency) of revenues over expenditures	(1,340,569)	(1,412,161)	8,074,835	9,486,996
<b>Other financing sources (uses)</b>				
Transfers in	2,672,334	2,672,334	2,672,334	
Transfers out	(2,672,334)	(2,672,334)	(2,672,334)	
Issuance of debt			5,070,000	5,070,000
Premium on the issuance of debt			16,528	16,528
Payment to refunding escrow agent			(4,965,387)	(4,965,387)
<b>Total other financing sources (uses)</b>			<b>121,141</b>	<b>121,141</b>
Net change in fund balance	(1,340,569)	(1,412,161)	8,195,976	9,608,137
Fund balance, beginning	11,478,148	11,478,148	11,478,148	
<b>Fund balance, ending</b>	<b>\$ 10,137,579</b>	<b>\$ 10,065,987</b>	<b>\$ 19,674,124</b>	<b>\$ 9,608,137</b>

See accompanying notes to financial statements.

# Independent School District No. 709

## Proprietary Funds – Internal Service Funds - Statement of Net Position

June 30, 2021

	Dental Insurance Fund
<b>Assets</b>	
Cash and temporary cash investments	\$ 622,641
Accounts receivable	1,140
<b>Total assets</b>	<b>\$ 623,781</b>
<b>Liabilities</b>	
Accounts payable	\$ 66,331
Claims payable	21,420
Unearned revenue	26,435
<b>Total liabilities</b>	<b>114,186</b>
<b>Net position</b>	
Unrestricted	509,595
<b>Total net position</b>	<b>509,595</b>
<b>Total liabilities and net position</b>	<b>\$ 623,781</b>

See accompanying notes to financial statements.

# Independent School District No. 709

## Proprietary Funds – Internal Service Funds - Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2021

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	Dental Plan Fund
Operating revenues	
Charges for premiums, net of refunds	\$ 828,127
Contributions from employees and retirees	
<b>Total operating revenues</b>	<b>828,127</b>
Operating expenses	
Dental care benefits/claims	634,776
Administrative costs	61,934
<b>Total operating expenses</b>	<b>696,710</b>
Operating income	131,417
Net position, beginning of year	378,178
<b>Net position, end of year</b>	<b>\$ 509,595</b>

See accompanying notes to financial statements.

Draft

# Independent School District No. 709

## Proprietary Funds – Internal Service Funds - Statement of Cash Flows

For the Year Ended June 30, 2021

	Dental Plan Fund
Cash flows from operating activities	
Contributions from the District and employees	\$ 767,370
Receipts from retirees and employees	
Payments for health care premiums	(770,591)
Payments for administrative costs	(61,934)
Net cash used in operating activities	(65,155)
Cash, beginning of year	687,796
Cash, end of year	\$ 622,641
Reconciliation of operating loss to net cash used in operating activities	
Operating income (loss)	\$ 131,417
Change in assets and liabilities	
Accounts receivable	(685)
Accounts payable	66,331
Claims payable	(202,146)
Unearned revenue	(60,072)
Net cash used in operating activities	\$ (65,155)

See accompanying notes to financial statements.

# Independent School District No. 709

## Fiduciary Funds – Statement of Fiduciary Net Position

June 30, 2021

	Federal Employee Benefit Trust Fund	Private- Purpose Fund
<b>Assets</b>		
Cash and temporary investments	\$ 211,322	\$
Investments	1,053,791	139,455
<b>Total assets</b>	<b>\$ 1,265,113</b>	<b>\$ 139,455</b>
<b>Liabilities</b>		
	\$	\$
<b>Net position</b>		
Restricted for endowment		120,127
Restricted for clock tower		19,328
Restricted for retirees	1,265,113	
<b>Total net position</b>	<b>1,265,113</b>	<b>139,455</b>
<b>Total liabilities and net position</b>	<b>\$ 1,265,113</b>	<b>\$ 139,455</b>

See accompanying notes to financial statements.

Draft

# Independent School District No. 709

## Fiduciary Funds – Statement of Changes in Fiduciary Net Position

For the Year Ended June 30, 2021

	Federal Employee Benefit Trust Fund	Private- Purpose Fund
<b>Additions</b>		
Contributions	\$ 211,322	\$
Interest	703	43
<b>Total additions</b>	<b>212,025</b>	<b>43</b>
<b>Deductions</b>		
Benefits paid	250,000	
Pupil support services		
<b>Total deductions</b>	<b>250,000</b>	
<b>Change in net position</b>	<b>(37,975)</b>	<b>43</b>
<b>Net position</b>		
Beginning of year	1,303,088	139,412
<b>End of year</b>	<b>\$ 1,265,113</b>	<b>\$ 139,455</b>

See accompanying notes to financial statements.

Draft

## Notes to Financial Statements

For the Year Ended June 30, 2021

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### Note 1 Summary of Significant Accounting Policies

Independent School District No. 709 (District) was formed and operates pursuant to applicable Minnesota laws and statutes. The Governing Body consists of a seven-member Board elected by voters of the District. Members are elected for four-year terms. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard setting board for establishing governmental accounting and financial reporting principles.

#### Reporting Entity

The District's financial statements include all funds, departments, agencies, boards, commissions, and other component units for which the District is considered to be financially accountable or for which the exclusion of would render the financial statements to be misleading. The District has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that the exclusion would cause the District's financial statements to be misleading or incomplete. Based on criteria established by the Governmental Accounting Standards Board, there are no organizations considered to be component units of the District.

#### Basic Financial Statement Presentation

The government-wide financial statements (i.e. the statement of net position and the 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 funds are only reported in the statement of fiduciary net position at the fund financial statement level.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 items not properly included among program revenues are reported instead as general revenues.

The District applies restricted resources first when an expense is incurred for the purpose for which both restricted and unrestricted net position is available. Depreciation expense that can be specifically identified by function and is included in the direct expenses of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities. Generally, the effect of material inter-fund activity has been removed from the government-wide financial statements.

Separate fund financial statements are provided for governmental, proprietary and fiduciary funds. Major individual governmental funds are reported as a separate column in the fund financial statements. Aggregated information for the remaining non-major governmental funds is reported in a single column in the fund financial statements.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's internal service fund is charges to customers for service. Operating expenses for the internal service funds include the cost of services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The fiduciary funds are presented in the fiduciary fund financial statements by type (benefit trust and private trust). Since by definition these assets are being held for the benefit of a third party (employees and donors) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

#### **Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied is determined by its measurement focus and basis of accounting. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are generally recognized as revenues in the fiscal year for which they are levied, except for amounts recognized in advanced 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.

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:

1. 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. Property tax revenue is generally considered as available if collected within 60 days after year-end. State revenue is recognized in the year in which it applies according to Minnesota Statutes. Minnesota Statutes include state aid funding formulas for specific fiscal years. Federal revenue is recorded in the year in which the related expenditure is made. Other revenue is considered available if collected within one year.
2. Recording of Expenditures - Expenditures are generally recorded when a liability is incurred. However, expenditures are recorded as prepaid for approved disbursements or liabilities incurred in advance of the year in which the item is to be used. Principal and interest on long-term debt issues are recognized on their due dates.

Proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The District's internal service fund is used to account for the revocable trust fund established to provide funds needed for future OPEB obligations for employees and retirees.

A general summary of the nature and purpose of each of the funds maintained by the District follows:

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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

#### Major Governmental Funds

**General Fund** - This fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. The general fund accounts for administration, early childhood special education through 12th grade instruction, transporting students to and from school, maintenance of facilities, equipment purchases and maintenance and capital projects.

**Capital Projects Fund** - The Capital Projects Fund is used to account for financial resources used in the acquisition and construction of major capital facilities.

**Debt Service Fund** - The Debt Service Fund accounts for the accumulation of resources for the retirement of principal and interest on all general obligation bond indebtedness, other than the District's OPEB bonds. Assets of the Debt Service Fund are restricted to the payment of bond principal and interest.

#### Nonmajor Governmental Funds

**Special Revenue Funds** - These funds are used to account for the proceeds of specific revenue sources that are restricted by law or administrative action to expenditure for specified purposes. The District's has two special revenue funds:

**Food Service Fund** - is used to account for food service revenues and expenditures. Revenues consist of state and federal aids, grants, and sales to pupils and adults.

**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, K-6 extended day programs, or other similar services. Revenues consist of state and federal aids, grants, and program participant fees.

#### Proprietary Funds

**Dental Insurance Fund** - This internal service fund is used to account for dental benefits for employees who are covered by the self-insured plan of the District.

#### Fiduciary Funds

**Private Purpose Trust Fund** - These funds are used to account for specific purposes that were defined by the individual that gave the funds. The District includes the Miller Memorial Playground endowment and the Clock Tower endowment as Private Purpose Trust Funds.

**Federal Employee Benefit Trust Fund** - These funds are used to account for employees' severance for federally funded programs.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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

#### Budgeting

Formal budgetary accounting is employed as a management control for all funds of the District. For each fund for which a formal budget is adopted, the budget is prepared on the same basis of accounting as the fund financial statements. The budget is adopted through passage of a resolution. The School Board must approve revisions. Legal budgetary control is at the fund account level. The annual budget is not legally binding on the District unless the District has a total deficit in its general fund, which exceeds 2.5 percent of expenditures.

#### Cash and Temporary Investments

Cash and investments of the individual funds are combined to form a pool, except for fiduciary funds, and are invested to the extent available in various securities as authorized by state law. Investments in state and local government securities are recorded at fair value, based on quoted market price. Negotiable certificates of deposit are recorded at cost, which approximates fair value. Money market accounts and investments in external investment pools are recorded at fair value, based on the fair value of the position in the pool. Earnings from the pooled investments are distributed between the funds based on their prorated portion of monthly cash balances.

The District considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

#### Receivables

All receivables are shown net of any allowance for uncollectible amounts. No allowances for uncollectibles have been recorded. The only receivables not expected to be collected within one year are delinquent property taxes receivable.

#### Inventory

General Fund inventory includes instructional and other materials held in the central storeroom. Inventory in the Food Service Fund consists of food and supplies. The General Fund central storeroom inventory is priced using the weighted average method. All inventories are accounted for using the consumption method. Under the consumption method, expenditures are recognized when inventory is used rather than when purchased. Food and supplies are valued at cost on a first-in, first-out basis.

#### Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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

#### Property Taxes

Property taxes are set by the school board and certified to the county auditor who acts as collecting agent, in December of the year prior to collection. Taxes become a lien on property on the following January 1. Minnesota school districts operate under a levy limitation law that generally limits annual increases in taxes per capita. This law does not cover levies for bonded indebtedness.

Real property taxes may be paid by taxpayers in two equal installments on May 15 and October 15. Personal property taxes may be paid on February 28 and June 30. The county provides tax settlements to school districts and other taxing districts in January, March, June, and November or December. Portions of the tax levy paid by the state in the form of credits are included in revenue from state sources.

Generally, tax revenue is recognized in the fiscal year ending June 30, following the calendar year in which the tax levy is collectible, while the current calendar year tax levy is recorded as a deferred inflow of resources (property taxes levied for subsequent year). General fund revenue is determined annually by statutory funding formulas. These formulas allocate revenue between property taxes and state aids based on education funding priorities set by the Minnesota State Legislature. Changes in this allocation result in an annual change in property tax revenue recognition referred to as the “tax shift”. In prior years, the amount of shift has varied between 0 and 50 percent.

The following is a summary of tax shift transactions by fund:

	(0.0%) Total Shift June 30, 2020	State Aid Adjustment	Revenue Adjustment	(0.0%) Total Shift June 30, 2021
General Fund	\$ 1,322,033	\$	\$ 60,330	\$ 1,382,363

Taxes that remain unpaid are classified as delinquent taxes receivable. Revenue from these delinquent property taxes that is not collected within 60 days of year-end is reported as a deferred inflow of resources in the fund based financial statements (unavailable revenue – delinquent taxes) because it is not available to finance the operations of the District in the current year. No allowance for uncollectible taxes is considered necessary.

#### Capital Assets

Capital assets are recorded at historical cost if purchased, or estimated historical cost for assets where actual historical cost is not available, based on an appraisal performed as of June 30, 2003. Donated assets are recorded as capital assets at their estimated acquisition value at the date of donation. The District maintains a threshold level of \$5,000 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.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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

Capital assets are reported 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, ranging from five to fifty years.

Capital assets not being depreciated include land and construction in progress.

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.

#### Unearned Revenue

Unearned revenue results when asset recognition criteria have been met, but revenue recognition criteria have not been met. The balance consists primarily of revenue that will be recognized based on future expenditures.

#### Deferred Outflows/Inflows 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 reported deferred outflows of resources related to pensions for its proportionate shares of collective deferred outflows of resources related to pensions and the District's contributions to pension plans subsequent to the measurement date of the collective net pension liability. The District has also reported deferred outflows of resources related to OPEB for the changes of assumption and the District's contributions subsequent to the measurement date of the total OPEB liability.

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 reported unavailable revenue from delinquent property taxes, which arises only under a modified accrual basis of accounting, in the governmental funds balance sheet. The District has also reported property taxes levied for subsequent years expenditures as a deferred inflow of resources in both the governmental funds balance sheet and the statement of net position. The District has also reported deferred inflows of resources for its proportionate share of the collective deferred inflows of resources related to pensions. The District has also reported deferred inflows of resources related to OPEB for the difference between expected and actual liability and changes in assumptions.

#### 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 effective interest method. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

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.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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

#### Compensated Absences

Vacation granted and sick pay earned is based on length of service and various bargaining unit contracts. A liability is recorded for earned but unpaid vacation. Unused sick leave enters into the calculation of severance payments for some employees upon termination.

#### Severance Benefits

Upon retirement, some District employees are entitled to a severance amount based on accumulated unused sick leave, age, years of service and wage rate at the date of retirement, as established by contracts with bargaining units or other employment contracts. These contracts establish the terms and amounts each retiree is eligible to receive and establish when this severance benefit vests, all of which may differ between each bargaining unit and employee group. In the fund financial statements, a liability is recorded for severance pay when the employee retires. In the government-wide financial statements, a liability is recorded for severance pay at the time the employee becomes eligible for retirement.

#### Pensions

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

TRA has a special funding situation created by direct aid contributions made by the State of Minnesota, City of Minneapolis and Minneapolis School District. The direct aid is a result of the merger of the Minneapolis Teachers Retirement Fund Association 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 8.

#### Other Postemployment Benefits (OPEB)

The District provides postemployment health insurance benefits to some retired employees as established by contracts with bargaining units or other employment contracts. These contracts state the years, age and retiring dates needed to qualify for these postemployment benefits. The contracts also establish the amount the District will contribute towards the purchase of health insurance.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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

#### Fund Balance

In the fund financial statements, governmental funds report fund balance amounts within one of the following categories: nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance consists of amounts that cannot be spent because it is not in spendable form. Restricted fund balance consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions. Committed fund balance consists of amounts that are constrained for specific purposes that are internally imposed by a formal action of the School Board. Assigned fund balance consists of amounts intended to be used for specific purposes but do not meet the criteria to be classified as restricted or committed.

The District applies restricted resources first when an expense is incurred for the purpose for which both restricted and unrestricted fund balance is available. The portion of the fund balance not nonspendable, restricted, committed or assigned is reported as unassigned fund balance. If resources from more than one fund balance classification could be spent, the District will strive to spend resources in the following order: nonspendable, restricted, committed, assigned and unassigned.

In accordance with the District's fund balance policy, 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 and the District's management is authorized to assign fund balance to a specific purpose.

The District strives to maintain a minimum unassigned General Fund fund balance equal to 8 percent of the annual expenditures budget. At June 30, 2021, the District had met the minimum fund balance goal.

#### Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, in the government-wide, proprietary and fiduciary fund financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

#### Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States 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. Estimates also affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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

#### Subsequent Events

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through REPORT DATE, the date the financial statements were available to be issued. There were no subsequent events identified by the District that are required to be disclosed.

### Note 2 Deposits and Investments

#### Deposits

In accordance with Minnesota Statutes, the District maintains deposits at those depositories authorized by the School Board. Such depositories are members of the Federal Reserve System.

Minnesota Statutes require that all District deposits be protected by insurance, surety bond, or collateral. Authorized collateral includes certain notes secured by first mortgages; obligations that are legally authorized investments for debt service funds and certain state or local government obligations. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the District Treasurer or in a financial institution other than that furnishing collateral. The market value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds.

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a financial institution failure, the District's deposits may not be returned to it. The District requires collateral for deposits over FDIC insurance amounts. At June 30, 2021, the District's deposits were not exposed to custodial credit risk.

#### Investments

The District may also invest idle funds as authorized by Minnesota statutes, as follows: direct obligations or obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 and receives the highest credit rating, is rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of thirteen months or less; general obligations rated "A" or better; revenue obligations rated "AA" or better, general obligations of the Minnesota Housing Finance Agency rated "A" or better; bankers' acceptances of United States' bank eligible for purchase by the Federal Reserve System; commercial paper issued by United States' corporations or their Canadian subsidiaries, of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; time deposits fully insured by U.S. banks; guaranteed investment contracts guaranteed by a United States commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.

The Minnesota School District Liquid Asset Fund (MSDLAF) and MN Trust are regulated by Minnesota Statutes and are external investment pools not registered with the Securities and Exchange Commission (SEC). The District's investment in MSDLAF and MN Trust are measured at net asset value per share provided by the pool, which is based on an amortized cost method that approximates fair value. MSDLAF and MN Trust are short-term money market portfolios. The portfolios are managed to maintain a dollar-weighted average

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 2 Deposits and Investments (Continued)

portfolio maturity of no greater than 60 days and seeks to maintain a constant net asset value (NAV) per share of \$1.00.

Interest rate risk - Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The District had the following investments at June 30, 2021:

	Fair Value	Maturities		
		Less than 1 Year	1-3 Years	Over 3 Years
Money Market Funds	\$ 57,122	\$ 57,122	\$	\$
Mutual Funds				
External Investments Pools	43,603,035	43,603,035		
U.S. Treasury Note	18,056,573	18,056,573		
Negotiable CDs	249,000	249,000		
<b>Total</b>	<b>\$ 61,965,730</b>	<b>\$ 61,965,730</b>	<b>\$</b>	<b>\$</b>

Credit risk - Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State law limits investments as discussed above. The District has no investment policy that would further limit its investment choices.

S&P or Moody's Rating	Fair Value
AAAm	\$ 43,603,035
Not rated	18,362,695
<b>Total</b>	<b>\$ 61,965,730</b>

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 2 Deposits and Investments (Continued)

Concentration of credit risk - The concentration risk is the risk of loss that may be caused by the District's investment in a single issuer. The District places no limit on the amount the District may invest in any one issuer.

