

INDEPENDENT SCHOOL DISTRICT NO. 659
REGULAR SCHOOL BOARD MEETING

Tuesday, May 28, 2024 ~ 6:00 p.m. ~ Regular Board Meeting
Northfield District Office Boardroom

[Zoom Link](#)

AGENDA

1. Call to Order
2. Agenda Approval/Table File
3. Public Comment
4. Announcements and Recognitions
 - a. Certificate Presentation to Justin Raabolle, Dorothy Cohan, and Gabriel Crombie
5. Items for Discussion and Reports
 - a. Sale of District Property
 - b. Fall 2024 Bond Referendum and Ballot Language
 - c. Status of Child Care in Northfield
6. Committee Reports
7. Consent Agenda
 - a. Minutes
 - b. Gift Agreements
 - c. Personnel Items
8. Items for Individual Action
 - a. Policy Committee Recommendations
 - b. Proposed 2024-25 Budgets - All Funds
9. Items for Information
 - a. Graduation
10. Future Meetings
 - a. Monday, June 10, 2024, 4:00 p.m., Board Work Session, Northfield DO Boardroom
 - b. Monday, June 10, 2024, 6:00 p.m., Regular Board Meeting, Northfield DO Boardroom
 - c. Monday, July 8, 2024, 6:00 p.m., Regular Board Meeting, Northfield DO Boardroom
 - d. Monday, July 22, 2024, 5:00 p.m., Workshop, Northfield DO Boardroom
 - e. Monday, August 12, 2024, 6:00 p.m., Regular Board Meeting, Northfield DO Boardroom
11. Adjournment

NORTHFIELD PUBLIC SCHOOLS
MEMORANDUM

Tuesday, May 28, 2024 ~ 6:00 p.m. ~ Regular Board Meeting
Northfield District Office Boardroom
[Zoom Link](#)

TO: Members of the Board of Education
FROM: Matthew Hillmann, Ed.D., Superintendent
RE: Explanation of Agenda Items for Tuesday, May 28, 2024, Regular School Board Meeting

1. Call to Order
2. Agenda Approval/Table File
3. Public Comment
Public comment for this school board meeting may be made in person at the beginning of the meeting and must comply with the district's public comment guidelines.
4. Announcements and Recognitions
 - a. Director of Buildings & Grounds Justin Raabolle, Administrative Assistant Dorothy Cohan, and Officer Gabriel Crombie completed the Minnesota School Emergency Management program through the Minnesota Homeland Security and Emergency Management - School Safety Center. Connie Forster, Safe School Assessment Coordinator with Homeland Security and Emergency Management, will present them with their certificates of completion.
5. Items for Discussion and Reports
 - a. Sale of District Property. The district has received an offer from Lance Manty to purchase district owned property Parcel #17.11.3.75.021 in Dundas. The property appraisal report and the purchase agreement are attached. The offer of \$18,000 aligns with the appraised value of the property. The buyer agrees to cover all costs associated with the sale of the property, including any legal fees the district incurs to review the purchase agreement, and all items related to the property sale and transfer. The board will be asked for approval of the sale of this property at the June 10 meeting.
 - b. Fall 2024 Bond Referendum and Ballot Language. Superintendent Hillmann will update the board on the bond referendum informational campaign, highlight upcoming events, and review the Nov. 5, 2024 ballot language. The board will be asked to approve the ballot language at the June 10 board meeting.
 - c. Status of Child Care in Northfield. Director of Community Education Erin Bailey will report on the status, availability, and challenges of child care in Northfield.
6. Committee Reports
7. Consent Agenda
Recommendation: Motion to approve the following items listed under the Consent Agenda.
 - a. Minutes. Minutes of the Regular School Board meeting held on May 13, 2024.
 - b. Gift Agreements. Gift agreements to be approved are attached.
 - c. Personnel Items
 - i. Appointments
 1. Ruby Anderson, Summer Recreation Instructor Assistant with Community Ed Recreation, effective 5/29/2024-8/31/2024. \$14.00/hr.
 2. Elizabeth Campbell, Summer Recreation Instructor Assistant with Community Ed Recreation, effective 5/29/2024-8/31/2024. \$14.25/hr.
 3. Taylor Choudek, 1.0 Early Childhood Special Education Teacher at NCEC, beginning 8/22/2024. MA, step 9.
 4. Elizabeth Eaker, 1.0 FTE Long Term Substitute Elementary Music Teacher at Spring Creek, beginning 8/22/2024-11/21/2024. MA, Step 6

5. Terrill Herbig, 1.0 FTE Long Term Substitute EL Teacher at the High School, beginning 4/29/2024-6/6/2024. Daily Sub Rate.
 6. Lydia Hershberger, Summer Recreation Instructor Assistant with Community Ed Recreation, effective 5/29/2024-8/31/2024. \$14.00/hr.
 7. Update: Natalie Jaeger, 1.0 FTE Math teacher at the High School, change from BA, step 4 to BA+20, step 4. Additional transcripts received.
 8. Joel Stuemke, 1.0 FTE First Grade Teacher at Bridgewater, beginning 8/22/2024. BA, Step 6
 9. Sydney Swedin, Summer Recreation Instructor Assistant with Community Ed Recreation, effective 5/29/2024-8/31/2024. \$14.25/hr.
- ii. Increase/Decrease/Change in Assignment
1. Alexis Albers, KidVentures Site Assistant for up to 15 hours/week at Greenvale Park, change to KidVentures Site Assistant Substitute on call as needed at Spring Creek, effective 6/7/24-8/30/24.
 2. Addie Barber, KidVentures Site Assistant for up to 15 hours/week at Greenvale Park, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.
 3. Trish Beacom, Earl Ventures Site Assistant 40 hours/week at NCEC, change to EarlyVentures Site Assistant for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 4. Adriana Bermudez, EarlyVentures Asst. Teacher Substitute and EA on call as needed at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at NCEC, effective 6/7/24-8/23/24.
 5. Alix Bettin, KidVentures Site Assistant for up to 15 hours/week at Greenvale Park, change to KidVentures Site Assistant Substitute on call as needed at Spring Creek, effective 6/7/24-8/30/24.
 6. Amy Boecker, KidVentures Site Assistant for up to 7.25 hours/week at Greenvale Park, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/21/24.
 7. Mairin Born, Grade 1 Teacher at Spring Creek, add Targeted Services Summer PLUS Site Assistant for up to 6.5 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. \$40.00/hr.
 8. Russel Boyington, KidVentures Site Assistant for up to 10.5 hours/week at Greenvale Park, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/21/24.
 9. Amelia Brandt, KidVentures Site Assistant for up to 26 hours/week at Bridgewater, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.
 10. Hannah Braun, EarlyVentures Site Assistant for 40 hours/week at NCEC, change to EarlyVentures Site Assistant for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 11. Jasmin Celis, KidVentures Site Assistant for up to 15 hours/week at Spring Creek, change to KidVentures Site Assistant Substitute on call as needed at Spring Creek, effective 6/7/24-8/30/24.
 12. Anite Corwin, EarlyVentures Site Assistant for 40 hours/week at NCEC, change to EarlyVentures Site Assistant for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 13. Joshua Craft, KidVentures Site Assistant for up to 15 hours/week at Spring Creek, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.
 14. Ashley Douglas, EA at Bridgewater, add Summer Targeted Services PLUS Site Assistant and Club Leader for up to 6 hours/week at Greenvale Park, effective 6/24/2024-8/8/2024. Site Assistant Step 4-\$16.35/hr., Club Leader \$24.30/hr.
 15. Audrey Downs, KidVentures Site Assistant for up to 15 hours/week at Bridgewater, change to KidVentures Site Assistant for up to 15 hours/week at Spring Creek, effective 6/7/24-8/30/24.
 16. Claire Edwards, KidVentures Site Assistant Substitute as needed on call at Spring Creek, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/21/24.
 17. Elizabeth Emerson, EA at the High School, add Special Ed EA ESY for up to 5.5 hours/day at the Middle School, effective 6/27/2024-7/19/2024.
 18. Nolan Feldhake, KidVentures Site Assistant for up to 15 hours/week at Spring Creek, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.
 19. Adria Fischer, EarlyVentures Teacher for 40 hours/week at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 20. Ilana Forsgren, KidVentures Site Assistant for up to 8.5 hours/week at Bridgewater, change to KidVentures Site Assistant Substitute on call as needed at Spring Creek, effective 6/7/24-8/21/24.
 21. Isabel Fleming, KidVentures Site Assistant Substitute on call as needed at Greenvale Park, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.
 22. Aimee Gerdesmeier, KidVentures Site Leader for 35 hours/week at Spring Creek, change to KidVentures Site Leader for up to 40 hours/week at Spring Creek, effective 6/3/24-8/30/24.
 23. Sara Gerdesmeier, EarlyVentures Site Assistant for 40 hours/week at NCEC, change to EarlyVentures Site Assistant for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 24. Danielle Goodfellow, EarlyVentures Teacher for 40 hours/week at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 25. Lydia Hershberger, Summer Recreation Instructor Assistant with Community Ed Recreation, add Instructor Lead with Community Ed Recreation, effective 5/29/2024-8/31/2024 \$15/hr.
 26. Kaitlyn Ims, KidVentures Site Assistant for up to 15 hours/week at Bridgewater, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.

27. Jill Keeley, EarlyVentures Teacher for 40 hours/week at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 28. Briana Lanham, KidVentures Site Assistant for 28.5 hours/week at Spring Creek, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.
 29. Sara Line, Early Childhood Coordinator at the NCEC for 250 contract days/year at \$77,018, change to Early Childhood Coordinator at the NCEC for 225 contract days/year, effective 7/1/2024. \$95,000/yr.
 30. Evan Loe, Summer Lifeguard with Community Ed Recreation, add Summer Instructor Assistant, and Summer Instructor Lead with Community Education Recreation, effective 5/29/2024 - 8/31/2024. Summer Instructor Assistant - \$14.25/hr., Summer Instructor Lead - \$15.25/hr.
 31. Cheryl Mathison, Teacher at the ALC, add Boundary Waters Teacher for up to 40 hours at the ALC, effective 6/10/2024-6/14/2024. lane/step.
 32. Allison Matthews, KidVentures Site Assistant for up to 15 hours/week at Greenvale Park, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.
 33. Tonya Merritt, KidVentures Site Leader for 35 hours/week at Bridgewater, change to KidVentures Site Leader for up to 40 hours/week at Spring Creek, effective 6/3/24-8/30/24.
 34. Lacey Neuman Bissonnette, KidVentures Site Leader for 35 hours/week at Greenvale Park, change to KidVentures Site Leader Substitute on call as needed at Spring Creek, effective 6/7/24-8/21/24.
 35. Sandy Pelava, EarlyVentures Teacher for 40 hours/week at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 36. Nicole Rasmussen, KidVentures Site Assistant for up to 10 hours/week at Bridgewater, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/21/24.
 37. Kelli Rehbein, EarlyVentures Teacher for 40 hours/week at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at Spring NCEC, effective 6/7/24-8/30/24.
 38. Megan Roe, EarlyVentures Teacher for 40 hours/week at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 39. Raine Scheuble, KidVentures Site Assistant for up to 15 hours/week at Bridgewater, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.
 40. Angie Schewe, EarlyVentures Teacher Substitute on call as needed, change to EarlyVentures Teacher for up to 40 hours/week at Spring Creek, effective 6/7/24-8/23/24.
 41. Mackenzie Schewe, EarlyVentures Teacher Substitute on call as needed at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 42. Roberta Schmidtke, EarlyVentures Site Assistant for up to 16 hour/week at NCEC, change to EarlyVentures Site Assistant for up to 40 hours/week at NCEC, effective 6/3/24-8/30/24.
 43. Katie Schuman, EarlyVentures Teacher for 40 hours/week at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 44. Marea Sieger, KidVentures Site Assistant for up to 15 hours/week at Greenvale Park, change to KidVentures Site Assistant Substitute on call as needed at Spring Creek, effective 6/7/24-8/30/24.
 45. Melissa Spitzack, Grade 3 Teacher at Spring Creek, add Summer Raider Fitness Instructor, effective 6/24/24-8/31/24, \$50/participant.
 46. Eric Swan McDonald, Teacher at the ALC, add Boundary Waters Teacher for up to 40 hours at the ALC, effective 6/10/2024-6/14/2024. lane/step.
 47. Grace Swanson, Community School Site Leader at Bridgewater, add Summer Targeted Services PLUS Site Leader for up to 6.5 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. Step 1-\$18.39/hr.
 48. Cydney Ulvestad, EarlyVentures Teacher and KidVentures Site Assistant for up to 40 hours/week at NCEC and Greenvale Park, change to EarlyVentures Teacher and KidVentures Site Assistant for up to 40 hours/week at NCEC and Greenvale Park, effective 6/7/24-8/30/24.
 49. Abby Vanyo, EarlyVentures Teacher for 40 hours/week at NCEC, change to EarlyVentures Teacher for up to 40 hours/week at NCEC, effective 6/7/24-8/30/24.
 50. Luke VanZuilen, Teacher at the High School, add Summer Weight Room Lead with Community Ed Recreation, effective 6/10/2024-8/31/2024. \$30.00/hr.
 51. Katie Wagner, KidVentures Site Assistant for up to 15 hours/week at Bridgewater, change to KidVentures Site Assistant Substitute on call as needed at Spring Creek, effective 6/7/24-8/30/24.
 52. Camden Waters, KidVentures Site Assistant for up to 15 hours/week at Bridgewater, change to KidVentures Site Assistant for up to 40 hours/week at Spring Creek, effective 6/7/24-8/30/24.
- iii. Leave of Absence
1. Arleene Gallardo, HR Generalist at the District Office, FMLA leave of absence beginning May 8, 2024, and end date to be determined.
 2. Mckenzie Malecha, Early Venture Teacher at NCEC, FMLA leave of absence beginning on or about August 23, 2024, through November 15, 2024.
 3. Wendy Newman, Administrative Assistant at NCEC, medical leave of absence beginning May 15, 2024 through approximately 5/29/2024.
- iv. Retirements/Resignations/Terminations
1. Annie Kruse, Early Childhood Special Education Teacher at NCEC, resignation effective 6/30/24. Annie will move to a Coordinator position within the District.