Custodial risk - The custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. At June 30, 2021, the District's investments were not exposed to custodial risk.

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs.

The District has the following investments valued at recurring fair value measurements at June 30, 2021:

Investments by fair value level	Fair Value Measurements Using		
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities			
U.S. Treasury Note	\$ 18,056,573	\$ 18,056,573	\$
Negotiable certificates of deposit	249,000	249,000	
Mutual funds	-	-	
<b>Total debt securities/investment by fair value level</b>	<b>18,305,573</b>	<b>\$ 18,305,573</b>	<b>\$</b>
<b>Investments measured at the net asset value (NAV)</b>			
External investment pools	43,603,035		
<b>Other Investments</b>			
Money market funds	57,122		
<b>Total investments</b>	<b>\$ 61,965,730</b>		

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 2 Deposits and Investments (Continued)

The following table sets forth additional disclosures about the District's investments whose value are estimated using net asset value (NAV) as of June 30, 2021:

	Total	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
External Investment Pool - MSDLAF Liquid Class	\$ 6,555,428	\$ 0	On Demand	2 P.M. Eastern Time transaction deadline.
External Investment Pool - MSDLAF MAX Class	\$ 1,124,903	\$ 0	14 days, with the exception of direct investments of funds distributed by the State of Minnesota	24-hour notice
External Investment Pool - MN Trust	\$ 35,922,704	\$ 0	None	None
<b>Total External Pool Investments</b>	<b>\$ 43,603,035</b>			

The District's total cash and investments are as follows:

Petty Cash	\$ 2,405
Deposits	2,566,709
Investments	61,965,730
<b>Total</b>	<b>\$ 64,534,844</b>

Presented in the basic financial statements as follows:

Statement of Net Position	
Cash and temporary investments	\$ 63,130,276
Statement of Fiduciary Net Position	
Private Purpose Trust Fund	
Investments	139,455
Federal Employee Benefit Trust Fund	
Cash and temporary investments	211,322
Investments	1,053,791
<b>Total cash and investments</b>	<b>\$ 64,534,844</b>

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 3 Capital Assets

The following is a summary of capital assets:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets not being depreciated				
Land	\$ 9,922,793	\$	\$ 8,458	\$ 9,914,335
Construction in progress	1,244,380		1,244,380	
<b>Total capital assets not being depreciated</b>	<b>11,167,173</b>		<b>1,252,838</b>	<b>9,914,335</b>
Capital assets being depreciated				
Land improvements	3,490,538			3,490,538
Buildings	342,956,028	1,667,403		344,623,431
Equipment	8,132,383	519,260	735,232	7,916,411
<b>Total capital assets being depreciated</b>	<b>354,578,949</b>	<b>2,186,663</b>	<b>735,232</b>	<b>356,030,380</b>
Less accumulated depreciation				
Land improvements	2,053,452	160,323		2,213,775
Buildings	74,114,081	6,675,686		80,789,767
Equipment	5,577,156	554,733	694,813	5,437,076
<b>Total accumulated depreciation</b>	<b>81,744,689</b>	<b>7,390,742</b>	<b>694,813</b>	<b>88,440,618</b>
<b>Total capital assets being depreciated, net</b>	<b>272,834,260</b>	<b>(5,204,079)</b>	<b>40,419</b>	<b>267,589,762</b>
<b>Capital assets, net</b>	<b>\$ 284,001,433</b>	<b>\$ (5,204,079)</b>	<b>\$ 1,293,257</b>	<b>\$ 277,504,097</b>

Depreciation is charged to governmental functions as follows:

District and school administration	\$ 15,719
District support services	81,749
Regular instruction	11,822
Vocational instruction	13,073
Specialized instruction	5,255
Community education	1,990
Instructional support services	2,872
Pupil support services	225,502
Sites, buildings and equipment	7,032,760
<b>Total</b>	<b>\$ 7,390,742</b>

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 4 Long-Term Obligations

The following is a summary of changes in long-term obligations:

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Current Portion
<b>General Obligation Bonds Payable</b>					
\$44,320,000 General Obligation School Building Refunding Bonds (Series 2015B) due in annual installments of \$30,000 to \$5,135,000, plus interest at 2.00% to 5.00% from August 1, 2015 to February 1, 2028	\$ 36,390,000		\$ (3,880,000)	\$ 32,510,000	\$ 4,075,000
\$3,640,000 Taxable General Obligation Facilities Maintenance Bonds (Series 2017A) due in annual installments of \$690,000 to \$755,000, plus interest at 2.00% to 3.00% from February 1, 2018 to February 1, 2022	1,485,000		(730,000)	755,000	755,000
\$615,000 Taxable General Obligation School Capital Facilities Bonds (Series 2017B) due in annual installments of \$115,000 to \$130,000, plus interest at 2.00% to 3.00% from February 1, 2018 to February 1, 2022	250,000		(125,000)	125,000	125,000
Plus deferred amounts for net premiums	2,138,157		(270,243)	1,867,914	270,243
<b>Total General Obligation Bonds Payable</b>	<b>40,263,157</b>		<b>(5,005,243)</b>	<b>35,257,914</b>	<b>5,225,243</b>

### Certificates of Participation

\$1,605,000 Full-term Non-Refunding Certificates of Participation, Series 2010D due in annual installments of \$90,000 to \$110,000, beginning in 2011 until 2030, plus semi-annual interest at 2.5% to 4.65%.	\$ 910,000		\$ (910,000)	\$ -	\$ -
\$12,800,425 Full-term Capital Appreciation Certificates of Participation, Series 2012A due in annual installments of \$536,344 to \$2,304,404 plus interest at 3.70% to 4.25% beginning in 2021	12,800,425		(536,344)	12,264,081	12,264,081
\$6,340,000 Certificates of Participation, Series 2012B due in annual installments of \$260,000 to \$460,000 plus interest at 3.00% to 5.25% beginning in 2013	4,425,000		(4,425,000)		
\$82,605,000 Full Term Refunding Certificates of Participation, Series 2016A due in annual installments of \$4,470,000 to \$9,900,000 plus interest at 3.00% to 5.00% beginning in 2017	62,515,000		(5,935,000)	56,580,000	6,330,000

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 4 Long-Term Obligations (Continued)

	Balance July 1, 2020	Additions	Reductions	Balance June 30, 2021	Current Portion
\$24,130,000 Refunding Certificates of Participation, Series 2019A due in annual installments of \$1,350,000 to \$2,585,000 plus interest at 3.00% to 4.20% beginning in 2020	22,780,000		(1,175,000)	21,605,000	1,220,000
\$41,715,000 Refunding Certificates of Participation, Series 2019B due in annual installments of \$4,215,000 to \$5,935,000 plus interest at 5.00% beginning in 2020	37,500,000		(3,575,000)	33,925,000	3,860,000
\$2,710,000 Full Term Refunding Certificates of Participation, Series 2019C due in annual installments of \$295,000 to \$350,000 plus interest at 5.00% beginning in 2020	2,415,000		(255,000)	2,160,000	265,000
\$18,385,000 Full Term Refunding Certificates of Participation, Series 2021A due in annual installments of \$1,570,000 to \$4,145,000 plus interest at .71% to 1.72% beginning in 2022		18,385,000		18,385,000	1,570,000
\$5,070,000 Refunding Certificates of Participation, Series 2021B due in annual installments of \$405,000 to \$505,000 plus interest at 2.60% to 3.00% beginning in 2022		5,070,000		5,070,000	
Plus deferred amounts for net premiums/discounts	12,683,640	(824,947)	(1,439,720)	10,418,973	1,495,048
<b>Total Certificates of Participation</b>	<b>156,029,065</b>	<b>22,630,053</b>	<b>(18,251,064)</b>	<b>160,408,054</b>	<b>27,004,129</b>
Capital leases	308,583		(149,480)	159,103	151,117
Compensated absences	497,017		(39,908)	457,109	457,109
Severance benefits	14,668,380	1,428,642	(1,741,491)	14,355,531	
Net pension liability	65,578,025	14,355,702	(5,118,070)	74,815,657	
<b>Total OPEB obligation</b>	<b>15,900,265</b>	<b>2,122,423</b>	<b>(1,338,844)</b>	<b>16,683,844</b>	
<b>Total</b>	<b>\$ 293,244,492</b>	<b>\$ 40,536,820</b>	<b>\$ (31,644,100)</b>	<b>\$ 302,137,212</b>	<b>\$ 32,837,598</b>

General Obligation Bonds and Certificates of Participation are paid from the Debt Service Fund and the General Fund. Capital leases are paid from the General Fund. Compensated absences, severance benefits, OPEB obligations, and net pension liability are paid from the General Fund, Food Service Fund, Community Service Fund or the Federal Employee Benefit Trust Fund.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 4 Long-Term Obligations (Continued)

Annual debt service requirements for years ending June 30 are:

	General Obligation Bonds			Certificates of Participation		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 4,955,000	\$ 1,236,000	\$ 6,191,000	\$ 25,999,080	\$ 11,414,290	\$ 37,413,370
2023	4,275,000	1,005,850	5,280,850	14,545,000	5,053,587	19,598,587
2024	4,490,000	792,100	5,282,100	15,515,000	4,425,957	19,940,957
2025	4,675,000	612,500	5,287,500	17,055,000	3,746,385	20,801,385
2026	4,870,000	425,500	5,295,500	19,625,000	3,008,640	22,633,640
2027 - 2031	10,125,000	457,800	10,582,800	29,515,000	4,214,750	33,729,750
2032 - 2036				27,735,000	1,389,974	29,124,974
<b>Total</b>	<b>\$ 33,390,000</b>	<b>\$ 4,529,750</b>	<b>\$ 37,919,750</b>	<b>\$ 149,989,080</b>	<b>\$ 33,253,583</b>	<b>\$ 183,242,663</b>

### Legal Debt Margin

The District's legal debt limit is 15% of the fair market value of the property within the District. The District's legal debt margin at June 30, 2021 is approximately \$1,073,702,356.

### Note 5 Capital Leases Payable

The District has entered into two capital leases for six (6) copiers. The terms of the leases are for 60 months beginning September 1, 2017 with a monthly payment of \$368.98 and for 60 months beginning February 1, 2019 with a monthly payment of \$344.58. The leases contain a bargain purchase options for one dollar at the end of the lease term. The lease qualifies as a capital leases for accounting purposes, and therefore, has been recorded at the present value of future minimum lease payments.

The District entered into a lease-purchase agreement in July 2019 for two (2) 77 passenger buses. The terms consist of annual payments of \$62,212 beginning 10/15/2019 and ending 10/15/2021. The lease qualifies as a capital leases for accounting purposes, and therefore, has been recorded at the present value of future minimum lease payments.

The District entered a lease in September 2019 for cleaning equipment. The terms of the lease are for 36 months beginning 10/1/2019 and ending 9/30/2021. There are three annual payments of \$79,288.99 with a \$1 purchase option at the end of the lease. The lease qualifies as a capital leases for accounting purposes, and therefore, has been recorded at the present value of future minimum lease payments.

The District entered into a lease in November 2019 for a copier. The lease is for 36 months beginning 12/22/2019 and ending 11/22/2022 with monthly payments of \$228.00. The leases contain a bargain purchase options for one dollar at the end of the lease term. The lease qualifies as a capital leases for accounting purposes, and therefore, has been recorded at the present value of future minimum lease payments.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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### Note 5 Capital Leases Payable (continued)

Future minimum lease payments by year and in the aggregate under the capital leases consist of the following at June 30, 2021:

Year Ending June 30	
2022	\$ 152,800
2023	6,087
2024	<u>1,899</u>
Total	160,786
Less: amount representing interest	<u>1,683</u>
Present value of net minimum lease payments lease payments	<u>\$ 159,103</u>

Capital assets at June 30, 2021 purchased under capital leases are recorded as follows:

Furniture and equipment				\$ 326,717
Less: Accumulated depreciation				72,815
Net Book Value				<u>\$ 253,902</u>

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 6 Postemployment Healthcare Plan (OPEB)

*Plan Description* - Independent School District No. 709 (District) administers a single-employer defined benefit health care plan which provides medical benefits to eligible retirees and their dependents in accordance with the terms of the plan. The District has not established trust to account for the accumulated plan assets. The District does not issue a stand-alone financial report for the plan.

#### Employees covered by benefit terms

At June 30, 2021, the following employees were covered by the benefit terms:

Active employees electing coverage	1,124
Actives waiving coverage	51
Retirees electing coverage	764
	1,939
	1,939

The District's total OPEB liability of \$16,683,844 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2019.

#### Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.50%		
Discount rate	2.45%		
Healthcare trend rates	Fiscal Year	Not Medicare	Medicare
	<u>Beginning</u>	<u>Eligible</u>	<u>Eligible</u>
	2020	6.40%	5.10%
	2021	6.20%	5.10%
	2022	5.90%	5.10%
	2023	5.50%	5.20%
	2024-2051	5.20%	5.20%
	2052-2075	Transition to ultimate rate	Transition to ultimate rate
	2076+	4.00%	4.00%

The discount rate was determined using the index rate for 20-Year, tax-exempt, municipal bonds (Fidelity 20-year Municipal GO AA Index).

Mortality rates were based on the RP-2014 mortality tables with projected mortality improvements based on Scale MP-2015 for teachers and RP-2014 with projected mortality improvements based on scale MP-2018 for non-teachers and other adjustments.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 6 Postemployment Healthcare Plan (OPEB) (Continued)

Changes in the Total OPEB Liability

Balances at 6/30/2020	\$ 15,900,265
Changes for the year:	
Service Cost	1,034,727
Interest	509,112
Changes of assumptions	578,584
Benefit payments	(1,338,844)
<u>Net changes</u>	<u>783,579</u>
<u>Balances at 6/30/2021</u>	<u>\$ 16,683,844</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

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 that is 1-percentage point lower (1.45 percent) or 1-percentage point higher (3.45 percent) than the current discount rate:

	1% Decrease 1.45%	Discount Rate 2.45%	1% Increase 3.45%
Total OPEB Liability	\$ 17,551,017	\$ 16,683,844	\$ 15,836,738

Sensitivity of the Total OPEB Liability to Changes in the Health Care 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 calculated using healthcare trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare trend rates:

	1% Decrease (5.4% decreasing to 3.0%)	Discount Rate (6.4% decreasing to 4.0%)	1% Increase (7.4% decreasing to 5.0%)
Total OPEB Liability	\$ 17,380,624	\$ 16,683,844	\$ 16,082,448

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 6 Postemployment Healthcare Plan (OPEB) (Continued)

#### OPEB Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB

For the year ended June 30, 2021 the District recognized OPEB expense of \$1,378,742. The District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual liability	\$	\$ 1,150,957
Changes of assumptions	540,418	301,925
Contributions subsequent to the measurement date	211,322	
<b>Totals</b>	<b>\$ 751,740</b>	<b>\$ 1,452,882</b>

The amount of \$211,322 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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

<u>Year ended June 30</u>	<u>Pension Expense Amount</u>
2022	\$ (165,097)
2023	(165,097)
2024	(165,097)
2025	(165,097)
2026	(109,678)
Thereafter	(142,398)
<b>Total</b>	<b>\$ (912,464)</b>

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 7 Net Position/Fund Balance

Fund balances were nonspendable for the following purposes at June 30, 2021:

Nonspendable	
General Fund	
Prepaid expenses	\$ 111,202
Inventory	26,473
Other	276,287
Community Service Fund	
Prepaid expenses	13,354
Food Service Fund	
Inventory	108,545
<hr/>	
Total nonspendable	\$ 535,861

Net position and fund balances were restricted for the following purposes at June 30, 2021:

	<u>Net Position</u>	<u>Fund Balances</u>
General Fund		
Staff development	\$ 313,515	\$ 313,515
Teacher Development & Evaluation	16,729	16,729
Basic skills	222,148	222,148
Medical assistance	457,282	457,282
Gifted and talented	0	0
Safe schools	419,672	419,672
Operating capital	1,388,162	1,388,162
LTFM	1,993,595	1,993,595
ALC	143,573	143,573
Student activities	325,387	325,387
<hr/>		
Total General Fund		5,280,063
Debt Service Fund		
Debt service	363,705	4,472,318
Refinancing	18,067,997	18,067,997
<hr/>		
Total Debt Service Fund		22,540,315
Building Construction Fund		
Projects funded by COP	10	10
Nonmajor governmental funds		
Food Service Fund	945,504	945,504
Community Service Fund		
Community education	1,154,186	1,102,827
Early childhood family education	7,317	7,317
School readiness	66,303	66,303
Adult basic education	270,860	270,860
<hr/>		
Total Nonmajor Funds		2,392,811
<hr/>		
Total restricted	\$ 26,155,945	\$ 30,213,189

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 7 Net Position/Fund Balance (Continued)

Fund balances were assigned for the following purposes at June 30, 2021:

Assigned	
General Fund	
Severance-insurance premiums	\$ 4,100,000
Textbooks	1,960,610
Equipment	1,059,000
Student activities	887,350
Instructional equipment	1,573,359
Special programs	510,000
<hr/>	
Total assigned	\$ 10,090,319

The following fund had a fund balance deficit at June 30, 2021:

Building Construction Fund	\$ (1,631,024)
<hr/>	
Community service fund	
Restricted	
School readiness	\$ (32,903)

The deficit in Capital Projects Fund is allowed by the Minnesota Department of Education and will be eliminated through future borrowing proceeds.

### Note 8 Interfund Transactions

The composition of interfund balances as of June 30, 2021 are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 979,471	\$
Capital Projects Fund		979,471
Total	\$ 979,471	\$ 979,471

The interfund receivable/payable from the general fund to the capital projects fund was recorded to cover the cash deficit in the capital projects fund at year-end.

The District did not report any interfund transfers at June 30, 2021.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 9 Defined Benefit Pension Plans

The District participates in the following cost-sharing multiple-employer defined benefit pension plans administered by Teachers Retirement Association (TRA) and Public Employees Retirement Association (PERA). TRA and PERA’s defined benefit pension plans are established and administered in accordance with Minnesota Statutes, TRA and PERA’s defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

#### A. Teachers Retirement Fund (TRA)

##### 1. Plan Description

The Teachers Retirement Association (TRA) is an administrator of a multiple employer, cost-sharing, defined benefit retirement fund. TRA administers a Basic Plan (without Social Security coverage) and a Coordinated Plan (with Social Security coverage) in accordance with Minnesota Statutes, Chapters 354 and 356. TRA is a separate statutory entity and administered by a Board of Trustees. The Board consists of four active members, one retired member and three statutory officials.

Educators employed in Minnesota’s public elementary and secondary schools, charter schools, and certain TRA-covered educational institutions maintained by the state (except those teachers employed by St. Paul schools and Minnesota State Colleges and Universities). Educators first hired by Minnesota State may elect TRA coverage or coverage through the Define Contribution Plan (DCR) administered by the State of Minnesota.

##### 2. Benefits Provided

TRA provides retirement benefits as well as disability benefits to members, and benefits to survivors upon death of eligible members. Benefits are established by Minnesota Statute and vest after three years of service credit. The defined retirement benefits are based on a member’s highest average salary for any five consecutive years of allowable service, age, and a formula multiplier based on years of credit at termination of service.

Two methods are used to compute benefits for TRA’s Coordinated and Basic Plan members. Members first employed before July 1, 1989, receive the greater of the Tier I or Tier II benefits as described:

##### *Tier I Benefits*

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

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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### Note 9 Defined Benefit Pension Plans (Continued)

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% per year early retirement reduction factors 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 for Basic members applies. Beginning July 1, 2015, the early retirement reduction factors are based on rates established under Minnesota Statute. Smaller reductions, more favorable to the member, will be applied to individuals who reach age 62 and have 30 years or more of service credit.

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

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 which have survivorship features. Vested members may also leave their contributions in the TRA Fund upon termination of service in order to qualify for a deferred annuity at retirement age. Any members terminating service are 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.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 9 Defined Benefit Pension Plans (Continued)

#### 3. Contribution Rate

Per Minnesota Statutes, Chapter 354 sets the contribution rates for the employees and employers. Rates for each fiscal year ended June 30, 2019, June 30, 2020, and June 30, 2021, were:

	June 30, 2019		June 30, 2020		June 30, 2021	
	Employee	Employer	Employee	Employer	Employee	Employer
Basic	11.00%	11.71%	11.00%	11.92%	11.00%	12.13%
Coordinated	7.50%	7.71%	7.50%	7.92%	7.50%	8.13%

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

Employer contributions reported in TRA's CAFR Statement of Changes in Fiduciary Net Position	\$ 425,223,000
Add employer contributions not related to future contribution efforts	(56,000)
Deduct TRA's contributions not included in allocation	(508,000)
<b>Total employer contributions</b>	<b>424,659,000</b>
<b>Total nonemployer contributions</b>	<b>35,587,000</b>
<b>Total contributions reported in Schedule of Employer and Non-Employer pension allocations</b>	<b>\$ 460,246,000</b>

Amounts reported in the allocation schedule 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.

#### 4. Actuarial Assumptions

The total pension liability in the June 30, 2020, 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, 2020
Experience Study	June 5, 2015
	November 6, 2017 (economic assumptions)
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.50%
Price Inflation	2.50%
Wage growth rate	2.85% before July 1, 2028 and 3.25% thereafter

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 9 Defined Benefit Pension Plans (Continued)

Projected Salary Increase	2.85 to 8.85% before July 1, 2028 and 3.25 to 9.25% thereafter
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 Assumption:**

Pre-retirement	RP-2014 white collar employee table, male rates set back six years and female rates set back five years. Generational projection uses the MP-2015 scale.
Post-retirement	RP-2014 white collar annuitant table, male rates setback three years and female rates set back three years, with further adjustments to the rates. Generational projection uses the MP-2015 scale.
Post-disability	RP-2014 disables retiree mortality, 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 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 an expected long-term rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Stocks	35.5%	5.10%
International Stocks	17.5%	5.30%
Private Markets	25.0%	5.90%
Fixed Income	20.0%	0.75%
Unallocated cash	2%	0.00%
<b>Total</b>	<b>100%</b>	

The TRA actuary has determined the average of the expected remaining service lives of all members for fiscal year 2016 is 6 years. The "Difference Between Expected and Actual Experience", "Changes of Assumptions," and "Changes in Proportion" use the amortization period of 6 years in the schedule presented. The amortization period for "Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments" is over a period of 5 years as required by GASB 68.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 9 Defined Benefit Pension Plans (Continued)

Changes in actuarial assumptions since the 2018 valuation:

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

#### 5. Discount Rate

The discount rate used to measure the total pension liability was 7.50%. There was no change since the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the fiscal 2020 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 these assumptions, the pension plan's fiduciary net position was not projected to be depleted and, as a result, the Municipal Bond Index Rate was not used in the determination of the Single Equivalent Interest Rate (SEIR).

#### 6. Net Pension Liability

At June 30, 2021, the District reported a liability of \$61,122,033 for its proportionate share of TRA's net pension liability. The net pension liability was measured as of June 30, 2020, 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. The District's proportionate share was 0.8273% at the end of the measurement period and 0.8317% 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:

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 9 Defined Benefit Pension Plans (Continued)

District's proportional share of net pension liability	\$	61,122,033
State's proportional share of net pension liability associated with the District	\$	5,122,031

For the year ended June 30, 2021, the District recognized pension expense of \$6,004,708. It also recognized \$469,212 as an increase to pension expense for the support provided by direct aid.

At June 30, 2021, the District had deferred resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,225,744	\$ 962,341
Net difference between projected and actual earnings on plan investments	781,900	-
Changes in proportion	3,129,849	6,032,621
Changes in actuarial assumptions	23,009,918	52,084,690
Contributions made to TRA subsequent to the measurement date	3,979,806	
<b>Total</b>	<b>\$ 32,127,217</b>	<b>\$ 59,079,652</b>

\$3,979,806 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	Pension Expense Amount
2022	\$ 2,084,112
2023	(19,999,169)
2024	(14,552,782)
2025	1,327,990
2026	207,608
<b>Total</b>	<b>\$ (30,932,241)</b>

### 7. Pension Liability Sensitivity

The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the liability measured using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 9 Defined Benefit Pension Plans (Continued)

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Discount Rate	6.50%	7.50%	8.50%
District's proportionate share of the TRA net pension liability	\$ 93,577,185	\$ 61,122,033	\$ 34,380,627

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

#### 8. Pension Plan Fiduciary Net Position

Detailed information about TRA's fiduciary net position is available in a separately-issued TRA financial report. That report can be obtained at [www.MinnesotaTRA.org](http://www.MinnesotaTRA.org); by writing to TRA at 60 Empire Drive #400, St. Paul, Minnesota, 55103-4000; or by calling (651)296-2409 or 1-800-657-3669.

#### B. Public Employee Retirement Association (PERA)

##### 1. Plan Description

All full-time and certain part-time employees of the District other than teachers are covered by the General Employees Plan. General Employees Plan members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security.

##### 2. 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.

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 of average salary 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.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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### Note 9 Defined Benefit Pension Plans (Continued)

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.

#### 3. 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 6.5% their annual covered salary in fiscal year 2021 and the District was required to contribute 7.5% for Coordinated Plan members. The District's contributions to the General Employees Fund for the year ended June 30, 2021, were \$1,161,356. The District's contributions were equal to the required contributions as set by state statute.

#### 4. Pension Costs

At June 30, 2021, the District reported a liability of \$13,693,624 for its proportionate share of 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 \$422,365. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2019, through June 30, 2020, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2020, the District's proportion was 0.2284% at the end of the measurement period and 0.2265% for the beginning of the period.

For the year ended June 30, 2021, the District recognized pension expense of \$1,216,034 for its proportionate share of the General Employees Plan's pension expense. In addition, the District recognized an additional \$36,759 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 9 Defined Benefit Pension Plans (Continued)

At June 30, 2021, the District reported is proportionate share of the General Employees Plan’s deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 124,014	\$ 51,810
Net difference between projected and actual earnings on plan investments	136,776	-
Changes in proportion	78,785	623,861
Changes in actuarial assumptions		511,320
Contributions made to PERA subsequent to the measurement date	1,161,356	
<b>Total</b>	<b>\$ 1,500,931</b>	<b>\$ 1,186,991</b>

\$1,161,356 reported as deferred outflows of resources related to pensions resulting from the District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	Pension Expense Amount
2022	\$ (1,342,018)
2023	(122,680)
2024	286,441
2025	330,841
<b>Total</b>	<b>\$ (847,416)</b>

### 5. Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Inflation	2.25% per year
Active Member Payroll Growth	3.00% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on Pub-2010 General Employee Mortality table for males or females, as appropriate, with slight adjustments to fit PERA’s experience. Cost of living benefit increases after retirement for retirees are assumed to be 1.25% per year for all future years.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

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### Note 9 Defined Benefit Pension Plans (Continued)

Actuarial assumptions used in the June 30, 2020, valuation were based on the results of actuarial experience studies. The most recent four-year experience study in 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 occurred in 2020:

- 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.

The following changes in plan provisions occurred in 2020:

- 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.

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness of the long-term expected rate of return on a regular basis using a building-block method in which best-estimates 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:

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 9 Defined Benefit Pension Plans (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Stocks	35.5%	5.10%
International Stocks	17.5%	5.30%
Bonds (Fixed Income)	20.0%	0.75%
Alternative Assets	25.0%	5.90%
Cash	2.0%	0.00%
Total	100%	

#### 6. Discount Rate

The discount rate used to measure the total pension liability in 2020 was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at the 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.

#### 7. Pension Liability Sensitivity

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

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
Discount Rate	6.50%	7.50%	8.50%
District's proportionate share of the PERA net pension liability	\$ 21,946,129	\$ 13,693,624	\$ 6,885,970

#### 8. 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 can be obtained at [www.mnpera.org](http://www.mnpera.org).

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 10 Operating Leases

The District is obligated under the following leases for building space, parking facilities, and equipment.

#### Mansel Properties

Building – Month to Month lease terminated in October 2021.

#### City of Duluth

Washington Center - Lease commencing September 2020 through August 2021.

Washington Center - Lease commencing September 2021 through August 2022.

#### Northwood Children Services

Chester Creek Academy - Lease commencing July 2020 through July 2023.

Merritt Creek Academy – Lease commencing July 2019 through July 2022.

#### Involta LLC

Data Center - Lease commencing July 2018 through June 2023.

#### Leaf Capital

Konica Copier System - Lease commencing October 2017 through September 2022.

#### Macro Technologies

Four Konica Copiers - Lease commencing October 2020 through September 2024.

#### Pitney Bowes

Postage Machine - Lease commencing January 2017 through December 2021.

Lease expense for the year ended June 30, 2021 was \$298,378. Future minimum lease payments are as follows:

<u>Years Ending June 30,</u>	
2022	\$ 244,079
2023	105,756
<hr/>	
Total	<u>\$ 349,835</u>

### Note 11 Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employee health and dental; and natural disasters. Risks of loss related to employee dental claims are self-insured. Risk of loss associated with workers’ compensation claims were insured through participation in the Minnesota School Boards Association Insurance Trust and continue to cover claims arising during their period of coverage. The District currently carries commercial workers’ compensation insurance. This policy provides coverage for up to a maximum liability limit of \$2,000,000 with a medical deductible of \$2,500 for each workers’ compensation claim. All other risks of loss are insured by the purchase of commercial insurance. There were no significant reductions in insurance coverage from the previous year. There were no settlements in excess of insurance for any of the past three fiscal years.

## Notes to Financial Statements (Continued)

For the Year Ended June 30, 2021

### Note 12 Dental Self-Insurance Plan

An internal service fund accounts for the District’s dental self-insurance program. The District self-insures dental benefits provided to retirees and active employees. The District purchases dental insurance stop-loss reinsurance (plan) that protects against individual claims in excess of \$300,000, with no lifetime maximum, and against aggregate annual claims in excess of an amount determined by formula. The plan is administered by a third-party administrator. The plan liabilities for claims incurred but not reported are estimated based on subsequent claims activity.

An analysis of claims activity for the last two fiscal years is presented below:

Year Ended	Claim Liability Beginning of Year	Claims Incurred	Claims Paid	Claim Liability End of Year
June 30, 2021	\$ 223,566	\$ 634,776	\$ 836,920	\$ 21,422
June 30, 2020	211,094	662,562	650,090	223,566

### Note 13 Commitments and Contingencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District’s counsel the resolution of these matters will not have a material adverse effect on the financial conditions of the District.

At June 30, 2021, the District had no commitments under construction contracts for future work on buildings and sites.

Beginning in March 2020, the United States economy began suffering adverse effects from the COVID-19 Virus Crisis (“CV 19 Crisis”). The long-term impact of the CV 19 Crisis on the District cannot be reasonably estimated at this time.

## Required Supplementary Information

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Draft

## Information about the District's Other Postemployment Health Care Plan Year Ended June 30, 2021

### Schedule of Changes in Net OPEB Liability and Related Ratios

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>				
Service Cost	\$ 1,034,727	\$ 1,046,751	\$ 997,070	\$ 1,026,879
Interest	509,112	629,943	613,488	518,378
Differences between expected and actual experience	-	(1,471,559)		
Changes of assumptions	578,584	31,787	(49,578)	(531,408)
Benefit payments	(1,338,844)	(1,383,288)	(1,500,194)	(1,507,624)
Net change in total OPEB liability	<u>783,579</u>	<u>(1,146,366)</u>	<u>60,786</u>	<u>(493,775)</u>
Total OPEB Liability - beginning of year	<u>15,900,265</u>	<u>17,046,631</u>	<u>16,985,845</u>	<u>17,479,620</u>
Total OPEB liability - end of year	<u>\$ 16,683,844</u>	<u>\$ 15,900,265</u>	<u>\$ 17,046,631</u>	<u>\$ 16,985,845</u>
Covered payroll	67,802,595	57,803,966	55,080,812	56,982,794
Total OPEB liability as a percentage of covered payroll	24.6%	27.5%	30.9%	29.8%

Notes to Schedule:

Funding: There are no assets accumulated in a trust that meets the criteria of GASB NO. 75 paragraph 4, to pay related benefits.

The discount rate was reduced from 3.13% to 2.45% from the previous measurement date.

\*The schedule is intended to present information for the last 10 years.

Additional information will be presented as it becomes available.

## Information about the District's Net Pension Liability

Year Ended June 30, 2021

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

#### TEACHER'S RETIREMENT ASSOCIATION (TRA)

Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability	Employer's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability associated with the District	Total	Employer's Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2020	0.8273%	\$61,122,033	\$ 5,122,031	\$66,244,064	\$48,077,462	127.1%	75.5%
June 30, 2019	0.8317%	\$53,012,733	\$ 4,691,452	\$57,704,185	\$47,219,040	112.3%	78.1%
June 30, 2018	0.8293%	\$52,088,203	\$ 4,893,712	\$56,981,915	\$45,816,146	113.7%	78.1%
June 30, 2017	0.8874%	\$177,141,137	\$ 17,123,980	\$194,265,117	\$47,767,591	370.8%	51.6%
June 30, 2016	0.8681%	\$207,062,563	\$ 20,782,926	\$227,845,489	\$45,155,373	458.6%	44.9%
June 30, 2015	0.7225%	\$44,693,771	\$ 5,481,972	\$50,175,743	\$36,668,947	121.9%	76.8%

#### PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA)

Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability	Employer's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability associated with the District	Total	Employer's Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2020	0.2284%	\$13,693,624	\$ 422,365	\$14,115,989	\$16,275,133	84.1%	79.1%
June 30, 2019	0.2265%	\$12,565,292	\$ 389,316	\$12,954,608	\$16,033,147	78.4%	80.2%
June 30, 2018	0.2357%	\$13,075,670	\$ 428,850	\$13,504,520	\$15,809,497	82.7%	79.5%
June 30, 2017	0.2588%	\$16,521,621	\$ 207,740	\$16,729,361	\$16,672,067	99.1%	75.9%
June 30, 2016	0.2547%	\$20,680,377	\$ 270,170	\$20,950,547	\$15,804,347	130.9%	68.9%
June 30, 2015	0.2582%	\$13,381,264	\$ -	\$13,381,264	\$14,926,453	89.6%	78.2%
June 30, 2014	0.2272%	\$12,772,500	\$ -	\$12,772,500	\$14,262,185	89.6%	78.7%

#### DULUTH TEACHER'S RETIREMENT FUND ASSOCIATION (DTRFA)

Measurement Date	Employer's Proportion (Percentage) of the Net Pension Liability	Employer's Proportionate Share (Amount) of the Net Pension Liability (a)	Employer's Covered Payroll (b)	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll (a/b)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
June 30, 2014	31.6004%	\$81,187,076	\$42,238,042	192.2%	46.8%

## Information about the District's Net Pension Liability (Continued)

Year Ended June 30, 2021

### Schedule of Employer's Contributions

#### TEACHER'S RETIREMENT ASSOCIATION (TRA)

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)
June 30, 2021	\$3,979,806	\$3,979,806	\$0	\$48,952,106	8.13%
June 30, 2020	\$3,640,588	\$3,640,588	\$0	\$47,219,040	7.92%
June 30, 2019	\$3,636,786	\$3,636,786	\$0	\$47,690,576	7.71%
June 30, 2018	\$3,436,211	\$3,436,211	\$0	\$45,816,146	7.50%
June 30, 2017	\$3,582,569	\$3,582,569	\$0	\$47,767,591	7.50%
June 30, 2016	\$3,386,653	\$3,386,653	\$0	\$45,155,373	7.50%

#### PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA)

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)
June 30, 2021	\$1,161,356	\$1,161,356	\$0	\$15,484,741	7.50%
June 30, 2020	\$1,220,635	\$1,220,635	\$0	\$16,275,133	7.50%
June 30, 2019	\$1,042,135	\$1,042,135	\$0	\$13,895,137	7.50%
June 30, 2018	\$1,185,712	\$1,185,712	\$0	\$15,809,497	7.50%
June 30, 2017	\$1,250,405	\$1,250,405	\$0	\$16,672,067	7.50%
June 30, 2016	\$1,185,326	\$1,185,326	\$0	\$15,804,347	7.50%
June 30, 2015	\$1,119,484	\$1,119,484	\$0	\$14,926,453	7.50%

#### DULUTH TEACHER'S RETIREMENT ASSOCIATION (DTRFA)

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)
June 30, 2015	\$2,750,171	\$2,750,171	\$0	\$36,668,947	7.50%

\*The schedule is intended to present information for the last 10 years. Additional information will be presented as it becomes available.