2. Oscar Marquez, Custodian at the Spring Creek, resignation effective 5/14/2024.
3. Tony Rezac, Custodian at the Middle School, resignation effective 5/29/2024.
- v. Administration is recommending the approval of the following employment agreements covering the period of July 1, 2024 through June 30, 2026:
 1. Child Nutrition
 2. Office Employees

*Conditional offers of employment are subject to successful completion of a criminal background check and Pre-work screening (if applicable)

8. Items for Individual Action

- a. Policy Committee Recommendations. The board is requested to approve the policy committee's recommended updates to policies 533 and 809.1 as presented at the May 13 board meeting.

Superintendent's Recommendation: Motion to approve the policy committee's recommended updates to policies 533 and 809.1 as presented.

- b. Proposed 2024-25 Budgets - All Funds. In the packet is the annual proposed budget book for 2024-25. The individual funds have been presented and reviewed in detail at school board meetings over the past few months. A summary of revenue and expenditure amounts are listed below.

<u>Fund</u>	<u>Revenues</u>	<u>Expenditures</u>
General Fund	\$67,744,818	\$66,853,904
Child Nutrition	\$ 2,550,906	\$ 2,746,877
Community Education	\$ 3,633,084	\$ 3,964,204
Debt Service	\$ 4,322,700	\$ 4,027,009
Internal Service	\$11,298,342	\$11,336,200

Superintendent's Recommendation: Motion to approve the proposed 2024-25 budgets as presented for all funds.

9. Items for Information

- a. Graduation. ALC graduation is scheduled at 6:00 p.m. on Friday, May 31 in the Middle School Auditorium. Northfield High School's graduation is scheduled at 2:00 p.m. on Sunday, June 9 at Memorial Field. Board members should meet in the high school office at 1:30 p.m. on June 9.

10. Future Meetings

- a. Monday, June 10, 2024, 4:00 p.m., Board Work Session, Northfield DO Boardroom
- b. Monday, June 10, 2024, 6:00 p.m., Regular Board Meeting, Northfield DO Boardroom
- c. Monday, July 8, 2024, 6:00 p.m., Regular Board Meeting, Northfield DO Boardroom
- d. Monday, July 22, 2024, 5:00 p.m., Workshop, Northfield DO Boardroom
- e. Monday, August 12, 2024, 6:00 p.m., Regular Board Meeting, Northfield DO Boardroom

11. Adjournment

Reaching Out, Reaching Up:

THE 2027 STRATEGIC PLAN



VISION

We prepare every student for lifelong success by developing critical thinkers who are curious and ready to engage in our society.

BENCHMARKS

1
All children are ready for **kindergarten**.

2
All students are connected to the **community**.

3
All students are at grade level in **reading and mathematics** by the end of third and sixth grades.

4
All students exhibit physical, social and emotional **well-being**.

5
All students have a **connection** with a caring adult beyond their parents as they transition to middle school.

6
All students have interests, goals and a **vision** for the future by the end of eighth grade.

7
All students **graduate** from high school with a plan to reach their full potential.

8
All **employees** report satisfaction in the workplace.

9
All **parents** report satisfaction with their children's educational experience.

10
The district maintains 14% of its annual expenditures in its unassigned fund balance to ensure **financial stability**.

11
Community education provides relevant and accessible learning opportunities for all residents.

Note: The first seven benchmarks are aligned with the language identified by Northfield Promise, a collective impact consortium of 20 community organizations committed to helping Northfield's youth thrive "from cradle to career."

STRATEGIC COMMITMENTS



People

We prioritize the engagement, satisfaction, and support of every student, staff member, and family.



Learner Outcomes

We prepare every student to be academically and socially ready to choose their preferred pathway after high school graduation.



Equity

We ensure that every child has a fair opportunity to reach their full potential.



Communication

We communicate effectively and transparently with all stakeholders.



Stewardship

We responsibly manage our personnel, finances, property, time and environmental impact.



Partnerships

We seek community partnerships that accelerate student achievement of district benchmarks.

Appraisal Report

Prepared For :

Lance Manty

227 Tower Avenue

Dundas, Minnesota 55019

Subject Property
As of: January 25, 2024

LANCE MANTY
XXX GLEASON ROAD
DUNDAS, MINNESOTA 55019

Prepared By :

HPS Appraisal Service & Consulting

Marvin L. Peters

Certified General Real Property Appraiser

Minnesota License #20076952

24972 E Cedar Lake Dr

New Prague, Minnesota 56071

SUBJECT PHOTOS BY Marvin L. Peters
January 25, 2024

Subject
XXX GLEASON ROAD
DUNDAS, MINNESOTA 55019



January 31, 2024

Lance Manty
227 Tower Avenue
Dundas, Minnesota 55019

Dear Mr. Manty;

At your request, I have inspected the property from the exterior only from the street on January 25, 2024, which is legally described within the body of the attached report. This was for the purpose of estimating market value as of January 25, 2024.

It is my opinion, based upon my analysis of the discoverable factors affecting value that the Market Value of the fee simple estate of this property as of January 25, 2024 is :

Market Value – Parcel #1

\$18,000

Eighteen Thousand Dollars

Market Value – Parcel #2

\$5,000

Five Thousand Dollars

This appraisal is made in accordance with the Uniform Standards of Professional Appraisal Practice as specified by the Appraisal Standards Board.