## Supplementary Financial Information

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# Independent School District No. 709

## Nonmajor Governmental Funds – Combining Balance Sheet

June 30, 2021

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Food Service Fund	Community Service Fund	
<b>Assets</b>			
Cash and temporary cash investments	\$ 848,700	\$ 2,134,698	\$ 2,983,398
Accounts receivable	1,208	4,460	5,668
Current property taxes receivable		517,411	517,411
Delinquent property taxes receivable		47,074	47,074
Due from other Minnesota school districts			
Due from the Minnesota Department of Education		336,460	336,460
Due from the federal government through the Minnesota Department of Education	171,333	310,170	481,503
Prepaid expenses		3,431	3,431
Inventory	107,463		107,463
<b>Total assets</b>	<b>\$ 1,128,704</b>	<b>\$ 3,353,704</b>	<b>\$ 4,482,408</b>
<b>Liabilities</b>			
Salaries payable	\$ 15,331	\$ 464,529	\$ 479,860
Accounts payable	2,480	31,334	33,814
Due to other Minnesota school districts			
Accrued expenses	56,846	324,822	381,668
Deferred revenue		21,378	21,378
<b>Total liabilities</b>	<b>74,657</b>	<b>842,063</b>	<b>916,720</b>
<b>Deferred Inflows of Resources</b>			
Unavailable revenue - delinquent property taxes		47,074	47,074
Property taxes levied for subsequent year's expenditures		1,039,986	1,039,986
<b>Total deferred inflows of resources</b>		<b>1,087,060</b>	<b>1,087,060</b>
<b>Fund balances</b>			
Nonspendable	108,545	13,354	121,899
Restricted	945,502	1,411,227	2,356,729
<b>Total fund balances</b>	<b>1,054,047</b>	<b>1,424,581</b>	<b>2,478,628</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 1,128,704</b>	<b>\$ 3,353,704</b>	<b>\$ 4,482,408</b>

# Independent School District No. 709

## Nonmajor Governmental Funds – Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2021

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Food Service Fund	Community Service Fund	
<b>Revenues</b>			
Local property tax levies	\$	\$ 1,002,863	\$ 1,002,863
Other local and county revenues	2,250	1,065,927	1,068,177
Revenue from state sources	68,843	2,469,377	2,538,220
Revenue from federal sources	2,608,473	2,868,674	5,477,147
Sales and other conversion of assets	42,021		42,021
Interest income			
<b>Total revenues</b>	<b>2,721,587</b>	<b>7,406,841</b>	<b>10,128,428</b>
<b>Expenditures</b>			
Current			
Community education and services		7,108,580	7,108,580
Pupil support services	2,992,832		2,992,832
Capital outlay	16,214	44,417	60,631
<b>Total expenditures</b>	<b>3,009,046</b>	<b>7,152,997</b>	<b>10,162,043</b>
<b>Other financing sources</b>			
Transfer in			
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(287,459)</b>	<b>253,844</b>	<b>(33,615)</b>
<b>Net change in fund balances</b>	<b>(287,459)</b>	<b>253,844</b>	<b>(33,615)</b>
<b>Fund balances, beginning</b>	<b>1,341,506</b>	<b>1,170,737</b>	<b>2,512,243</b>
<b>Fund balances, ending</b>	<b>\$ 1,054,047</b>	<b>\$ 1,424,581</b>	<b>\$ 2,478,628</b>

# Independent School District No. 709

## Fiscal Compliance Table For the Year Ended June 30, 2021

	Audit	UFARS	Audit - UFARS		Audit	UFARS	Audit - UFARS
<b>01 GENERAL FUND</b>				<b>06 BUILDING CONSTRUCTION</b>			
Total revenues	\$118,460,808	\$118,460,808	\$ -	Total revenues	\$ -	\$ -	\$ -
Total expenditures	115,753,230	115,753,231	(1)	Total expenditures	1,631,023	1,631,023	-
Non spendable				Non spendable			
460 Non spendable fund balance	413,962	413,962	-	460 Non spendable fund balance			-
Restricted/Reserve				Restricted/Reserve			
401 Student activities	325,387	325,387	-	407 Down payment levy			-
403 Staff development	313,515	313,515	-	413 Projects funded by COP	10	10	-
405 Deferred maintenance			-	409 Alternative facility program			-
406 Health and safety			-	467 LTFM			-
407 Capital Projects Levy			-	Restricted			
408 Cooperative revenue			-	464 Restricted fund balance			-
411 Severance pay			-	Unassigned			
413 Project funded by COP			-	463 Unassigned fund balance	(1,631,024)	(1,631,023)	(1)
414 Operating debt			-				
416 Levy reduction			-	<b>07 DEBT SERVICE</b>			
417 Taconite building maintenance			-	Total revenues	22,214,203	22,214,202	1
423 Certain teacher programs			-	Total expenditures	21,833,091	21,833,097	(6)
424 Operating capital	1,388,162	1,388,162	-	Non spendable			
426 \$25 Taconite			-	460 Non spendable fund balance			-
427 Disabled accessibility			-	Restricted/Reserve			
428 Learning and development			-	425 Bond refundings	18,067,997	18,067,997	-
434 Area learning center	143,573	143,573	-	451 QZAB payments			-
435 Contracted alt. programs			-	Restricted			
436 St. approved alt. program			-	464 Restricted fund balance	4,472,318	4,472,317	1
438 Gifted & talented	-	-	-	Unassigned			
440 Teacher development & eval	16,729	16,729	-	463 Unassigned fund balance			-
441 Basic skills program	222,148	222,148	-				
445 Career and technical programs			-	<b>08 TRUST</b>			
446 First Grade Preparedness			-	Total revenues	212,068	212,068	-
449 Safe schools levy	419,672	419,672	-	Total expenditures	250,000	250,000	-
450 Prekindergarten			-	401 Student activities			-
			-	402 Scholarships	1,404,568	1,404,568	-
451 QZAB payments			-				
452 OPEB liability not in trust			-	<b>18 CUSTODIAL FUND</b>			
453 Unfunded sev & retirement levy			-	Total revenues			-
467 LTFM	1,993,595	1,993,595	-	Total expenditures			-
472 Medical Assistance	457,282	457,282	-	401 Student activities			-
Restricted				402 Scholarships			-
464 Restricted fund balance			-				
Committed				<b>20 INTERNAL SERVICE</b>			
418 Committed for separation			-	Total revenues	828,127	828,127	-
461 Committed fund balance			-	Total expenditures	696,710	696,710	-
Assigned				422 Net position	509,595	509,596	(1)
462 Assigned fund balance	10,090,319	10,090,319	-				
Unassigned				<b>25 OPEB REVOCABLE TRUST FUND</b>			
422 Unassigned fund balance	3,889,780	3,889,780	-	Total revenues			-
				Total expenditures			-
<b>02 FOOD SERVICE</b>				422 Net position			-
Total revenues	2,721,587	2,721,587	-				
Total expenditures	3,009,046	3,009,044	2	<b>45 OPEB IRREVOCABLE TRUST FUND</b>			
Non spendable				Total revenues			-
460 Non spendable fund balance	108,545	108,545	-	Total expenditures			-
Restricted				422 Net position			-
452 OPEB liability not in trust			-				
464 Restricted fund balance	945,502	945,504	(2)	<b>47 OPEB DEBT SERVICE FUND</b>			
Unassigned				Total revenues			-
463 Unassigned fund balance			-	Total expenditures			-
				Non spendable			-
<b>04 COMMUNITY SERVICE</b>				460 Non spendable fund balance			-
Total revenues	7,406,841	7,406,838	3	Restricted			
Total expenditures	7,152,997	7,152,997	-	425 Bond refundings			-
Non spendable				464 Restricted fund balance			-
460 Non spendable fund balance	13,354	13,354	-	Unassigned			
Restricted/Reserve				463 Unassigned fund balance			-
426 \$25 taconite			-				
431 Community education	1,102,827	1,102,827	-				
432 ECFE	7,317	7,317	-				
444 School readiness	66,303	66,303	-				
447 Adult Basic Education	270,860	270,860	-				
452 OPEB liability not in trust			-				
Restricted							
464 Restricted fund balance			-				
Unassigned							
463 Unassigned fund balance	(36,080)	(36,082)	2				

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Reports Required by *Government Auditing Standards*,  
Uniform Guidance, and the State of Minnesota

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# Independent School District No. 709

## Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2021

Federal Grantor/Pass-Through <u>Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture</b>		
Passed-through Minnesota Department of Education:		
Child Nutrition Cluster		
School Breakfast Program	10.553	\$ 858,610
Non-Cash Assistance (Commodities)	10.555	247,068
National School Lunch Program	10.555	<u>1,030,069</u>
Total 10.555		1,277,137
Summer Food Service Program for Children	10.559	<u>441,021</u>
Total Child Nutrition Cluster		<u>2,576,768</u>
Child and Adult Care Food Program	10.558	<u>21,707</u>
Total U.S. Department of Agriculture		<u>2,598,475</u>
<b>U.S. Department of Interior</b>		
Passed-through Fond du Lac Band of Lake Superior Chippewa		
Indian Education - Grants to Schools	15.130	<u>10,941</u>
<b>U.S. Department of Justice</b>		
Passed-through City of Duluth		
COPS Grant	16.710	<u>277,601</u>
<b>U.S. Department of Treasury</b>		
Passed-through Minnesota Department of Revenue		
Coronavirus Relief Fund	21.019	<u>2,980,407</u>
<b>U.S. Department of Education</b>		
Direct Program		
Title VII Indian Education, Grants to Local Education Agencies	84.060	<u>161,345</u>
Passed-through Minnesota Department of Education:		
Adult Basic Education - Basic Grants to States	84.002	<u>25,691</u>
Title I, Part A	84.010	2,582,598
Title I, Neglected and Delinquent	84.010	<u>194,633</u>
Total 84.010		<u>2,777,231</u>
Special Education Cluster		
IDEA, Part B	84.027	1,688,682
IDEA, Part B Preschool Grant for Children with Disabilities	84.173	<u>47,347</u>
Total Special Education Cluster		<u>1,736,029</u>
Career and Technical Education - Basic Grants to States	84.048	<u>69,574</u>
Special Education Infants and Toddlers Program	84.181	<u>51,454</u>
Education for Homeless Children and Youth	84.196	<u>40,000</u>
Special Education - State Personnel Development	84.323	<u>176,069</u>
Title III - English Language Acquisition	84.365	<u>1,687</u>
Title II, Part A	84.367	<u>221,106</u>
Student Support and Academic Enrichment Program	84.424	<u>115,103</u>
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425	<u>3,075,373</u>
<b>U.S. Department of Health and Human Services</b>		
Direct Program		
Head Start	93.600	<u>2,776,900</u>
Total expenditures of federal awards		<u>\$ 17,094,986</u>

## Notes to the Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2021

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**Note 1**      **Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Independent School District No. 709 under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance) Because the schedule presents only a selected portion of the operations of Independent School District No. 709, it is not intended to and does not present the financial position, changes in net position, or cash flows of Independent School District No. 709.

**Note 2**      **Significant Accounting Policies**

Expenditures reported on the schedules are reported on the accrual basis of accounting. 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. Pass-through entity identifying numbers are presented where available.

Independent School District No. 709 has not elected to use the 10 percent de minimus indirect costs rate as allowed under Uniform Guidance.

**Note 3**      **Pass-Through Grant Numbers**

All pass-through listed on the previous page use the same AL numbers as the federal grantors to identify these grants and have not assigned any additional identifying numbers.

**Note 4**      **Subrecipients**

The District has not passed funding to subrecipients during 2020-21.

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## **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**

To the School Board  
Independent School District No. 709  
Duluth, Minnesota

We have audited, in accordance with the auditing standards general accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 709 (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated REPORT DATE.

### **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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

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 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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2021-001 to be a material weakness.

As part of obtaining reasonable assurance about whether the District’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 the Finding**

The District’s response to the finding identified in our audit are described in the accompanying schedule of findings and questioned costs. The District’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**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 District’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wipfli LLP

REPORT DATE  
Duluth, Minnesota

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## **Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance**

To the School Board  
 Independent School District No. 709  
 Duluth, Minnesota

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

We have audited Independent School District No. 709's (District) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021. 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.

#### ***Management's Responsibility for Compliance***

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

#### ***Auditor's Responsibility***

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

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

#### ***Opinion***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

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

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

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

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

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Wipfli LLP

REPORT DATE

Duluth, Minnesota

The logo for WIPFLI, consisting of the letters "WIPFLI" in white, bold, sans-serif font, centered within a solid blue rectangular box.

## Independent Auditor's Report on Legal Compliance for the State of Minnesota

To the School Board  
Independent School District No. 709  
Duluth, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Independent School District No. 709 (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which comprise the District's basic financial statements, and have issued our report thereon dated REPORT DATE.

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

In connection with our audit, nothing came to our attention that caused us to believe that the District failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for School Districts*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above referenced provisions.

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.

Wipfli LLP

REPORT DATE  
Duluth, Minnesota

## Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2021

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

#### Financial Statements

Type of auditor's report issued:

**Unmodified**

Internal control over financial reporting:

Material weakness identified?

  X   Yes        No

Significant deficiency(s)?

       Yes   X   None reported

Noncompliance material to the financial statements

       Yes   X   No

#### Federal Awards

Internal control over major federal programs:

Material weakness identified?

       Yes   X   No

Significant deficiency(s)?

       Yes   X   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(a)]?

       Yes   X   No

Identification of major federal program

#### AL Number

#### Name of Federal Program or Cluster

21.019  
84.425  
10.553, 10.555, 10.559  
84.010

Coronavirus Relief Fund  
Elementary and Secondary Education  
Child Nutrition Cluster  
Title I Grants to Local Educational Agencies

Dollar threshold used to distinguish between Type A and Type B Programs

\$750,000

Auditee qualified as a low-risk auditee?

       Yes   X   No



## Schedule of Findings and Questioned Costs (continued)

For the Year Ended June 30, 2021

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### Section II - Financial Statement Findings:

#### **Item 2021-001 - Audit adjustments/Reconciliation of Significant Accounts (Material Weakness)**

**Criteria** - Controls should be in place to ensure accurate financial reporting. In order to make the financial reports generated by the accounting system as meaningful as possible, the District should reconcile the general ledger accounts to supporting documentation on a monthly basis.

**Condition** - The District is responsible for controls over the period-end financial reporting process, including controls over procedures to process journal entries into the general ledger and record recurring and nonrecurring adjustments to the financial statements and reconciling general ledger accounts to supporting documentation. As a result of audit procedures, we identified significant accounts that were not reconciled at year end, including taxes receivable, general aid receivables, accounts receivable, accounts payable, salaries payable, and accrued expenses; and proposed material adjustments to the District's general ledger accounts to correct these misstatements.

**Cause** - The District's controls over period-end financial reporting did not prevent or detect material misstatements of the financial statements.

**Effect** - Without controls over procedures that will detect or prevent misstatements when entering transactions or making adjustments to the financial statements and reconciling significant accounts to supporting documentation, the financial statements may be misstated.

**Recommendation** - We recommend that management implement controls necessary to achieve accurate financial reporting, including reconciling significant accounts monthly.

**District's Response** - The retirement of our long-standing Finance Manager in March 2021, brought with it new Finance leadership not familiar with Wipfli. In April 2021, the District reached out to Wipfli to work in coordination and transition to new audit workpapers and processes recommended by them. Unfortunately, that support did not materialize before the scheduled audit and support was required during the audit period. In addition, the District has transitioned to a new Finance software, Skyward, and both the District and Auditors were unfamiliar with some components and reporting tools. This led to some challenges in reconciliation of some items. It is the District's stance that Wipfli committed to more support than they were able to provide which led to some items being delayed. Had Wipfli indicated sooner that they would not be able to provide the support, the District would have prepared several of the items listed above in an expedited manner.

### Section III - Federal Findings:

None.

### Section IV - Minnesota Legal Compliance Findings:

None.

## Schedule of Prior Year Findings and Questioned Costs

For the Year Ended June 30, 2021

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### Prior Year Findings:

#### Section II – Financial Statement Findings:

None.

#### Section III - Federal Findings:

None.

#### Section IV - Minnesota Legal Compliance Findings:

None.

Draft

**Fundraisers Reported  
November 2021**

The following fundraisers were reported in the above timeframe and per Policy 511–Fundraising, require School Board approval:

<b>School</b>	<b>Organization Fundraising</b>	<b>Estimated Profit</b>	<b>Description of Fundraiser</b>
ECFE Citywide Advisory Council	ECFE Citywide Advisory Council (including families from ECFE Sites at Washington Center, Lester Park, Stowe and Piedmont)	\$2,500.00	Duluth Coffee
Homecroft	School Wide	\$14,000.00	Fun Run
Lakewood	5th grade will run it but the whole school will be participating	\$200.00	Penny (change) drive to raise money for the Salvation Army

**RESOLUTION**  
Acceptance of Donations to Duluth Public Schools

WHEREAS, Minnesota Statute 465.03 requires a school district to accept donations by resolution expressed in the terms prescribed by the donor in full; and,

WHEREAS, acceptance of the donations in accordance with the donor's terms is in the best interest of the Duluth Public Schools:


NOW, THEREFORE, BE IT RESOLVED that the Duluth Public Schools does accept the below-described donations from said organizations in accordance with the terms set forth herein.

BE IT FURTHER RESOLVED that the Duluth Public Schools wishes to extend its grateful appreciation to these various individuals and organizations.

SCHOOL	DONOR	AMOUNT	RESTRICTION	COMMENTS
Congdon	Life Touch	\$194.87	None	Lifetouch donated coupons to help us purchase picture packages for our kids in need.
Head Start	Janet Killough	\$50.00	None	
Lincoln Park	Lindsey and Michael Koralia	\$100.00	FACS supplies	
Lincoln Park	Life 97.3 FM	In Kind	None	Donation of mittens and hats
Ordean-East	Dick's Sporting Goods	\$100.00	Student attendance incentives	
Ordean-East	Papa Murphy's	\$250.00	Student attendance incentives	
Piedmont	Life 97.3	In Kind	None	Large bag of coats and snow pants
Stowe	Bethany Community Church	In Kind	Students	Winter wear, hats, mittens, jacket, socks
Stowe	State Farm/Susan Cohn	In Kind	4th grade students	Atlas' for each 4th grade student
Stowe	Anne Howard	In Kind	None	Case of masks for school
Stowe	Donors Choose	In Kind	Mrs. Eaton's Kindergarten class	Camera/microphone for distance education and web conferences
Stowe	HarborTown Rotary/Lisa Mitchell-Krocak	In Kind	3rd grade students	Dictionaries for 3rd graders

**RESOLUTION**  
Certified Tax Levy 2021 Payable 2022

BE IT RESOLVED, By the School Board of Independent School District No. 709, St. Louis County, Minnesota, to hereby set the Tax Levy for 2021 Payable 2022 at \$43,085,879.83.

 <b>ISD #709</b> <b>Duluth</b> <b>Public Schools</b>	<b>ISD #709</b> <span style="float: right;">115</span> <b>Duluth Public Schools</b> <b>HOCHS Relocation Project</b>
	<b>Monthly Progress Report</b> <b>November 2021</b>
<b>Address: 215 N. 1<sup>st</sup> Avenue East, Duluth, MN 55802</b>	

### Recent Progress and Activities:

- The Facilities remodel project permit was received and will commence construction on December 6<sup>th</sup>. The first week of demolition will be carefully modifying and removing power to keep the Print Shop operational. The second week will consist of removing masonry walls and acoustical ceiling tile.
- The City of Duluth has submitted additional comments on the Regulatory Plan from DSGW; this plan reviews the project site history and what its' future use will be. A meeting, with the City of Duluth, will occur on Monday, December 6<sup>th</sup> to review any final questions on the Regulatory Plan. The City is working on a formal Developers Agreement for the DSC/Transportation project.
- A City of Duluth Planning Commission meeting was held on Tuesday, November 9<sup>th</sup>. At this meeting, the Commission approved the re-platting of the property up on the hill. The re-platting is the formal splitting and designation of parcels that are being sold to a property developer in lieu retained by ISD#709.
- Saturday Properties and ISD#709 have been working jointly to prepare a concept plan for the remainder of the parcels on the hill site. This concept plan is scheduled to be finalized in the coming months.
- The Tech Village is under construction for the build-out of the ALC/AEO temporary lease space. The build-out is being completed by Dan Holm Construction under the building manager, A&L Properties. They are currently in the final stages of construction.
- Furniture meetings have occurred to establish District furniture needs of Facilities, District Services Center, and Transportation buildings.

## Upcoming Activities and Next Steps:

- Project consultants will be working with the District administration to comply with all required approvals associated with the special legislation process. Notable aspects of this process include:
  - A Developer's Agreement is planned to be created by the City of Duluth in the coming weeks. This is a key part of obtaining the final building permits.
  - Construction will commence on the Facilities remodel project in December. It is scheduled to work on the interior remodel through the winter and wrap up the exterior items in the spring of 2022.
  - Furniture, fixtures, and owner equipment budgeting is underway for the new projects. These selections are planned to be finalized in the coming weeks.
  - Construction submittals are beginning to be logged, reviewed, and approved. Early approvals will be pivotal in ordering long lead-time materials.

**Expenditure Contracts Signed  
November 2021**

For your information, the Superintendent or the CFO, Executive Director of Business Services has signed the following expenditure contracts during the above timeframe.

**\* Not to Exceed:** If asterisk is noted, then the contract has a guaranteed maximum price; District may not pay more than the dollar amount listed (this does not mean the vendor will invoice this amount and may invoice much less).

**\*\* Contract is paid via monies from:**

**DR** = Department Restricted (LTFM, Indian Education Funds, Compensatory, Achievement Integration)

**DU** = Department Unrestricted (General Fund)

**G** = Grant (external grants from foundations such as Northland, Duluth Superior Area Community)

**SAF** = Student Activity Funds (monies raised by students, gate fees, etc.)

<b>Name</b>	<b>Amount*</b>	<b>Contract Source**</b>	<b>Description</b>
Hoaglund Designs	\$925.00	Duluth Adult Education (DR)	Logo design
Braun Intertec	\$8,270.00	Facilities (DR)	Inspection and testing services
Great Lakes Office Solutions	\$3,795.00*	Homecroft (DU)	Copier lease
Bayada Home Health Care	\$50,000.00	Special Services (DR)	RN in-school nursing services for a student
WellRide	\$8,308.00*	Special Services (DR)	Provide student specific transportation

# Working Agreement

This agreement is made as of Nov 9, 2021 between

Angie Frank  
Duluth Adult Education  
(hereinafter "Client")

and

Hannah Hoaglund  
Hoaglund Designs LLC  
PO Box 2371  
Tofte MN 55615  
(hereinafter "Designer")

## Pricing

\$925

Six logos based on one design concept  
One original concept design of the logo with up to three rounds of revisions  
Five additional variations of the logo with up to two rounds of revisions each  
Color selection for the logo  
Branding document with logo design and color information  
Each logo variation delivered in raster and vector graphic files  
Colored, black and white and reverse color options of each logo design

## Payment Schedule

The client will make a 50 percent down payment prior to work commencing. The down payment is non-refundable. The remaining 50 percent is payable to the designer upon completion of the project and before artwork is supplied to the client.

## Agreement Expiration

The terms of this Agreement expires 10 days after being submitted to Client. If this Agreement expires, Designer may modify the Agreement and resubmit it to Client. Pricing is subject to change after contract has expired.

## Revisions

Up to two rounds of revisions are included in the quoted price. Additional revisions will be billed at a rate of \$85/hour.

## Rights and Ownership

**Rights:** Final design shall be for the exclusive use of the client other than for the designer's promotional use. Upon payment of all fees and expenses, the following reproduction rights for all approved final designs created by the designer for this project shall be granted:

- Client to gain full license to reproduce work through commercial printers.
- Client to gain full license to revise and edit works.

**Ownership:** The client shall be entitled to full ownership of final artwork, in its original format only, created during the project upon full payment of the agreed fee. Client may not modify the Final Design. Designer retains all rights to all Preliminary Designs. They may not be duplicated, altered or sold in any way.

**Reservation of Rights:** All rights not expressly granted above are retained by the Designer.

**Permissions and Releases:** The Client agrees to indemnify and hold the Designer harmless against any and all claims, costs, and expenses, including attorney's fees, due to materials included in the Design at the request of the Client for which no copyright permission or privacy release was requested, or for which uses exceed the uses allowed pursuant to a permission or release.

**Third party contracts:** The designer may contract with other creative professionals to provide services such as web development, photography, and illustration. Any third-party terms and conditions will include full reproduction rights for the client. Where such contracting adds to the project cost, the client will first be asked for permission to proceed. No project will commence on the assumption that third parties might be required for project completion. Such details will be finalized prior to project commencement, unless requested by the client at a later date.

## Communication

The designer can be reached by telephone or email during office hours on Monday through Wednesday between 10:00 am and 4:00 pm CST. Office hours on Thursdays and Fridays vary from week to week, but are typically held in the morning. No office hours are held on Saturday or Sundays. The majority of designer/client communication is normally via email, helping both parties keep track of specific design requirements and potential changes.

## Delayed Payment

If the invoice is more than 14 days overdue, a 10 percent "delayed payment" fee will be charged. This 10 percent figure will be added upon each recurring 30-day period until the full amount has been received by the designer.

## Cancellation

If, after project commencement, client communication (face-to-face, telephone, or email) stops for a period of 90 days, the project can be cancelled, in writing by the designer, and ownership of all copyrights shall be retained by the designer. A cancellation fee for work completed shall be paid by the client, with the fee based on the stage of project completion. The fee will not exceed 100 percent of the total project cost.

## Miscellaneous

**Confidentiality:** The client shall inform the designer in writing before the project commences if any portion of any material or information provided by the client or if any portion of the project is confidential. All material from the Designer should be considered and designated as confidential. The information should be used only as needed to perform this Agreement.

Confidential Information shall not include any information that is already known by the recipient, becomes publicly known through no fault of the recipient, or is received from a third party without a restriction on disclosure. All training materials and information provided by Designer will remain confidential and shall not be copied or duplicated.

**Indemnity:** The client agrees to indemnify and hold harmless the designer from all claims, demands, losses,

causes of action, damage, lawsuits, judgments, including attorneys' fees and costs, but only to the extent caused by, arising out of, the work supplied by the designer.

### Deliverable Acceptance

Within five business days after delivery of the Deliverable to Client, Client must notify Designer in writing of any failure of such Deliverable to comply with specifications, or of any other objections, corrections, or revisions Client wishes to be made with such Deliverable. In the absence of such notice from Client, the Deliverable shall be deemed accepted and approved by Client five business days after delivery of the Deliverable to Client.

### Timeline

Changes to approved designs during the production phase (prepress or programming) of the project may require an extension of the timeline and an increase in the budget.

### Delays

Client shall use all reasonable efforts to provide needed information, materials and approvals. Any delay by Client will result in a day-for-day extension of the due date for all Deliverables. Any delay caused by conditions beyond the reasonable control of the parties shall not be considered a breach and will result in a day-for-day extension any performance due. Each party shall use reasonable efforts to notify the other party, in writing, of a delay. Conditions beyond the reasonable control of the parties include, but are not limited to, natural disasters, acts of government after the date of agreement, power failure, fire, flood, labor disputes, riots, acts of war, terrorism and epidemics. If client fails to respond to Designer request(s) within ten business days, Designer reserves the right to discontinue services, withhold delivery of the deliverables, and any transfer of ownership of current work. If Designer resumes performance of Services at his/her discretion, the Delivery Schedule and Designer Fees may be modified.

Client:

I agree to the terms and conditions of this contract.

First Name

Last Name

Select Date

11/11/21

Signature

Nathan Ebra CFO

Business Owner:

I agree to the terms and conditions of this contract.

First Name

Last Name

04-E-005-520-166-303-000

Signature



**Braun Intertec Corporation**  
4511 West First Street, Suite 4  
Duluth, MN 55807

Phone: 218.624.4967  
Fax: 218.624.0196 121  
Web: braunintertec.com

October 13, 2021

Proposal QTB144972

Independent School District 709  
c/o Mr. Nathan Norton  
ICS Consulting, Inc.  
1311 Tyler Street NE, Suite 101  
Minneapolis, MN 55413

Re: Proposal for Special Inspection and Testing Services  
ISD 709 – Facility Building  
800 East Central Entrance  
Duluth, Minnesota

Dear Mr. Norton:

Braun Intertec Corporation is pleased to submit this proposal to provide special inspections and testing services for the renovations to the existing Independent School District (ISD) 709 Facility Building in Duluth, Minnesota.

We have completed the geotechnical evaluation, so we have a unique understanding of the site and construction challenges. We can aid the construction team by applying this experience and transferring our knowledge developed during the design phase which will provide professional continuity to the construction. Our work on the project to date gives us familiarity with the project team and design development which allows us to understand some of the considerations used when developing the projects design.

Since our inception in 1957, we have grown into one of the largest employee-owned engineering firms in the nation. With around 1,000 employee owners, retaining our firm gives you access to a diverse range of services and professionals you can consult with if the unforeseen occurs. The size of our company also allows us to respond quickly when schedule constraints occur.

## **Our Understanding of Project**

We understand this renovation project will include the construction of a loading dock, interior mezzanine, and multiple stoops. The mezzanine will be constructed of structural steel supported on cast in place concrete foundations. Walls will be concrete-masonry-unit and lower levels slabs will be grade supported.

AA/EOE

## Available Information

This proposal was prepared using the following documents and information.

- Project plans and specifications prepared by DSGW Architects dated August 11, 2021.
- Project Addendum numbered 1, 2, 3 and 4 respectively dated August 25, 2021, August 27, 2021, September 1, 2021 and September 8, 2021.
- A geotechnical report B2009444.000 prepared by Braun Intertec, dated May 7, 2021.

## Project Approach and Staff Qualifications

### Special Inspections

Braun Intertec has adopted the International Code Council (ICC) Model Program for Special Inspection to develop the guiding principles for our special inspection program. This model was selected because it was designed by the ICC to assist owners, contractors and building officials in the understanding, administration and enforcement of the special inspection requirements of the International Building Code (IBC). Currently, there are ICC certifications for soils, reinforced concrete, structural masonry, pre-tension/post-tension (pre-stressed) concrete, spray-applied fireproofing, structural steel and bolting, and structural welding.

### Qualifications and Experience

An ICC certified special inspector is one who has successfully demonstrated their ability to understand the IBC, construction practices and how to read and understand construction documents. Through experience and examination, our ICC certified special inspectors have demonstrated their ability to provide special inspection services.

### Inspections and Reporting

Our special inspectors summarize the nature, extent and results of special inspection activities at the time they are performed on Special Inspection Daily Report forms submitted electronically to the general contractor's on-site personnel for review and records. These records can also be transmitted electronically to others who may want to review these documents on an agreed upon schedule. When unresolved discrepancies are noted, we will document the issues and work with the design and construction team to bring them to resolution. Special inspection final reports will be prepared and submitted upon completion as required by the requirements of the IBC.

### **Communications**

Braun Intertec special inspectors will communicate the results of their inspections to the contractor and our supervising engineer each day special inspections are performed. We strive to have our special inspectors develop a working relationship with the project's structural engineer-of-record. We may attempt contact with the structural engineering consultant periodically to review the work being performed and to request clarifications and direction on any item that may require it.

### **Construction Materials Testing**

Qualified technicians working under the direction of a professional engineer will provide the services. Experience and certification information is available upon request once we are provided with schedule information. Concrete technicians assigned to the project are ACI Concrete Field Testing Technician – Grade I certified to conduct the required concrete testing. Soil technicians are certified to use a nuclear gauge for soil density testing, so test results can be determined on site and evaluated once the required laboratory testing is completed. Field test results will be verbally reported daily to the general contractor on site, with written field and laboratory reports distributed shortly after.

### **Scope of Services**

Services are performed under the direction of a licensed professional engineer, on a periodic basis, depending on the construction schedule and when they are requested by the general contractor. After reviewing available information, we understand our scope of services for the project will be limited to the tasks defined below.

#### **Soil Related Services**

- Observe and evaluate the soils exposed in excavations to determine if the soils are similar to those encountered with the geotechnical evaluation and suitable for support of fill and foundations. Our engineer can provide consultation for conditions that appear to differ from the geotechnical evaluation.
- Perform laboratory mechanical analyses (gradations) of prospective fill materials.
- Perform laboratory Proctor tests to determine the maximum Proctor dry densities and optimum moisture contents of prospective fill materials.
- Observe the placement and compaction of fill.

- Test compacted fill placed below building footprints and oversizing areas and below slabs, to determine if the relative compaction was achieved.

#### **Concrete Related Services**

- Observe concrete reinforcement placement.
- Observe the general placement of bolts and other embeds in the plastic concrete.
- Sample and test the plastic concrete for slump, air content, temperature and prepare test cylinders for laboratory compressive strength testing with ACI level 1 field technicians. We will perform concrete testing on structural items as required by the IBC. Though not required by the IBC we have included testing for the interior slab on grade,
- Perform laboratory compressive strength testing of the concrete samples.

#### **Structural Masonry Related Services**

- Observe the structural masonry construction and grouting operation on a periodic basis.
- Perform structural masonry grout and structural masonry prism testing.

#### **Structural Steel Related Services**

- Observe and test the structural steel welded and bolted connections in the field.
- Observe the installation of post-installed anchors.

#### **Engineering Consulting and Project Communication and Reporting Services**

- Provide engineering consulting services, review test results and observations reports, and prepare required final reports.
- Management, including scheduling of our field personnel and communication with the contractor, owner, building official, and design team.
- Transmit results to the project team on weekly basis to the contractor, owner, building official, fabricators and design team.

## Cost

We will furnish the services described in this proposal for an estimated fee of **\$8,270**. A tabulation showing hourly and unit rates associated with our proposed scope of services is attached. The actual cost of our services will be based on the actual units or hours expended to meet the requirements of the project documents.

This cost estimate was developed with the understanding that the scope of services defined herein will be required and requested during our normal work hours of 6:00 a.m. to 4:00 p.m., Monday through Friday. Services that we are asked to provide to meet the project requirements or the contractor's construction schedule **outside** our normal business hours will be invoiced using an overtime rate factor. The factor for services provided outside our normal work hours or on Saturday will be 1.25 times the listed hourly rate for the service provided. The factor for services provided on Sunday or legal holidays will be 1.5 times the listed hourly rate for the service provided. We have not included premiums for overtime in our cost estimate; however, we recommend that allowances and contingencies be made for overtime charges based on conversations with the contractor. You will be billed only for services provided on a time and materials basis.

Because our services are directly controlled by the schedule and performance of others, the actual cost may vary from our estimate. It is difficult to project all of the services and the quantity of services that may be required for any project. If services are required that are not discussed above, we will provide them at the rates shown in the attached table or, if not shown, at our current Schedule of Charges. We will invoice you on a monthly basis.

## General Remarks

We will be happy to meet with you to discuss our proposed scope of services further and clarify the various scope components.

We appreciate the opportunity to present this proposal to you. After reviewing this proposal, **please sign and return one copy to our office as notification of acceptance and authorization to proceed**. If anything in this proposal is not consistent with your requirements, please let us know immediately. Braun Intertec will not release any written reports until we have received a signed agreement. Also, ordering services from Braun Intertec constitutes acceptance of the terms of this proposal (including the attached General Conditions).

The proposed fee is based on the scope of services described and the assumption that our services will be authorized within 30 days and that others will not delay us beyond our proposed schedule.

We include the Braun Intertec General Conditions, which provide additional terms and are a part of our agreement.

To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact David Morrison at 218.624.4967 or email [dmorrison@braunintertec.com](mailto:dmorrison@braunintertec.com).

Sincerely,

BRAUN INTERTEC CORPORATION



David E. Morrison, PE  
Project Engineer

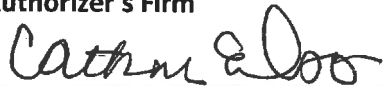


Joseph C. Butler, PE  
Business Unit Manager – Senior Engineer

- Attachments:
- Cost Estimate Table
  - General Conditions – CMT (1/1/18)

The proposal is accepted. We will reimburse you in accordance with this agreement, and you are authorized to proceed:

\_\_\_\_\_  
**Authorizer's Firm**



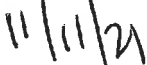
\_\_\_\_\_  
**Authorizer's Signature**

Cathy Erickson

\_\_\_\_\_  
**Authorizer's Name (please print or type)**

CFO

\_\_\_\_\_  
**Authorizer's Title**



\_\_\_\_\_  
**Date**



The Science You Build On.

# Project Proposal

128

## QTB144972

### ISD 709 - Facility Building

**Client:**

ICS  
Nathan Norton  
1331 Tyler Street NE Suite 101  
Minneapolis, MN 55413  
(763) 354-2670

**Work Site Address:**

800 East Central Entrance  
Duluth, MN

**Service Description:**

Construction Materials Testing and Special Inspections

	Description	Quantity	Units	Unit Price	Extension
<b>Phase 1</b>	<b>Construction and Materials Testing</b>				
<b>Activity 1.1</b>	<b>Soil Observations and Testing</b>				<b>\$1,865.00</b>
206	Excavation Observations	4.00	Hour	80.00	\$320.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Foundation Excavations	2.00	Trips	2.00	4.00
207	Compaction Testing - Nuclear	12.00	Hour	70.00	\$840.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Foundation Backfill	8.00	Trips	1.50	12.00
1308	Nuclear moisture-density meter charge, per hour	12.00	Each	15.00	\$180.00
1861	CMT Trip Charge	11.00	Each	15.00	\$165.00
209	Sample pick-up	1.00	Hour	70.00	\$70.00
1318	Moisture Density Relationship (Standard), per sample	1.00	Each	165.00	\$165.00
1162	Sieve Analysis with 200 wash, per sample	1.00	Each	125.00	\$125.00
<b>Activity 1.2</b>	<b>Concrete Observations and Testing</b>				<b>\$2,960.00</b>
260	Concrete Observations	6.00	Hour	80.00	\$480.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Footings	2.00	Trips	1.00	2.00
	Foundation Walls	2.00	Trips	1.00	2.00
	Stoops	2.00	Trips	1.00	2.00
261	Concrete Testing	10.50	Hour	70.00	\$735.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Footings	2.00	Trips	1.50	3.00
	Foundation Walls	2.00	Trips	1.50	3.00
	Stoops	2.00	Trips	1.50	3.00
	Slab On Grade	1.00	Trips	1.50	1.50
278	Concrete Cylinder Pick up	9.00	Hour	70.00	\$630.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Cylinder Pickup	9.00	Trips	1.00	9.00
1861	CMT Trip Charge	16.00	Each	15.00	\$240.00
1364	Compressive strength of concrete cylinders (ASTM C 39),per specimen	35.00	Each	25.00	\$875.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Footings	2.00	Set	5.00	10.00
	Foundation Walls	2.00	Set	5.00	10.00
	Stoops	2.00	Set	5.00	10.00
	Slab On Grade	1.00	Set	5.00	5.00
<b>Activity 1.3</b>	<b>Masonry Observations and Testing</b>				<b>\$1,770.00</b>
203	Masonry Observations	10.00	Hour	80.00	\$800.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Walls	5.00	Trips	2.00	10.00
1861	CMT Trip Charge	6.00	Each	15.00	\$90.00



The Science You Build On.