The transmittal letter is followed by the certifications and the narrative report further describing the subject property and containing the reasoning and pertinent data leading to the estimate of value.

Your attention is directed to the “Extraordinary Assumptions” and “Limiting Conditions” which are considered usual for this type of assignment.

Thank you for this opportunity to be of service. If you have questions regarding any of the information, approaches to value, or conclusions contained in the report, please feel free to call.

The estimated marketing time for this property at the appraised value is approximately one year. This is an Appraisal Report.

Respectfully submitted,



Marvin L. Peters
Minnesota License No. 20076952
Certified General Real Property Appraiser

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ADDENDA

ENGAGEMENT LETTER
QUALIFICATIONS OF THE APPRAISER
SUBJECT DATA
MARKET DATA

SUBJECT PHOTOS BY Marvin L. Peters
January 25, 2024

Subject Neighborhood



Subject Neighborhood



SUBECT PHOTOS BY Marvin L. Peters
January 25, 2024

Subject Property



Subject Property



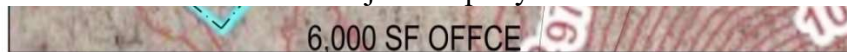
SUBJECT PHOTOS BY Marvin L. Peters

January 25, 2024

Subject Building

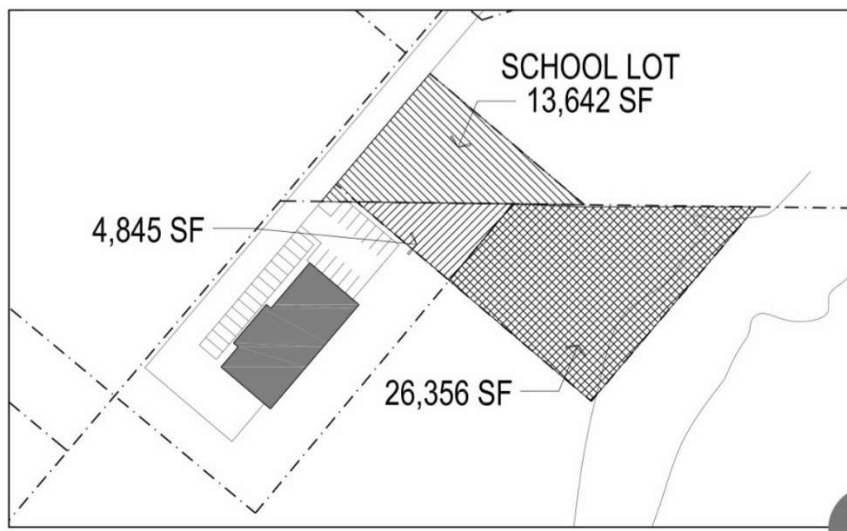


Subject Property



6,000 SF OFFICE

SITE SKETCH TWO
1"=50'-0"



APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- *the statements of fact contained in this report are true and correct.*
- *the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.*
- *My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.*
- *My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the USPAP.*
- *I have made a personal inspection of the property that is the subject of this report.*
- *no one provided significant professional assistance to the persons signing this report.*
- *as of the date of this report, I, Marvin L. Peters, have completed the continuing education required by the State of Minnesota.*
- *I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the past three-year period immediately preceding acceptance of this assignment.*
- *I have followed the appraiser independence safeguards in compliance with Appraisal Independence Requirements in developing this report.*



Appraiser _____

*Marvin L. Peters
Certified General Real Property Appraiser
Minnesota License No. 20076952*

SUMMARY OF IMPORTANT CONCLUSIONS

LOCATION: XXX Gleason Road
Dundas, Minnesota 55019

TYPE OF PROPERTY: Vacant Business Land

OWNER OF RECORD: Parcel #1 – Independent School District #659
Parcel #2 – Ruths Kitchen, LLC

DATE OF INSPECTION: January 25, 2024

DATE OF VALUATION: January 25, 2024

LAND AREA: Parcel #1 – 13,642sf +-
Parcel #2 – 4,845sf +-

DIMENSIONS: Irregular, See Attached Map

ZONING: B-2 Highway Commercial District
See Addenda for Zoning regulations.

PROPERTY RIGHTS APPRAISED: Fee Simple Estate

LEGAL DESCRIPTION: Lengthy, See Attached Addendum, Dakota County, Minnesota.

HIGHEST AND BEST USE: Those uses permitted by present zoning

PROPERTY IDENTIFICATION NUMBER : Parcel #1 - 17.11.3.75.021
Parcel #2 - 17.14.2.00.002

REAL ESTATE TAXES PAYABLE 2023: Parcel #1 - Exempted
Parcel #2 - \$8,588.00

SPECIAL ASSESSMENTS: None

FINAL ESTIMATE OF VALUE BUSINESS LAND PARCEL #1 : \$18,000

FINAL ESTIMATE OF VALUE BUSINESS LAND PARCEL #2 : \$5,000

EXTRAORDINARY ASSUMPTIONS

The legal descriptions used in this report are assumed to be correct.

The appraisers have made no survey of the property and no responsibility is assumed in connection with such matters. Sketches in this report are included only to assist the reader in visualizing the property.

No responsibility is assumed for matters of a legal nature affecting title to the property nor is an opinion of title rendered. The title is assumed to be good and merchantable.

Information furnished by others is assumed to be true, correct and reliable. A reasonable effort has been made to verify such information, however, the appraisers assume no responsibility for its accuracy.

All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property is appraised as though under responsible ownership and competent management.

It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.

It is assumed that there is full compliance with all-applicable federal, state and local environmental regulations and laws unless non-compliance is stated, defined and considered in the appraisal report.

It is assumed that all required licenses, consents or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in the report is based.

It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted within the report.

I assume the economy will remain stable.

I assume there are no health, safety or soundness concerns that would affect value and/or marketability of the subject property.

The subject of this report is to split off two vacant areas of Parcel #1 and Parcel #2. The areas are triangular in shape. This analysis is based on the hypothetical condition that the subject vacant areas of Parcel #1 and Parcel #2 will be successfully split from the larger parcels and it is assumed the parcel splits will be approved by the city and county government departments.

GENERAL LIMITING CONDITIONS

This appraisal has been prepared for my client and the Intended User(s), Lance Manty and their assignees. The Intended Use(s) of the appraisal is for estimating current market value and potential purchasing purposes. This appraisal may not be used or relied upon by anyone other than the client, for any purpose whatsoever, without the express written consent of the appraisers.

The Intended Use(s) is to evaluate the property that is the subject of this appraisal report for current market value and potential purchasing purposes, subject to the stated Scope of Work, purpose of the appraisal, reporting requirements of this appraisal report form and Definition of Market Value. No additional Intended Users are identified by the appraiser.

Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraisers, and in any event only with proper written qualification, and only in its entirety.

The appraisers will not be required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been previously made with the appraisers.

The distribution of the total valuation in this report between land and improvements applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.

Neither all nor any part of the contents of this report shall be conveyed to any person or entity, other than the appraiser's or firm's client, through advertising, solicitation materials, public relations, news, sales, or other media without the written consent and approval of the authors, particularly as to valuation conclusions, the identity of the appraisers or firm with which the appraisers are connected, or any reference to (affiliation with any professional appraisal organization) or (designation). Further, the appraisers or firm assumes no obligation, liability, or accountability to any third party. If this report is placed in the hands of anyone but the client, client shall make such party aware of all the assumptions and limiting conditions of the assignment.

In the event the appraisal is based upon proposed improvements, it is assumed that the improvements will be constructed in substantial conformity with plans and specifications, which have been furnished the appraisers, and with good materials and workmanship. It is also assumed that the proposed foundation and construction techniques are adequate for the existing sub-soil conditions.

Unless otherwise stated in this report, the appraisers did not observe the existence of hazardous material, which may or may not be present in or on the property. The appraisers have no knowledge of the existence of such materials on, or in, the property. The appraisers, however, are not qualified to detect such substances. The presence of such substances as asbestos, urea-formaldehyde foam insulation, PCB's, carcinogens and petroleum products, soils contamination or other potentially hazardous materials which may affect the value of the property was not observed and/or evident during inspection. The value estimate is predicated on the assumption that there is no material in, or on, the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them.

THE ASSIGNMENT

The assignment consists of estimating the Market Value of the properties located at XXX Gleason Road, which are located in the City of Dundas, Rice County, Minnesota, consisting of approximately 13,642sf for Parcel #1 and approximately 4,845sf for Parcel #2. The two parcels are triangular in shape and currently have commercial type improvements. Because the subject of this report are vacant areas of the larger parcel, the improvements are not part of this report. Therefore, this analysis is based on a hypothetical condition, the proposed triangular shaped areas of Parcel #1 and #2 zoned as highway business land, are vacant and the subject of this report.

PURPOSE AND DATE OF VALUATION

The purpose of this appraisal is to estimate the Market Value, in fee simple, of the real estate described herein.

The market value, as defined in this report is estimated as of January 25, 2024. The exterior of the two proposed vacant areas were inspected from the street on January 25, 2024.

I am assuming the seller would be under no pressure to dispose of the property and that the buyer will be one who can fully utilize the property to its highest and best use. I am assuming no distressed situation of any type would surround a sale.

If such a situation were to exist at the time of the sale of the property, or there was pressure on the part of the seller to dispose of the property, then the "sale price" might be lower than my opinion of "value". Conversely, if there was pressure on the buyer to purchase this particular property, a higher sale price could conceivably be obtained.

This appraisal conforms to the reporting requirements of USPAP Standards 1 and 2 as an Appraisal Report.

FUNCTION OF THE APPRAISAL

This appraisal will be used to assist in establishing a value for the subject property for current market value and potential purchasing purposes.

MARKET VALUE DEFINED

Market Value: a type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the definition of the term identified by the appraiser as applicable in an appraisal.

1. buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangement comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

The Dictionary of Real Estate Appraisal Fourth Addition and quoted from (12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992, 59 Federal Register 29499, June 7, 1994

PROPERTY RIGHTS APPRAISED

Property rights appraised are "Fee Simple Estate", subject to easements of record and assumed free and clear of all encumbrances. In this appraisal, fee simple estate is defined as follows:

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

This definition was obtained from page 113 of The Dictionary of Real Estate appraisal, Fourth Edition, published in 2002 by the Appraisal Institute.

COMPETENCY PROVISION

Marvin L. Peters is license with the State of Minnesota Commerce Department as a Certified General Real Property Appraiser. He is in compliance the required education mandated by the State of Minnesota. He has been a real property appraiser for more than twenty five years and also has over forty years in the commercial and residential building industry. He has experience in appraising residential, commercial, industrial and development properties and has the experience and knowledge to complete this appraisal assignment.

LIQUIDATION VALUE

The most probable price that a specified interest in property should bring under the following conditions:

- 1) Consummation of a sale within a short time period.
- 2) The property is subjected to market conditions prevailing as of the date of valuation.
- 3) Both the buyer and seller are acting prudently and knowledgeably.
- 4) The seller is under extreme compulsion to sell.
- 5) The buyer is typically motivated.
- 6) Both parties are acting in what they consider to be their best interests.
- 7) A normal marketing effort is not possible due to the brief exposure time.
- 8) Payment will be made in US dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition was obtained from page 109 of The Dictionary of Real Estate appraisal, Seventh Edition, published in 2022 by the Appraisal Institute.

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

This definition was obtained from page 73 of The Dictionary of Real Estate appraisal, Seventh Edition, published in 2022 by the Appraisal Institute.

Leased Fee Estate

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.

This definition was obtained from page 105 of The Dictionary of Real Estate appraisal, Seventh Edition, published in 2022 by the Appraisal Institute.

Value in Use

- 1) The amount determined by discounting the future cash flows (including the ultimate proceeds of disposal) expected to be derived from the use of an asset at an appropriate rate that allows for the risk of the activities concerned.
- 2) Formerly used in valuation practice as a synonym for contributory value or use value.

This definition was obtained from page 201 of The Dictionary of Real Estate appraisal, Seventh Edition, published in 2022 by the Appraisal Institute.

In the appraisal of real estate, the appraiser sometimes encounters an assignment or requirement in which he must estimate the "value-in-use" of a given property. This may function as a basis for asset valuation in a merger, or in a "going-concern" situation (such as a security issue), or simply as a value judgment of worth of a property to its present owner(s) in time of condemnation for other reasons.

"Value-In-Use" computation can generally be justified when:

1. The property is fulfilling reasonable identifiable economic demand for the service it provides or which it houses.
2. The property improvements have a reasonable remaining economic life expectancy.
3. Diversion of the property to an alternate use would not be economically feasible.
4. Continuation of present use is assumed.

When a preponderance of factors above appear, then it is appropriate that the appraiser carefully qualifies their findings, and issues an opinion of "Value-In-Use". It is obvious that the cost approach must be relied upon in such situations, but all measures of the economic contribution of the real estate to the total "going-concern" situation are considered relevant. Typical examples of property situations where the value in use concept holds validity are (to name a few):

1. Valuation of a railroad station in a small city served by one railroad only;
2. Gasoline service station;
3. Value of specially designed manufacturing plants suited for one process only;
4. Valuation of public or quasi-public facilities, such as sports arenas, technical facilities, etc. Less restricted types might include creameries, atomic facilities, etc.