# Project Proposal

129

## QTB144972

### ISD 709 - Facility Building

1409	Compressive strength - Hollow block prisms (ASTM C 1314), per specimen	3.00	Each	165.00	\$495.00
1407	Net area determination (ASTM C 140) , per specimen	3.00	Each	50.00	\$150.00
213	Masonry Sample Pick up	1.00	Hour	70.00	\$70.00
1412	Compressive strength of grout (ASTM C 1019), per specimen	3.00	Each	55.00	\$165.00
<b>Activity 1.4</b>	<b>Structural Steel Observations</b>				<b>\$410.00</b>
605	ICC Structural Steel Technician	3.00	Hour	95.00	\$285.00
	<i>Work Activity Detail</i>	<i>Qty</i>	<i>Units</i>	<i>Hrs/Unit</i>	<i>Extension</i>
	Welding, Framing, Bolting	1.00	Trips	3.00	3.00
1664	NDE Trip charge	1.00	Each	125.00	\$125.00
<b>Activity 1.5</b>	<b>Project Management</b>				<b>\$1,265.00</b>
238	Project Assistant	3.00	Hour	70.00	\$210.00
226	Project Manager	3.00	Hour	145.00	\$435.00
125	Project Control Specialist	1.00	Hour	120.00	\$120.00
5514	Final Special Inspection Report	1.00	Each	500.00	\$500.00
				<b>Phase 1 Total:</b>	<b>\$8,270.00</b>

<b>Proposal Total:</b>	<b>\$8,270.00</b>
------------------------	-------------------

## General Conditions

### Construction Material Testing and Special Inspections

#### Section 1: Agreement

**1.1** Our agreement with you consists of these General Conditions and the accompanying written proposal or authorization ("Agreement"). This Agreement is the entire agreement between you and us. It supersedes prior agreements. It may be modified only in a writing signed by us, making specific reference to the provision modified.

**1.2** The words "you," "we," "us," and "our" include officers, employees, and subcontractors.

**1.3** In the event you use a purchase order or other documentation to authorize our scope of work ("Services"), any conflicting or additional terms are not part of this Agreement. Directing us to start work prior to execution of this Agreement constitutes your acceptance. If, however, mutually acceptable terms cannot be established, we have the right to terminate this Agreement without liability to you or others, and you will compensate us for fees earned and expenses incurred up to the time of termination.

#### Section 2: Our Responsibilities

**2.1** We will provide Services specifically described in this Agreement. You agree that we are not responsible for services that are not expressly included in this Agreement. Unless otherwise agreed in writing, our findings, opinions, and recommendations will be provided to you in writing. You agree not to rely on oral findings, opinions, or recommendations without our written approval.

**2.2** In performing our professional services, we will use that degree of care and skill ordinarily exercised under similar circumstances by reputable members of our profession practicing in the same locality. If you direct us to deviate from our recommended procedures, you agree to hold us harmless from claims, damages, and expenses arising out of your direction. If during the one year period following completion of Services it is determined that the above standards have not been met and you have promptly notified us in writing of such failure, we will perform, at our cost, such corrective services as may be necessary, within the original scope in this Agreement, to remedy such deficiency. Remedies set forth in this section constitute your sole and exclusive recourse with respect to the performance or quality of Services.

**2.3** We will reference our field observations and sampling to available reference points, but we will not survey, set, or check the accuracy of those points unless we accept that duty in writing. Locations of field observations or sampling described in our report or shown on our sketches are based on information provided by others or estimates made by our personnel. You agree that such dimensions, depths, or elevations are approximations unless specifically stated otherwise in the report. You accept the inherent risk that samples or observations may not be representative of things not sampled or seen and

further that site conditions may vary over distance or change over time.

**2.4** Our duties do not include supervising or directing your representatives or contractors or commenting on, overseeing, or providing the means and methods of their services unless expressly set forth in this Agreement. We will not be responsible for the failure of your contractors, and the providing of Services will not relieve others of their responsibilities to you or to others.

**2.5** We will provide a health and safety program for our employees, but we will not be responsible for contractor, owner, project, or site health or safety.

**2.6** You will provide, at no cost to us, appropriate site safety measures as to work areas to be observed or inspected by us. Our employees are authorized by you to refuse to work under conditions that may be unsafe.

**2.7** Unless a fixed fee is indicated, our price is an estimate of our project costs and expenses based on information available to us and our experience and knowledge. Such estimates are an exercise of our professional judgment and are not guaranteed or warranted. Actual costs may vary. You should allow a contingency in addition to estimated costs.

#### Section 3: Your Responsibilities

**3.1** You will provide us with prior environmental, geotechnical and other reports, specifications, plans, and information to which you have access about the site. You agree to provide us with all plans, changes in plans, and new information as to site conditions until we have completed Services.

**3.2** You will provide access to the site. In the performance of Services some site damage is normal even when due care is exercised. We will use reasonable care to minimize damage to the site. We have not included the cost of restoration of damage in the estimated charges.

**3.3** If we notify you that radiographic or gamma ray equipment or other nuclear testing or measuring device will be used, you will be responsible for the cooperation of your employees and your contractors in observing all radiation safety standards.

**3.4** You will notify us of any knowledge or suspicion of the presence of hazardous or dangerous materials present on any work site. If we observe or suspect the presence of contaminants not anticipated in this Agreement, we may terminate Services without liability to you or to others, and you will compensate us for fees earned and expenses incurred up to the time of termination.

**3.5** The time our field personnel spend on the job site depends upon the scheduling of the work we are observing or testing. You agree that any changes in scheduling may result in additional

costs and agree to pay for those services at the rates listed in our cost estimate.

**3.6** You agree to include us as an indemnified party in your contracts, if any, for work by others on the project, protecting us to the same degree as you are protected. You agree to list us as an Additional Insured under your liability insurance policies and to require subrogation be waived against us and that we will be added as an Additional Insured on all policies of insurance, including any policies required of your contractors or subcontractors, covering any construction or development activities to be performed on the project site.

#### Section 4: Reports and Records

**4.1** Unless you request otherwise, we will provide our report(s) in an electronic format.

**4.2** Our reports, notes, calculations, and other documents and our computer software and data are instruments of our service to you, and they remain our property. We hereby grant you a license to use the reports and related information we provide only for the related project and for the purposes disclosed to us. You may not transfer our reports to others or use them for a purpose for which they were not prepared without our written approval. *You agree to indemnify, defend, and hold us harmless from claims, damages, losses, and expenses, including attorney fees, arising out of such a transfer or use.*

**4.3** If you do not pay for Services in full as agreed, we may retain work not yet delivered to you and you agree to return to us all of our work that is in your possession or under your control.

**4.4** Electronic data, reports, photographs, samples, and other materials provided by you or others may be discarded or returned to you, at our discretion, unless within 15 days of the report date you give us written direction to store or transfer the materials at your expense.

#### Section 5: Compensation

**5.1** You will pay for Services as stated in this Agreement. If such payment references our Schedule of Charges, the invoicing will be based upon the most current schedule. An estimated amount is not a firm figure. You agree to pay all sales taxes and other taxes based on your payment of our compensation. Our performance is subject to credit approval and payment of any specified retainer.

**5.2** You will notify us of billing disputes within 15 days. You will pay undisputed portions of invoices upon receipt. You agree to pay interest on unpaid balances beginning 30 days after invoice dates at the rate of 1.5% per month, or at the maximum rate allowed by law.

**5.3** If you direct us to invoice a third party, we may do so, but you agree to be responsible for our compensation unless the third party is

creditworthy (in our sole opinion) and provides written acceptance of all terms of this Agreement.

**5.4** Your obligation to pay for Services under this Agreement is not contingent on your ability to obtain financing, governmental or regulatory agency approval, permits, final adjudication of any lawsuit, your successful completion of any project, receipt of payment from a third party, or any other event. No retainage will be withheld.

**5.5** If you do not pay us in accordance with this Agreement, you agree to reimburse all costs and expenses for collection of the moneys invoiced, including but not limited to attorney fees and staff time.

**5.6** You agree to compensate us in accordance with our Schedule of Charges if we are asked or required to respond to legal process arising out of a proceeding related to the project and as to which we are not a party.

**5.7** If we are delayed by factors beyond our control, or if project conditions or the scope or amount of work changes, or if changed labor conditions result in increased costs, decreased efficiency, or delays, or if the standards or methods change, we will give you timely notice, the schedule will be extended for each day of delay, and we will be compensated for costs and expenses incurred in accordance with our Schedule of Charges.

**5.8** If you fail to pay us in accordance with this Agreement, we may consider the default a total breach of this Agreement and, at our option, terminate our duties without liability to you or to others, and you will compensate us for fees earned and expenses incurred up to the time of termination.

**5.9** In consideration of our providing insurance to cover claims made by you, you hereby waive any right to offset fees otherwise due us.

#### **Section 6: Disputes, Damage, and Risk Allocation**

**6.1** Each of us will exercise good faith efforts to resolve disputes without litigation. Such efforts will include, but not be limited to, a meeting(s) attended by each party's representative(s) empowered to resolve the dispute. Before either of us commences an action against the other, disputes (except collections) will be submitted to mediation.

**6.2** *Notwithstanding anything to the contrary in this Agreement, neither party hereto shall be responsible or held liable to the other for punitive, indirect, incidental, or consequential damages, or liability for loss of use, loss of*

*business opportunity, loss of profit or revenue, loss of product or output, or business interruption.*

**6.3** You and we agree that any action in relation to an alleged breach of our standard of care or this Agreement shall be commenced within one year of the date of the breach or of the date of substantial completion of Services, whichever is earlier, without regard to the date the breach is discovered. Any action not brought within that one year time period shall be barred, without regard to any other limitations period set forth by law or statute. We will not be liable unless you have notified us within 30 days of the date of such breach and unless you have given us an opportunity to investigate and to recommend ways of mitigating damages. You agree not to make a claim against us unless you have provided us at least 30 days prior to the institution of any legal proceeding against us with a written certificate executed by an appropriately licensed professional specifying and certifying each and every act or omission that you contend constitutes a violation of the standard of care governing our professional services. Should you fail to meet the conditions above, you agree to fully release us from any liability for such allegation.

**6.4** *For you to obtain the benefit of a fee which includes a reasonable allowance for risks, you agree that our aggregate liability for all claims will not exceed the fee paid for Services or \$50,000, whichever is greater. If you are unwilling to accept this allocation of risk, we will increase our aggregate liability to \$100,000 provided that, within 10 days of the date of this Agreement, you provide payment in an amount that will increase our fees by 10%, but not less than \$500, to compensate us for the greater risk undertaken. This increased fee is not the purchase of insurance.*

**6.5** *You agree to indemnify us from all liability to others in excess of the risk allocation stated herein and to insure this obligation. In addition, all indemnities and limitations of liability set forth in this Agreement apply however the same may arise, whether in contract, tort, statute, equity or other theory of law, including, but not limited to, the breach of any legal duty or the fault, negligence, or strict liability of either party.*

**6.6** This Agreement shall be governed, construed, and enforced in accordance with the laws of the state in which our servicing office is located, without regard to its conflict of laws rules. The laws of the state of our servicing office will govern all disputes, and all claims shall be heard in the state or federal courts for that state. Each of us waives trial by jury.

**6.7** No officer or employee acting within the scope of employment shall have individual liability for his or her acts or omissions, and you agree not to make a claim against individual officers or employees.

#### **Section 7: General Indemnification**

**7.1** *We will indemnify and hold you harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by our negligent acts or omissions or those negligent acts or omissions of persons for whom we are legally responsible. You will indemnify and hold us harmless from and against demands, damages, and expenses of others to the comparative extent they are caused by your negligent acts or omissions or those negligent acts or omissions of persons for whom you are legally responsible.*

**7.2** To the extent it may be necessary to indemnify either of us under Section 7.1, you and we expressly waive, in favor of the other only, any immunity or exemption from liability that exists under any worker compensation law.

#### **Section 8: Miscellaneous Provisions**

**8.1** We will provide a certificate of insurance to you upon request. Any claim as an Additional Insured shall be limited to losses caused by our negligence.

**8.2** You and we, for ourselves and our insurers, waive all claims and rights of subrogation for losses arising out of causes of loss covered by our respective insurance policies.

**8.3** Neither of us will assign or transfer any interest, any claim, any cause of action, or any right against the other. Neither of us will assign or otherwise transfer or encumber any proceeds or expected proceeds or compensation from the project or project claims to any third person, whether directly or as collateral or otherwise.

**8.4** This Agreement may be terminated early only in writing. You will compensate us for fees earned for performance completed and expenses incurred up to the time of termination.

**8.5** If any provision of this Agreement is held invalid or unenforceable, then such provision will be modified to reflect the parties' intention. All remaining provisions of this Agreement shall remain in full force and effect.

**8.6** No waiver of any right or privilege of either party will occur upon such party's failure to insist on performance of any term, condition, or instruction, or failure to exercise any right or privilege or its waiver of any breach.

October 19th, 2021  
Proposal Prepared For  
**ISD # 709 HOMECROFT  
DULUTH, MINNESOTA**

**PRICING PER KONICA MINOLTA ISD 3709 CONTRACT # 17AEP9655**

**Minolta Bizhub 450i Digital Copier/Printer/Scanner System**

- 45 Copies or Prints Per Minute Black / White New System
- 300 Sheet Dual Scanning Document Feeder
- 25 to 400% Percent Zoom Range
- Four 500 Sheet Paper Drawers & 150 Sheet Bypass
- Floor Standing 50 Sheet Stapling Finisher
- Print / Scan included ...fax can be added if needed

**Total Contract Price (install, train & load drivers)..... 3,795.00**

★ **LEASE OPTION:** \$1.00 Out Lease : 24 months @ \$190.00 month <sup>①</sup> ??  
 36 months @ \$125.00 month <sup>②</sup> .

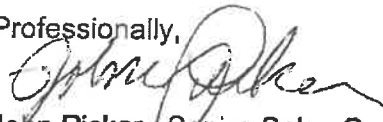
**Service Contract** \_\_\_ yes \_\_\_ no

**Contract Includes:**

- All parts, labor, time, travel, toner and staples necessary to maintain proper operation
- Billed at current ISD # 709 contract rate for refurbished units
- Punctual service performed by "on-hands" owners with 125+ years experience

Thank you for this opportunity to provide reliable Konica Minolta digital equipment , meeting the demands of your workplace.

Professionally,



John Pickar Senior Sales Consultant (218) 393-6174 www.glosinc.com

★ Approved By (signature): Catherine Erickson

★ Approved By (print name): Catherine A. Erickson

★ Approved Title: CFO

★ Date: 11/11/21

**CONTRACT FOR "IN SCHOOL" NURSING SERVICES  
PERTAINING TO WENDELL S-S. #260-304**

This AGREEMENT is made and entered into this 1st day of September 2021, by **BAYADA Home Health Care, Inc.**, with a service office located 742 1st Street South, Suite 104, Waite Park, Minnesota 56387 (hereinafter referred to as **BAYADA**) and **Lester Park Elementary School** located at 5300 Glenwood St., Duluth, Minnesota 55804, (hereinafter referred to as **SCHOOL**).

**BAYADA** is a home health care agency, engaged in the business of providing nursing services, and **SCHOOL** has identified a need for in-school nursing care of its student, [REDACTED] (hereinafter referred to as **STUDENT**).

WHEREAS it is the desire of both parties to make provision for on site, daily nursing care for **STUDENT**, in accordance with the terms of this Agreement.

THEREFORE, in consideration for the mutual covenants expressed herein, **BAYADA** and **SCHOOL** agree to the terms and conditions outlined herein:

**I. RESPONSIBILITIES OF BAYADA**

- A. Qualifications of Personnel. The Nurse supplied by **BAYADA** will be a Registered Nurse (RN) or Licensed Practical Nurse (LPN) who will hold a current license, registration or certification to practice in the State of Minnesota, and will provide services pursuant to the applicable state laws.
- B. Personnel Records Inspection. **BAYADA** will make available for inspection, upon the request of **SCHOOL**, the personnel files of its nurses who are caring for **STUDENT**. The contents of such file must include:
1. Verification of current licensure or certification as applicable; and
  2. Completed application for employment or resume; and
  3. Verified references; and
  4. Evidence of annual performance evaluation; and
  5. A criminal record check, conducted upon hire, if required by state law; and
  6. Evidence of at least one, annual in-service education or training in accordance with applicable state regulations.
- C. Service. **BAYADA** will provide an RN or LPN to care for **STUDENT** each day that said student attends school, to include any setting where **STUDENT** is receiving educational services during **SCHOOL** hours. Nursing services will be provided subject to the availability of a qualified nurse. The services to be provided may include escorting **STUDENT** to and from school on the school bus and providing care to **STUDENT** during the school day. Upon execution of this Agreement, **SCHOOL** will provide **BAYADA** with a schedule of the school calendar including all scheduled days off.
1. **BAYADA** RN Clinical Manager will be responsible for initial and ongoing assessment of **STUDENTS** clinical needs while attending school. Responsibilities include:
    - a. Will work with physician to develop a Plan of Care ("POC") and update the plan per **BAYADA** policy.

- b. Will conduct supervision to monitor employees and confirm the efficacy of the Plan of Care.
  - c. Will collaborate with school nurse and teachers as needed to ensure best possible experience for the **STUDENT**.
  - d. Be ultimately responsible for the overall coordination, supervision and evaluation of the services provided to **STUDENT** under this Agreement.
- D. Place of Performance. **BAYADA** will provide services primarily at schools located within **SCHOOL**'s district or other specified location where **STUDENT** will be during the school day. **SCHOOL** acknowledges and understands that **BAYADA** cannot guarantee services. All services will be provided subject to the availability of a qualified nurse.
- E. Insurance.
1. **BAYADA** will maintain general liability and professional liability coverage for any negligent acts or omissions of **BAYADA** employees, which may give rise to liability under this Agreement.
  2. **BAYADA** will maintain Workers' Compensation insurance for its employees providing services to **STUDENT**.
- F. Indemnification. **BAYADA** agrees to indemnify and hold harmless **SCHOOL** from all bodily injury and/or property damage claims arising out of the sole negligence of **BAYADA**, acting through its directors, agents, and employees.
- G. Payment of Personnel. **BAYADA**, as an employer, will remain responsible for the payment of wages and other compensation, reimbursement of expenses and compliance with Federal, State and local tax withholdings, Workers' Compensation, Social Security, employment and other insurance requirements for its personnel.
- H. Policies and Procedures. **BAYADA** will follow the **SCHOOL**'s policies and procedures while providing care in the **SCHOOL** setting.

## II. RESPONSIBILITIES OF SCHOOL

- A. Payment for Services. **SCHOOL** will remain responsible to compensate **BAYADA** for services rendered pursuant to this Agreement. Section III hereunder will govern billing terms and compensation.
- B. Insurance.
1. **SCHOOL** will maintain at its sole expense valid policies of general liability insurance, covering the negligent acts or omissions of **SCHOOL** acting through its directors, agents, employees or other personnel, which may give rise to liability under this Agreement.
  2. **SCHOOL** will maintain, at its sole expense, Workers' Compensation insurance for its employees.
- C. Indemnification. **SCHOOL** agrees to indemnify and hold harmless **BAYADA** from all bodily injury and/or property damage claims arising from any act or omission of **SCHOOL**, acting through its directors, agents, employees or other personnel.

- D. Employment Status. **SCHOOL** understands and agrees that the RN/LPN are employees of **BAYADA**, and **SCHOOL** will not attempt to solicit the RN/LPN to work privately for **SCHOOL**, without written authorization from **BAYADA**, during the term of this Agreement and for one (1) year following its termination or expiration. **SCHOOL** recognizes the recruiting, training and retention expenses that **BAYADA** encounters as an employer and acknowledges that **BAYADA** is not a placement or referral service. Should **SCHOOL** desire to hire one of **BAYADA**'s employees, **SCHOOL** agrees to provide **BAYADA** with written notice and pay a liquidated damages fee equal to four (4) months of the specific employee's annual gross salary or \$5,000.00 whichever is greater. This fee will apply to any **BAYADA** employee **SCHOOL** wishes to hire.
- E. Compliance Program. **BAYADA** values honesty and confidentiality in all business interactions. To assure adherence to these values, **BAYADA** maintains a corporate compliance program, designed to detect and prevent illegal and unethical activities, including breaches of confidentiality. **SCHOOL** agrees to abide by this program and understands its obligation to report questionable activities involving **BAYADA**'s employees to the local office Director named below or to the Compliance Hotline at 1-866-665-4295.

### III. BILLING AND COMPENSATION

- A. **SCHOOL** agrees to compensate **BAYADA** at a rate of \$60.00/hour for RN services or \$50.00/hour for LPN services provided under this Agreement. **SCHOOL** will also pay for all time the **BAYADA** employee spends on the bus or otherwise transporting the client to and from **SCHOOL**.
- B. **BAYADA** will forward to **SCHOOL** an itemized bill on a weekly basis. Each weekly bill will itemize the name of the **BAYADA** employee providing care, the date of service, the type and length of service provided.
- C. **SCHOOL** agrees to pay submitted bills within thirty (30) days of receipt. Any bill not paid within the thirty (30) day period will be considered delinquent. **BAYADA** may charge interest, at a rate of 1¼% each month (15% per year) on all delinquent accounts. **BAYADA** will also pursue collection remedies to resolve a delinquent account. **SCHOOL** agrees to reimburse **BAYADA** for all collection costs, including attorneys' fees and expenses.


### IV. TERM AND TERMINATION

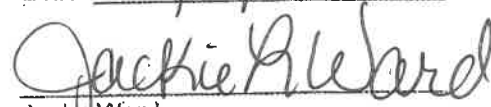
- A. This Agreement will come into effect beginning on September 1, 2021 and will remain in effect through August 30, 2022. This Agreement may be extended upon the written consent of each party outlining the terms and time for extension.
- B. Either party may terminate this Agreement, for any reason, upon thirty (30) days prior written notice.
- C. Either party may terminate this Agreement for cause due to the occurrence of one of the following events by giving ten (10) days prior written notice:
1. Dissolution or bankruptcy of either **BAYADA** or **SCHOOL**.
  2. Failure of either **BAYADA** or **SCHOOL** to maintain the insurance coverage's required hereunder.

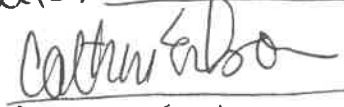
3. Breach by BAYADA or SCHOOL of any of the material provisions in this Agreement.

V. ADDITIONAL TERMS

- A. Governing Law. This Agreement will be construed and governed in all respects according to the laws of the State of Minnesota.
- B. Relationship to Parties. The parties enter into this Agreement as independent contractors. Nothing contained in this Agreement will be construed to create a partnership, joint venture, agency or employment relationship between the parties.
- C. Assignment. This Agreement may not be assigned by either party, in whole or in part.
- D. Modification of Terms. No amendments or modifications to the terms of this Agreement will be binding unless evidenced in writing and signed by an authorized representative of each party hereto.
- E. Notices. Any Notice given in connection with this Agreement will be given in writing and will be delivered either by hand or by certified mail, return receipt requested, to the other party, at the party's address stated below. Any party may change its address as stated herein by giving Notice of the change of address in accordance with this Paragraph.
- F. Confidentiality. Except for acknowledging the existence of this Agreement, the parties understand and agree that the terms of this Agreement, including all payment terms, shall be kept confidential unless disclosure is required by law or the parties agree, in writing, to such disclosure. All methods and mode of conduct of business for SCHOOL and BAYADA are to be kept confidential by SCHOOL and BAYADA and not disclosed to any other party or used in part or whole without the permission of SCHOOL and/or BAYADA.
- G. Entire Agreement. This writing evidences the entire Agreement between BAYADA and SCHOOL; there are no prior written or oral promises or representations incorporated herein. Each Attachment, Fee Schedule, Exhibit or other documents referenced herein and/or attached to this Agreement are incorporated herein as if the same was set out in full in the text of this Agreement. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or electronic (email) transmission shall be effective as delivery of a manually executed counterpart hereof.

Date: 10/28/21  
  
 Erica Kjenstad  
 Director  
 Signing with authority for  
 BAYADA Home Health Care, Inc.

Date: 11/3/21  
  
 Jackie Ward  
 Assistant Director of Special Services  
 Signing with authority for  
 Lester Park Elementary School

Date: 4/11/21  
  
 Cathy Erickson  
 CFO Duluth Public Schools

01-E-005-416-740-394-000

## AGREEMENT

**THIS AGREEMENT**, made and entered into this 9th day of November, 2021, by and between Independent School District #709, a public corporation, hereinafter called District, and WellRide LLC., an independent contractor, hereinafter called Contractor.

**THE PURPOSE OF THE AGREEMENT** is to set out the terms and conditions whereby Contractor will provide programs or services for the District at the times and locations set forth in this Agreement.

**The terms and conditions of this Agreement are as follows:** *WellRide LLC. Is a transportation agency that will provide professional transportation service for students that need special accommodations.*

1. **Dates of Service.** This Agreement shall be deemed to be effective as of November 4, 2021 and shall remain in effect until June 9, 2021, unless terminated earlier as provided for herein, or unless and until all obligations set forth in this Agreement have been satisfactorily fulfilled, whichever occurs first.

2. **Performance.** *To provide transportation service to and from school for [REDACTED] Students home address [REDACTED] and attends [REDACTED] School.*

3. **Background Check.** *(applies to contractors working independent with students)*

Contractor must provide an executed criminal history consent form and a money order or check payable to the District in an amount equal to the actual cost of conducting a criminal history background check on all of its employees assigned to the program. Contractor is precluded from performance of contract until the results of the criminal background check(s) are on file.

If Contractor has already completed background checks for their business needs, Contractor stipulates that the background checks are completed, on file, and will be made available for review if the District should request.

Contractor will notify the District of any individual working in our schools with convictions of a gross misdemeanor or felony.

4. **Reimbursement.** In consideration of the performance of Contractor of its obligations pursuant to this Agreement, District hereby agrees to reimburse Contractor for its services and expenses in performing said obligations up to a sum not to exceed \$62.00 daily and \$8,308.00 in total.

Contractor is required by Minnesota Statutes, Section 270.66, subd. 3, to provide their Taxpayer Identification Number (TIN) used in the enforcement of Federal and State tax laws. The TIN

will be available to Federal and State tax authorities and State personnel involved in the payment of State obligations. This Agreement will not be approved unless TIN is provided.

**5. Requests for Reimbursement.** The terms of payment under this Agreement are as follows:

- a. Payment shall be made by the District within 30 days of submission of a proper invoice by the Contractor;
- b. Any other terms of payment in the performance of services are incorporated by reference in this Agreement.

**6. Propriety of Expenses.** The fact that the District has reimbursed Contractor for any expense claimed by Contractor shall not preclude District from questioning the propriety of any such item. District reserves the right to offset any overpayment or disallowance of any item or items at any time under this Agreement by reducing future payments to Contractor. This clause shall not be construed to bar any other legal remedies District may have to recover funds expended by Contractor for disallowed costs.

**7. Ownership of Materials.** The District reserves the rights to reproduce the programming in any fashion, or appropriate the contents of the programming, or any portion thereof, to its own use for any and all programs, forms and other materials that Contractor has provided, prepared, or utilized in performance of the terms of this Agreement.

**8. Independent Contractor.** Both the District and Contractor agree that they will act as an independent contractor in the performance of its duties under this Agreement. Nothing contained in this Agreement shall be construed as in any manner creating a relationship of joint venture between the parties, which shall remain independent contractors with respect to all actions performed pursuant to this Agreement.

Accordingly, Contractor shall be responsible for payment of all taxes, including Federal, State, and local taxes, arising out of Contractor's activities in accordance with this Agreement, including by way of illustration, but not limited to, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, workers compensations, and any other taxes or business license fees as required.

**9. Indemnity and defense of the District.** Contractor hereby agrees to defend, indemnify and hold the District harmless from all claims relating to its work pursuant to this Agreement.

In the event that Contractor breaches its obligation to defend, indemnify and hold the District harmless, then in addition to its other damages the District shall be entitled to recover its attorney's fees and costs and disbursements incurred in enforcing this Agreement.

**10. Notices.** All notices to be given by Contractor to District shall be deemed to have been given by depositing the same in writing in the United States Mail: ISD 709, Duluth Public Schools, Attn: Brenda Vieths, 4316 Rice Lake Road, Suite 108, Duluth, MN 55811.

All notices to be given by District to Contractor shall be deemed to have been given by depositing the same in writing in the United States Mail to (mailing address with zip) Joe Drexler, 331 E 4<sup>th</sup> St., Duluth, MN 55804.

11. **Assignment.** Contractor shall not in any way assign or transfer any of its rights, interests or obligations under this Agreement in any way whatsoever without the prior written approval of the District.

12. **Modification or Amendment.** No amendment, change or modification of this Agreement shall be valid unless in writing signed by the parties' hereto.

13. **Governing Laws.** This Agreement, together with all its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

14. **Entire Agreement.** This Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof and shall not be changed or otherwise altered except by written agreement of the parties.

15. **Cancellation.** Either party shall have the right to terminate this Agreement, without cause, upon (30) days written notice to the other party as provided for in this Agreement.

16. **Data Practices.** Contractor further understands and agrees that it shall be bound by the Minnesota Government Data Practices Act (Minnesota Statutes 13.03-13.04) with respect to "data on individuals"; as defined in 13.02, subd. 5 of that Statute) which it collects, receives, stores, uses, creates or disseminates pursuant to this Agreement.

17. **Insurance.** (If applicable) Contractor shall not commence work under the contract until they have obtained all the insurance described below and Duluth Public Schools has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of the contract.

Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:

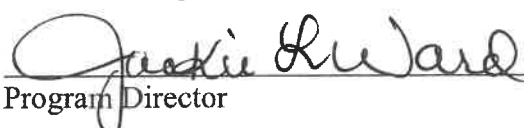
**Workers' Compensation Insurance:** Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory requirements of the State of Minnesota including Coverage B, Employer's Liability.

**Commercial General Liability:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the contractor or subcontractor or by anyone directly or indirectly employed under the contract.

18. **Conflict of Interest and Fiduciary Duty:** All contractors doing business with the District agree to follow Policy 307 - Conflicts of Interest and Fiduciary Duty. This policy is located on the District's website.

**THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK**

**AS EVIDENCE OF THEIR ASSENT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT**, set forth above, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

Contractor Signature	SSN/Tax ID Number	Date
		11/12/21
Program Director		Date

**Please note:** All signatures *must* be obtained AND the following *must* be completed by the Program Director before submission to the CFO for review and approval.

**This contract is funded by either:**

1. The following budget (include full 18 digit code); or
2. will be paid using Student Activity Funds; or
3. is no cost contract (e.g. Memorandum of Understanding).

**Please check the appropriate line below:**

  X   Check if the contract will be paid using District funds and enter the budget code in the top line below (enter in blank spots following the example).

03	E	013	760	723	136	000
XX	X	XXX	XXX	XXX	XXX	XXX

       Check if the contract will be paid using Student Activity Funds

       Check if the contract is a no-cost contract such as a Memorandum of Understanding

	11/11/21
CFO / Superintendent of Schools / Board Chair	Date

**No Cost Contracts Signed  
November 2021**

For your information, the Superintendent or the Executive Director of Business Services has signed the following no cost contracts during the above timeframe:

<b>Name</b>	<b>Contract Source</b>	<b>Description</b>
PAVSA	Human Resources	Counseling
Fond Du Lac Human Services	Superintendent	Onsite mental health services

## AGREEMENT

**THIS AGREEMENT**, made and entered into this 4th day of November, 2021 , by and between Independent School District #709, a public corporation, hereinafter called District, and PAVSA, an independent contractor, hereinafter called Contractor.

**THE PURPOSE OF THE AGREEMENT** is to set out the terms and conditions whereby Contractor will provide programs or services for the District at the times and locations set forth in this Agreement.

**The terms and conditions of this Agreement are as follows:**

1. **Dates of Service.** This Agreement shall be deemed to be effective as of November 4th, 2021 and shall remain in effect until June 30th, 2022, unless terminated earlier as provided for herein, or unless and until all obligations set forth in this Agreement have been satisfactorily fulfilled, whichever occurs first.

### 2. Performance.

It is understood that PAVSA and school district staff must work together as a team to effectively meet the needs of Duluth School District students, and to communicate any pertinent information or concern that affect the overall success of the MOU in a timely manner.

Role of PAVSA, a Community Provider:

- 1) Meet with Duluth School administration staff to plan a system of service delivery
- 2) Provide services on site in Duluth Schools
- 3) Employ and be responsible for PAVSA staff placed or on site in Duluth schools
- 4) Maintain appropriate professional liability insurance
- 5) Accept referrals from school district staff
- 6) Share student/client information with school staff as needed and with consent of the student/responsible guardian
- 7) Maintain and own records of students served
- 8) No consent will be necessary for advocacy and/or crisis counseling
- 9) Students receiving more than 3 sessions of individual advocacy and/or crisis counseling, consent will be obtained for ongoing counseling services
- 10) Conduct appropriate background checks to ensure that PAVSA staff are not legally restricted from performing duties of their job in a school setting
- 11) Meet periodically with School administration or designated staff to review the working relationship in order to address any concerns and promote an active partnership
- 12) Provide training and seminars to Duluth school staff and students when warranted and on and ongoing/yearly basis
- 13) Ensure that meetings with advocates do not conflict with necessary school scheduling such as specialists and academic scheduling without administrative permission.

- 14) Ensure that advocacy services do not interfere with students receiving federally mandated IEP services from Special Education staff.
- 15) Will review MOU with District designated staff yearly

**Role of Duluth School District:**

- 1) Meet with PAVSA administration staff to plan a system of delivery service
- 2) Provide PAVSA staff with appropriate meeting space
- 3) Inform school staff of PAVSA services available
- 4) Meet periodically with PAVSA administration or designated staff to review working relationship in order to address any concerns and promote an active partnership
- 5) When school staff send referrals to PAVSA, student identifying information will not be given until there is an in-person meeting
- 6) Will review MOU with PAVSA designated staff yearly

**3. Background Check.** *(applies to contractors working independent with students)*

Contractor must provide an executed criminal history consent form and a money order or check payable to the District in an amount equal to the actual cost of conducting a criminal history background check on all of its employees assigned to the program. Contractor is precluded from performance of contract until the results of the criminal background check(s) are on file.

If Contractor has already completed background checks for their business needs, Contractor stipulates that the background checks are completed, on file, and will be made available for review if the District should request.

Contractor will notify the District of any individual working in our schools with convictions of a gross misdemeanor or felony.

**4. Reimbursement.** In consideration of the performance of Contractor of its obligations pursuant to this Agreement, District hereby agrees to reimburse Contractor for its services and expenses in performing said obligations up to a sum not to exceed \$0.00 hourly and \$0.00 in total. This is a no cost agreement.

Contractor is required by Minnesota Statutes, Section 270.66, subd. 3, to provide their Taxpayer Identification Number (TIN) used in the enforcement of Federal and State tax laws. The TIN will be available to Federal and State tax authorities and State personnel involved in the payment of State obligations. This Agreement will not be approved unless TIN is provided.

**5. Requests for Reimbursement.** The terms of payment under this Agreement are as follows:

- a. Payment shall be made by the District within 30 days of submission of a proper invoice by the Contractor;
- b. Any other terms of payment in the performance of services are incorporated by reference in this Agreement.

**6. Propriety of Expenses.** The fact that the District has reimbursed Contractor for any expense claimed by Contractor shall not preclude District from questioning the propriety of any such item. District reserves the right to offset any overpayment or disallowance of any item or items at any time under this Agreement by reducing future payments to Contractor. This clause shall not be construed to bar any other legal remedies District may have to recover funds expended by Contractor for disallowed costs.

**7. Ownership of Materials.** The District reserves the rights to reproduce the programming in any fashion, or appropriate the contents of the programming, or any portion thereof, to its own use for any and all programs, forms and other materials that Contractor has provided, prepared, or utilized in performance of the terms of this Agreement.