Exposure & Marketing Time

Exposure Time:

- 1) The time a property remains on the market.
- 2) An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

Marketing Time:

An opinion of the amount of time to sell a property interest at the concluded market value or at a bench-mark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the effective date of an appraisal.

Definition is from pages 67 & 116 "*The Dictionary of Real Estate Appraisal*" Seventh Addition, published in 2022 by the Appraisal Institute.

Disposition Value : The most probable price that a specified interest in property should bring under the following condition;

- 1) Consummation of a sale will occur within a specified time, which is shorter than the typical exposure time for such a property in that market.
- 2) The property is subjected to market condition prevailing as of the date of valuation.
- 3) Both the buyer and seller are acting prudently and knowledgeably.
- 4) The seller is under compulsion to sell.
- 5) The buyer is typically motivated.
- 6) Both parties are acting in what they consider to be their best interests.
- 7) An adequate marketing effort will be made during the exposure time.
- 8) Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto.
- 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Definition is from pages 55 "*The Dictionary of Real Estate Appraisal*" Seventh Addition, published in 2022 by the Appraisal Institute.

Surplus Land :

Land not necessary to support the highest and best use of the existing improvement but, because of physical limitations, building placement, or neighboring norms, cannot be sold off separately. Such land may or may not contribute positively to value and may or may not accommodate future expansion of an existing or anticipated improvement.

Definition is from pages 284 "*The Dictionary of Real Estate Appraisal*" Fourth Addition, published in 2002 by the Appraisal Institute.

Excess Land :

In regard to an improved site, the land not needed to serve or support the existing improvement. In regard to a vacant site or a site considered as though vacant, the land not needed to accommodate the site's primary highest and best use. Such land may be separated from the larger site and have its own highest and best use, or it may allow for future expansion of the existing or anticipated improvement.

Definition is from pages 103 and 104 "*The Dictionary of Real Estate Appraisal*" Fourth Addition, published in 2002 by the Appraisal Institute.

SCOPE OF THE APPRAISAL

The scope of the appraisal encompasses the necessary research and analysis to prepare a report in accordance with the intended use, the Standards of Professional Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. In regard to the subject property, this involved the following steps:

1. The property was inspected from the interior and exterior on January 25, 2024. The photographs of the Subject parcels included in this report were taken at that time. Independent School District #659 and Ruths Kitchen, LLC are the current owners.
2. Regional, city, county, and neighborhood data were based on information available in public records. The contribution of the City of Dundas, City of Northfield and Rice County Planning Departments is acknowledged with assistance on the subject regional area statistics and absorption rate data. The neighborhood section was based upon a physical inspection of the area as well as data from the appraiser's files.
3. The subject property data was based upon conversations with Mr. Lance Manty, local Realtors and research in the Rice County Records. This appraisal is based on the assumption that the subject property will continue to be used for business type purposes. Other subject property data was compiled from the public records of Rice County and from a physical inspection of the site.
4. In estimating the Highest and Best Use for the property, an analysis was made of data compiled in the three steps noted above. In addition, a study of the business and commercial site market in the Subject's area has been made to determine the economic feasibility of the subject property.
5. In developing approaches to value, all possible appraisal techniques are not necessarily used, only those believed most appropriate for this property type. The market data used was collected from public records, other appraisers, Realtors, or persons knowledgeable of the subject property marketplace, and the municipal offices in the Rice County areas.
6. After assembling and analyzing the data defined in this scope of the appraisal, a final opinion of Market Value was made and this report was prepared.
7. Inspection of the comparable properties cited in the report is limited to visual off-site inspection. Inspection at time of sale is seldom, if ever, possible.

8. A search was made for comparable sales with a similar size, quality and location in the subject market areas. There were a limited number of comparable sales at this time due to slow sales in the market. Because of the slower sales market in the area, I was forced to exceed some of the adjustment guidelines to complete this report. Comparables used in this report are viewed as the best representation of the subject property in the current market conditions. There have been some foreclosures in the subject area and were considered in this analysis. They do not appear to have any influence on market value.
9. Sources of data used in this report were from the MLS Data Service, Regional MLS Economic and Market Watch Report, county assessor's office, realtors and builders in the area. These sources are considered reliable, but not guaranteed. Every effort was made to verify the information obtained by these sources, but if new or additional data becomes available to this appraiser that could influence my final opinion to value, I reserve the right to change my opinion of value.
10. This appraiser is not a qualified title and engineering professional. I do not guarantee title, encroachments, lot dimensions, elevations, flood zone determination, boundaries and setbacks of the subject property. If there are concerns relating to these areas or any other areas that concerning the subject property, the client is recommended to obtain a qualified professional for these areas.
11. Pursuant to the Graham-Leach-Bliley Act of 1999, effective July 1, 2001, appraisers, along with all providers of personal financial services are now required by federal law to inform clients of the policies of the firm with regards to the privacy of client nonpublic personal information. As professionals, I understand that your privacy is very important to you and are pleased to provide you with this information. In the course of performing appraisals, I may collect what is known as "non-public information" about you. This information is used to facilitate the services that I provide to you and may include the information provided to us by you directly or received by us from others with your authorization. I do not disclose any nonpublic personal information obtained in the course of or engagement with our clients to nonaffiliated third parties, except as necessary or as required by law. A disclosure required by law would be a disclosure by us that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party. I will retain records relating to professional services that I have provided to you for a reasonable time so that I am better able to assist you with your needs. In order to protect your non-public personal information from unauthorized access by third parties, I maintain physical, electronic and procedural safeguards that comply with my professional standards to insure the security and integrity of your information.

12. The Appraiser(s) performed an Appraisal Report intended to comply with Standard 1 and 2 of the Uniform Standards of Professional Appraisal Practice (USPAP). The report is also intended to meet the requirements of an Appraisal Report as outlined in Standard Rule 2-2(a) of USPAP. An Appraisal Report represents only a summary discussion of the data, reasoning and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation is retained in the appraiser's files. The depth of the discussion contained in this report is specific to the needs of my client and for the intended use stated in this report.
13. In determining the value of the subject property, I analyzed the economic conditions that may influence value in this market and have processed the data in accordance with nationally recognized appraisal practices.
14. This report is intended to conform to the format recommendations as set forth by the Appraisal Institute and that this report is intended to conform to our interpretation of all applicable sections of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), and the Appraisal Foundation's Appraisal Standards Board's "Uniform Standards of Appraisal Practice (USPAP).
15. Cost of new construction was investigated in the area. Research was conducted on interest rates, capitalization rates, and return on investments from current newspapers, magazines, and journals.
16. The subject of this report is to split off two vacant areas of Parcel #1 and Parcel #2. The two areas are triangular in shape with approximately 13,642 square feet of Parcel #1 and approximately 4,845 square feet of Parcel #2. This analysis is based on the hypothetical condition that the subject vacant areas of Parcel #1 and Parcel #2 will be successfully split from the larger parcels and it is assumed the parcel splits will be approved by the city and county government departments.