**8. Independent Contractor.** Both the District and Contractor agree that they will act as an independent contractor in the performance of its duties under this Agreement. Nothing contained in this Agreement shall be construed as in any manner creating a relationship of joint venture between the parties, which shall remain independent contractors with respect to all actions performed pursuant to this Agreement.

Accordingly, Contractor shall be responsible for payment of all taxes, including Federal, State, and local taxes, arising out of Contractor's activities in accordance with this Agreement, including by way of illustration, but not limited to, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, workers compensations, and any other taxes or business license fees as required.

**9. Indemnity and defense of the District.** Contractor hereby agrees to defend, indemnify and hold the District harmless from all claims relating to its work pursuant to this Agreement.

In the event that Contractor breaches its obligation to defend, indemnify and hold the District harmless, then in addition to its other damages the District shall be entitled to recover its attorney's fees and costs and disbursements incurred in enforcing this Agreement.

**10. Notices.** All notices to be given by Contractor to District shall be deemed to have been given by depositing the same in writing in the United States Mail: ISD 709, Duluth Public Schools, Attn: Jacob Laurent, 4316 Rice Lake Rd, Suite 108, Duluth, MN 55811.

All notices to be given by District to Contractor shall be deemed to have been given by depositing the same in writing in the United States Mail to 32 E 1st St, Ste 200, Duluth, MN 55802.

**11. Assignment.** Contractor shall not in any way assign or transfer any of its rights, interests or obligations under this Agreement in any way whatsoever without the prior written approval of the District.

**12. Modification or Amendment.** No amendment, change or modification of this Agreement shall be valid unless in writing signed by the parties' hereto.

13. **Governing Laws.** This Agreement, together with all its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

14. **Entire Agreement.** This Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof and shall not be changed or otherwise altered except by written agreement of the parties.

15. **Cancellation.** Either party shall have the right to terminate this Agreement, without cause, upon (30) days written notice to the other party as provided for in this Agreement.

16. **Data Practices.** Contractor further understands and agrees that it shall be bound by the Minnesota Government Data Practices Act (Minnesota Statutes 13.03-13.04) with respect to “data on individuals”; as defined in 13.02, subd. 5 of that Statute) which it collects, receives, stores, uses, creates or disseminates pursuant to this Agreement.

17. **Insurance.** (If applicable) Contractor shall not commence work under the contract until they have obtained all the insurance described below and Duluth Public Schools has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of the contract.

Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:

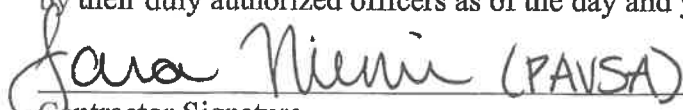
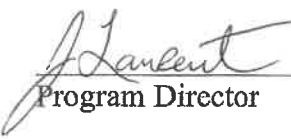
**Workers’ Compensation Insurance:** Contractor must provide Workers’ Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers’ Compensation insurance in accordance with the statutory requirements of the State of Minnesota including Coverage B, Employer’s Liability.

**Commercial General Liability:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the contractor or subcontractor or by anyone directly or indirectly employed under the contract.

18. **Conflict of Interest and Fiduciary Duty:** All contractors doing business with the District agree to follow Policy 307 - Conflicts of Interest and Fiduciary Duty. This policy is located on the District’s website.

**THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK**

AS EVIDENCE OF THEIR ASSENT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT, set forth above, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.


11-15-21  
 Contractor Signature SSN/Tax ID Number Date  

11-15-21  
 Program Director Date

**Please note:** All signatures *must* be obtained AND the following *must* be completed by the Program Director before submission to the CFO for review and approval.

**This contract is funded by either:**

1. The following budget (include full 18 digit code); or
2. will be paid using Student Activity Funds; or
3. is no cost contract (e.g. Memorandum of Understanding).

**Please check the appropriate line below:**

\_\_\_\_\_ Check if the contract will be paid using District funds and enter the budget code in the top line below (enter in blank spots following the example).

XX	X	XXX	XXX	XXX	XXX	XXX

\_\_\_\_\_ Check if the contract will be paid using Student Activity Funds

  X   Check if the contract is a no-cost contract such as a Memorandum of Understanding


11/22/21  
 CFO / Superintendent of Schools / Board Chair Date

## **MEMORANDUM OF UNDERSTANDING**

**Between the Fond du Lac Human Services Division, Behavioral Health Department, and the Duluth Public School District, ISD #709**

### **I. BACKGROUND AND INTENT**

This Memorandum of Understanding is between Fond du Lac Human Services Division Behavioral Health Department (FDL) a division of the Fond du Lac Band of Lake Superior Chippewa, and the Duluth Public Schools, Independent School District #709 (ISD 709).

WHEREAS, the sole purpose of this Memorandum of Understanding is to encourage cooperation between Fond du Lac Human Services and Duluth Public Schools, and to further detail the separate and distinct roles and responsibilities of each party;

WHEREAS, Duluth Public Schools desires to increase the capacity of their mental health services onsite at its schools;

WHEREAS, Duluth Public Schools recognizes that the tribally owned and operated Fond du Lac Human Services has a full services Behavioral Health Department designed to serve American Indian children and their families;

WHEREAS, Fond du Lac Human Services desires to locate School Linked Mental Health Therapists, in Duluth Public Schools to provide therapeutic services for students including mental health services such as, diagnostic assessments, mental health treatment plans, individual therapeutic sessions, children's mental health case management (CM-CMH) services and when deemed clinically necessary by the FDL-SLMH Therapist – Children's Therapeutic Support Services (CTSS);

THEREFORE, Fond du Lac Human Services and Duluth Public Schools agree that it is in the best interest of American Indian Children and their families attending school in Duluth Public School District to enter into an understanding;

This Memorandum of Understanding is to enable and structure the collaboration between Fond du Lac Human Services Division and Duluth Public School District ISD #709 in its implementation of creating educational successes for American Indian Children by providing quality, culturally appropriate therapeutic services to students with unmet social, emotional, behavioral/mental health needs.

### **II. ROLES AND RESPONSIBILITIES**

#### **Roles of Fond du Lac and ISD #709**

It is understood that Fond du Lac and Duluth Public School District staff must work together as a team to effectively meet the needs of ISD #709 students, and both parties are to communicate

any cause or concern, pertaining to any and all items that affect the overall success of the Memorandum of Understanding, in a timely manner. However, the parties to this Memorandum of Understanding understand their separate and distinct responsibilities.

### **Role of Fond du Lac**

1. Fond du Lac licensed Mental Health Professionals/School-Linked Mental Health Therapists will provide onsite therapeutic services to students at a regularly scheduled time and place for each of several sites as agreed upon by the Fond du Lac Behavioral Health Coordinator, Fond du Lac Mental Health Supervisor, ISD #709 Mental Health Partnership Coordinator, Assistant Superintendent, Indian Education Director and school Principals.
2. American Indian students referred by school personnel or parents will be seen individually by the licensed School-Linked Mental Health Therapist at the child's school in a private setting for interviews, diagnostic assessments, treatment plans, and individual therapeutic sessions according to established FDL Human Services Division policies and procedures.
3. School personnel including school social workers, teachers, counselors and administrative staff may schedule consultations with the licensed professional and occasional specific In-Service presentations may be scheduled jointly or as needed and time permits. Services will be provided according to the school schedule.
4. Students served by Fond du Lac Behavioral Health in the Duluth Public Schools are clients of Fond du Lac Human Services and are subject to the same rights and responsibilities as clients served onsite at any Fond du Lac Human Services facility.
5. Meet with Duluth Public Schools Administrative staff to plan a system of service delivery taking into consideration both the needs of Fond du Lac and ISD #709.
6. Locate therapists at Duluth Public Schools in order to provide mental health services in a private setting identified by school administrators.
7. Employ and be responsible for its employees placed at Duluth Schools.
8. Maintain appropriate professional liability insurance.
9. Share student/client information with school staff and with the consent of the student/responsible parent when a release of information is signed and information is needed.
10. Obtain parental permission to provide services.
11. Maintain and own case management records of students served.

12. Obtain insurance and other information necessary to appropriately bill parents and/or 3<sup>rd</sup> party payers for services delivered. Duluth Public School District will not be responsible for the cost of services delivered by Fond du Lac.
13. Meet periodically with School Administration and other designated staff to review the working relationship in order to address any concerns/conflicts, and to promote an active partnership.
14. Ensure that meetings with therapists do not conflict with necessary school scheduling such as specialists and academic scheduling without administrative permission.
15. Ensure that therapy services do not interfere with students receiving federally mandated IEP services from Special Education staff.

### **Role of ISD 709**

1. Meet with Fond du Lac administrative staff to plan a system of mental health service delivery.
2. Inform Principals and school staff of services available and work with Fond du Lac staff to develop a system to identify and refer students that may be in need of mental health services. Meet periodically with Fond du Lac administration or designated staff to review the working relationship in order to address any concerns and promote an active partnership.
3. To provide Fond du Lac with a private meeting space for mental health professionals with access to a telephone and internet connection.
4. Upon parental permission and Fond du Lac's request, Fond du Lac will be provided student schedules in order to meet with students for therapy services.
5. Obtain parental permission before referring students to Fond du Lac for therapy services.

### **III. GENERAL TERMS**

**Terms.** This Memorandum of Understanding will begin effective the date of 1-10-2021 and will continue through 6-30-2022 unless either party provides written notice per the Termination clause below.

**Termination.** Either party may terminate this Agreement by giving the other party three (3) months prior written notice.

**Confidentiality.** Fond du Lac and ISD #709 agree that by virtue of entering into this Agreement they will have access to certain confidential information regarding the other party's operations related to this project.

Fond du Lac and ISD #709 agree that they will not at any time disclose confidential information and/or material without consent of that party unless such disclosure is authorized by this Agreement or required by law. Unauthorized disclosure of confidential information shall be considered a material breach of this agreement. Where appropriate, client releases will be secured before confidential client information is exchanged. Confidential client information will be handled with the utmost discretion and judgement. Both parties agree to perform within state and federal laws regarding confidentiality.

See pages of the 2018 Behavioral Health Policy and Procedure (attached).

**Referrals.** Parents/Guardians may be referred to the School-Linked Mental Health Therapists by members of the school staff or self-referred by the student or his/her parent according to established Fond du Lac Human Services Division's policies using a written referral form. It is the responsibility of the Parent/Guardian to contact Fond du Lac's SLMH Administrative Specialist to initiate services. The Fond du Lac staff will then contact the school staff working with that student to coordinate services.

Every effort will be made by ISD #709 to refer American Indian students to Fond du Lac Mental Health Professionals for culturally appropriate therapeutic services.

**Data Collection.** Duluth Public School District, upon receiving a signed data sharing agreement from the parent/guardian (form must specifically list each type of data to be shared), will be responsible for submitting grades, attendance records and behavioral violations to Fond du Lac Behavioral Health when requested.

**Background Check.** *(applies to contractors working independent with students)*

Contractor must provide an executed criminal history consent form and a money order or check payable to the District in an amount equal to the actual cost of conducting a criminal history background check on all of its employees assigned to the program. Contractor is precluded from performance of contract until the results of the criminal background check(s) are on file.

If Contractor has already completed background checks for their business needs, Contractor stipulates that the background checks are completed, current, and on file.

**Independent Contractor.** Both the District and Contractor agree that they will act as an independent contractor in the performance of its duties under this Agreement. Nothing contained in this Agreement shall be construed as in any manner creating a relationship of joint

venture between the parties, which shall remain independent contractors with respect to all actions performed pursuant to this Agreement.

Accordingly, Contractor shall be responsible for payment of all taxes, including Federal, State, and local taxes, arising out of Contractor's activities in accordance with this Agreement, including by way of illustration, but not limited to, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, workers compensations, and any other taxes or business license fees as required.

**Indemnity and defense of the District.** Contractor hereby agrees to defend, indemnify and hold the District harmless from all claims relating to its work pursuant to this Agreement.

In the event that Contractor breaches its obligation to defend, indemnify and hold the District harmless, then in addition to its other damages the District shall be entitled to recover its attorney's fees and costs and disbursements incurred in enforcing this Agreement.

**Notices.** All notices to be given by Contractor to District shall be deemed to have been given by depositing the same in writing in the United States Mail: ISD 709, Duluth Public Schools, Attn: Anthony Bonds, Assistant Superintendent, 3816 Rice Lake Rd, Suite 108, Duluth, MN 55811.

All notices to be given by District to Contractor shall be deemed to have been given by depositing the same in writing in the United States Mail to: Fond du Lac Human Services Division, Behavioral Health Department, 927 Trettle Lane, Cloquet, MN 55720

**Assignment.** Contractor shall not in any way assign or transfer any of its rights, interests or obligations under this Agreement in any way whatsoever without the prior written approval of the District.

**Modification or Amendment.** No amendment, change or modification of this Agreement shall be valid unless in writing signed by the parties' hereto.

**Governing Laws.** This Agreement, together with all its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

**Entire Agreement.** This Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof and shall not be changed or otherwise altered except by written agreement of the parties.

**Data Practices.** Contractor further understands and agrees that it shall be bound by the Minnesota Government Data Practices Act (Minnesota Statutes 13.03-13.04) with respect to

“data on individuals”; as defined in 13.02, subd. 5 of that Statute) which it collects, receives, stores, uses, creates or disseminates pursuant to this Agreement.

**Conflict of Interest and Fiduciary Duty:** All contractors doing business with the District agree to follow Policy 307 - Conflicts of Interest and Fiduciary Duty. This policy is located on the District’s website.

**Mutual Consent to Collaboration.** Fond du Lac and Duluth Public School District agree to work cooperatively to establish times and locations for therapy services, determine a schedule, make and review referrals and consistently communicate with one another in order to take additional steps needed to implement this Memorandum of Understanding and accomplish the goals of School Linked Mental Health services.

\_\_\_\_\_ **Date:** \_\_\_\_\_  
**Fond du Lac Human Services**

 \_\_\_\_\_ **Date:** 10/18/21  
**Cathy Erickson**  
**CFO, Executive Director of Business Services, ISD #709**



# Merchant Account Program



Hello,

Thank you for choosing Booster to serve your school. We are excited to get started! This Merchant Account Program Agreement, by and between Booster and [ *ISD 709 Duluth Schools* ], effective as of [ *11-5-2021* ] (this "Agreement") governs your use of the Service as further set forth and defined herein.

*Homecroft elementary*

You have chosen to allow your supporters to pay via credit card payments and have those payments routed through the Booster merchant account (the "Service"). This Service, provided by Booster, is specifically reserved for school partners who, for various reasons, have current restrictions in place prohibiting credit card payments from being deposited directly into their bank account. Booster has agreed to receive the credit card payments on your behalf and settle amounts due at the end of the collections process. You remain solely and primarily liable for ensuring that you obtain all consents necessary to enable Booster to process such payments on your behalf and you shall defend, indemnify and hold harmless Booster from and against any claim resulting from your failure to obtain such consent necessary for Booster's payment processing.

All funds collected on your school's behalf are segregated from the main operating funds of Booster Enterprises, Inc. via a separate bank account held with a separate banking institution (currently, Bank of America) from Booster's main operating account (currently, IberiaBank) in accordance with applicable laws. You understand and agree that your use of the Service may be subject to certain terms and conditions of the separate banking institution or main operating account utilized by Booster. Booster's banking institution or main operating account may be changed at any time in Booster's sole discretion without notice to you. The sole purpose of this bank account is to house and disburse credit card donations collected on behalf of schools. All donations collected on behalf of the school are considered donations "for the use of" the school as defined in IRS Publication 526 and this form serves as the legal arrangement between Booster and the school.

At the conclusion of your program, the collections process will begin:

- \* You (School) will collect and retain all cash and check donations
- \* We (Booster) will collect and retain all credit card donations on your behalf.

You have 2 options to receive your portion of the Booster collected funds, which you shall provide in writing to Booster:

1. As each count is completed
2. At the end of the count process

Throughout the count process, your Client Care Consultant (C3) will ensure the amount due to both parties is accurate and kept in an organized manner given that the collected funds are held by two different parties.

- \* When the home office sends a check to your school, we will subtract the amount we are owed from the check amount.

We take reasonable efforts to ensure that checks are sent out within 2 days of request from the C3. Your check may take up to 2 weeks to reach your school based on USPS timing.

You acknowledge and agree that Booster may terminate the Service at any time upon written notice to you.

The Service is provided on a strictly "as-is" basis, with all faults and Booster hereby disclaims any and all warranties relating thereto, whether express or implied, including without limitation, those implied warranties of merchantability, title, non-infringement and fitness for a particular purpose. Except where prohibited by law, Booster's total, aggregate liability arising hereunder shall be limited to the fees actually collected by Booster in the three (3) months immediately preceding the event giving rise to such claim, and under no circumstances shall Booster be liable for any indirect, consequential, incidental or punitive damages.

# Merchant Account Program



The Agreement constitutes the entire agreement between the parties and supersedes all other communications between the parties relating to the subject matter of the Agreement. No conditions, usage or trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain, reject, or supplement the Agreement shall be binding unless made in writing and signed by both parties, expressly and specifically referencing the. No waiver by either party with respect to any breach or default or of any right or remedy and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver is expressed in a writing signed by both parties, specifically referencing the Agreement. Nothing in the Agreement confers upon any person other than you any right or remedy under or by reason of this Agreement. All notices or other communications required or permitted to be given under the Agreement must be in writing and will be deemed to have been sufficiently given when delivered in person (with written confirmation of receipt), on the second business day after mailing via a responsible international courier, or on the fifth business day after mailing by first class registered or certified mail, postage prepaid, to the address as either party may specify from time to time in writing or transmitted electronically if confirmed in writing by one of the above methods. Amendments and modifications to this Agreement will be effective only if written and signed by duly authorized representatives of both parties. The parties may execute this Agreement in counterparts, and each part when executed and combined with the other that is executed shall form the entire agreement. This Agreement shall be governed exclusively by the laws of the State of Georgia, without regard to any conflict of law principles. The parties hereto are independent contractors of one another and nothing herein shall be construed to create any agency, partnership, joint venture or employment relationship between the parties hereto.

If you have any concerns or questions during this process please don't hesitate to reach out. We are here to help!

As part of your acknowledgement of the information above, please sign and date below:

Thank you for partnering with Booster!

ISD 709 Duluth Schools  
School Name

Homecroft Elementary

Catherine Erickson CFO  
Representative Name (printed)

Arthur Elor CFO  
Representative Name (signature)

11-5-2021  
Date

## Booster Enterprises, Inc.

**Adam Ridenour**  
Representative Name (printed)

Adam Ridenour  
Representative Name (signature)

**7/20/2021**  
Date