IDENTIFICATION OF THE PROPERTY – LEGAL DESCRIPTION

The subject parcel is part of Parcel #1 known as;

PART S2 SW4 BEG INTERS C/L HWY 3 WI C/L CSAH 1 TH SWLY ALG C/L HWY 3 641FT TAP HEREIN AFTER REFERRED AS PT A TH CONTINUE SWLY ALG C/L HWY 3 402FT TH SELY @ RA TO C/L HWY 3 475FT TO TPOB TH CONTINUE SELY @ RA TO C/L HWY 3 33FT TH DEFLECT LEFT 57D17'02" 179.47FT TH NELY P/W HWY 3 C/L TO ITS INTERS WI A LI @ RA TO C/L HWY 3 FR SD PT A TH SELY ALG SD INTERSECTED LI 163.45FT TO E LI S2 SW4 TH SLY ALG SD E LI TO SE COR S2 SW4 TH WLY ALG S LI S2 SW4 TO ITS INTERS WI A LI P/W HWY 3 C/L FR SD POB TH NELY ALG SD LINE P/W HWY 3 C/L TO SD POB

The subject parcel is part of Parcel #2 known as;

PART N2 N2 NW4 LYG WITHIN FOL DESC PROP BEG INTERS C/L HWY 3 WITH C/L CSAH 1 TH SWLY ALG C/L HWY 3 641FT TH SELY @ RA TO C/L HWY 3 575FT TO TPOB TH NWLY @ RA TO HWY 3 C/L 100FT TH SWLY P/W HWY 3 C/L 868FT TH SELY @ RA TO HWY 3 C/L 165FT TH NELY P/W HWY 3 C/L TO S LI S2 SW4 TH ELY ALG S LI TO SE COR S2 SW4 TH NLY ALG E LI S2 SW4 TAP IN A LI P/W & 575FT SELY C/L HWY 3 TH SWLY ALG SD PARA LI TO POB

according to the plat thereof on file and of record in the Office of the County Recorder, Rice County, Minnesota.

No personal property is included in this appraisal report.

Note; The legal descriptions above are Parcel #1 and #2 current description and does not define the proposed subject areas. See attached document that shows the proposed new property lines to be split off from Parcel #1 and Parcel #2.

METROPOLITAN AREA DATA

The subject of this appraisal report is located in the City of Dundas, Rice County, Minnesota and is favorably influenced by its proximity to the Metropolitan Twin City Area of Minneapolis/St. Paul.

Schedule 1

Metropolitan Area Definitions-Counties Included

<u>Mpls./St. Paul, Ten County MN.-WI. MSA*</u>	<u>Seven County Metro Area</u>	<u>Metro Area</u>
Anoka	Anoka	Anoka
Carver	Carver	Carver
Chisago	Chisago	
Dakota	Dakota	Dakota
Hennepin	Hennepin	Hennepin
Isanti	Isanti	
Ramsey	Ramsey	Ramsey
Scott	Scott	Scott
Washington	Washington	Washington
Wright	Wright	
St. Croix, WI.		

The Minneapolis/St. Paul MSA will be divided into three sub-areas for analysis of the general area. The areas include: (1) Historical Background, (2) Population Trends, and (3) Employment Trends.

Historical Background

The modern history of the Minneapolis/St. Paul Metropolitan Statistical Area began with the discovery of St. Anthony Falls in 1680 by Father Louis Hennepin. The first permanent settlement occurred with the establishment of Fort Snelling in 1819 at the junction of the Minnesota and Mississippi Rivers. The surrounding area's rich agricultural and lumbering resources spurred rapid growth.

In 1854, the first bridge to span the Mississippi River was erected just above the falls, connecting the town of St. Anthony on the East side of the river with what was to become Minneapolis on the West side. St. Anthony became a city in 1855 and Minneapolis a town in 1856. Minneapolis was incorporated as a city in 1867 and was merged with St. Anthony in 1872.

* MSA-Metropolitan Statistical Area

Lumber milling began a rapid decline in the early 1900's as a result of the depletion of the forests in northern Minnesota. Flour milling boomed on the other hand as the prime agricultural land of the Dakotas and central and northern Minnesota was opened to settlement. As the agricultural areas developed, a flood of farm produce began to sweep into Minneapolis on its way to the markets of the eastern United States providing great opportunities for grain merchants and millers in the City. Taking advantage of these opportunities, entrepreneurs such as the Pillsburys, Washburns, and Cargills developed Minneapolis as a major agri-business center in the United States and, for that matter, the world. As a result of this trade, Minneapolis became a wholesale and retail center which insured it regional prominence as a financial and transportation center. The City's importance as a financial center was acknowledged in 1914 when Minneapolis was designated as the site for the Ninth District Federal Reserve Bank.

After World War I, with lumber milling having disappeared and with the flour milling in the first stages of decline, Minneapolis began to experience the diversification of economic activity that has characterized its manufacturing and service sectors ever since. Fledgling companies like Minneapolis Heat Regulator Company, now known as Honeywell Corporation, and the D. W. Onan Company, began developing products more in tune with the demands of the mid-twentieth century. They anticipated in many ways the needs of the American consumer and industry. Electrical machines and rudimentary systems and systems controls began to appear. The early emphasis on research and development in the area of electrical and non-electrical light machinery was an important pillar in Minneapolis' later development as a center for research, development and manufacturing of computers after World War II.

Despite setbacks in agricultural economy in the 1920's and in manufacturing during the great depression of the 1930's, the Minneapolis/St. Paul MSA began a phenomenal recovery during World War II that has continued to the present date. The development of the digital computer spurred the development of a host of local firms active in their design and manufacture including Control Data, Honeywell, The Univac Division of the Sperry Corporation (now Unisys), and Cray Research. Cray Research is the largest maker of super computers in the world.

In conjunction with the development of the computer industry in Minneapolis, there also occurred the development of the medical instrument industry in the City. The University of Minnesota Medical School was a major center of medical research and innovation throughout the twentieth century, partly because of close ties with the Mayo Clinic in Rochester, Minnesota and partly because of innovative faculty physicians. The Twin Cities MSA also attracted other medical innovators over the years including the Sister Kenney Institute which is dedicated to physical rehabilitation research and implementation. The presence of these factors when combined with the growth of the complete industry set the stage for major development in the medical area.

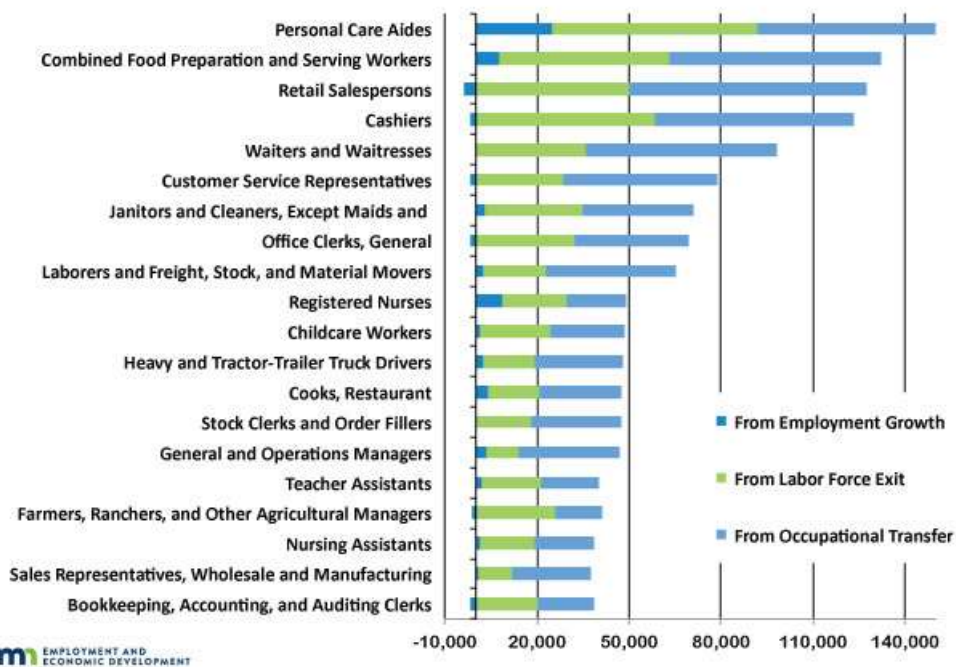
The development of the cardiac pacemaker and other medical devices and instruments was the core area of activity in this industry and the rise of Cardiac Pacemaker, Inc. and Medtronic Corporation reflects its success. As technology advanced, newer firms continued to innovate and provide greater and greater advances in this vital area of medicine. In fact, many of the fastest growing companies in the Twin Cities in the 1970's and early 1980's were medical instrument and device companies.

With these high-tech areas in the lead, the rest of the MSA's economy has also continued to grow at a healthy rate. The service sector of the economy has grown at a tremendous pace. Finance, insurance, and real estate have also grown partly spurred by local factors including high per capita income and higher median household incomes compared to many large metropolitan areas.

In brief, the following points provide a general growth profile of the Twin Cities MSA economy. The regional economy has:

1. A well-educated labor force with approximately 93.1% of Minnesota residents over the age of 25 having had four years of high school or more and approximately 36.1% of Minnesota residents over the age of 25 are college graduates or more;
2. Good training institutions which include the University of Minnesota, with its Masters and Doctorate programs in various disciplines, and a system of small private colleges;
3. The fastest employment growth projections between the years 2004 to 2020 are mostly in the medical and computer industries. A significant portion (almost 20%) of the Twin Cities MSA employment already in growth areas such as computers, business services, banking, and health services.

Occupations With the Most Job Openings from Employment Growth and Replacement Needs, 2018 - 2028



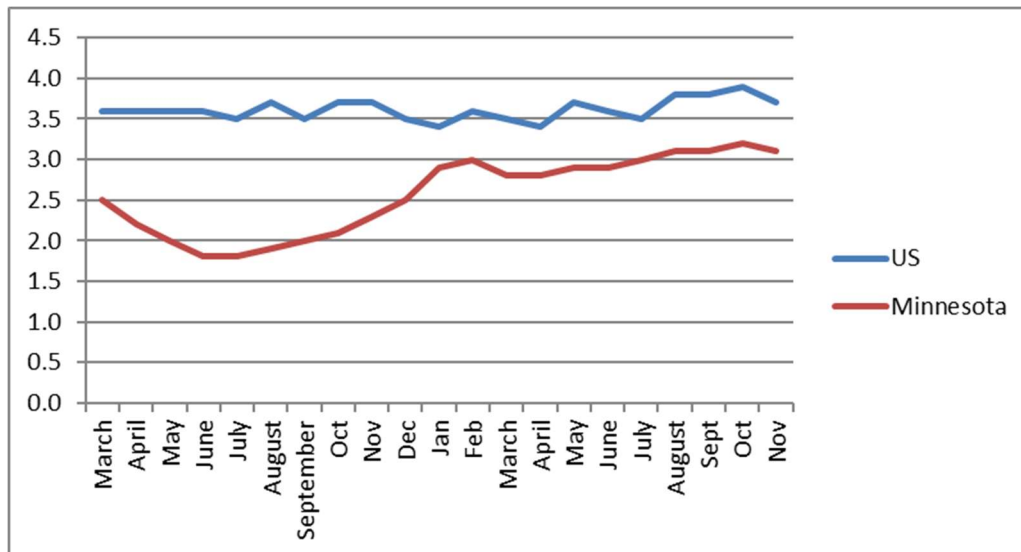
The regional economy does not have:

1. An independent supply of energy. The amount of energy consumed in the Twin Cities MSA, however, is at or below the median compared to other urban areas;
2. Low wages in the manufacturing sector. The difference in wages across the country is significant. The Twin Cities MSA cannot compete for industries seeking cheap labor;
3. Low real estate or income taxes.

As a result of these developments, and despite the structural change transforming the American economy in the 1990's, it is easy to be optimistic about the future of the Twin Cities MSA. The MSA is positioned to become a major center in the international and national economies of the "information age" world system of the last decade of the twentieth century.

Minnesota's monthly job growth was up in November as the state added 9,500 jobs, or 0.3%. Eight of eleven published supersectors posted positive growth: Construction added 300 jobs; Trade, Transportation and Utilities added 3,300 jobs; Professional and Business Services added 500 jobs; Education and Health Services added 2,700 jobs, Leisure and Hospitality added 700 jobs; Other Services added 500 jobs and Government added 1,100 jobs. One published supersector posted decreases, as Financial Activities lost 600 jobs. Employment in two supersectors, Mining and Logging and Information, was flat. U.S. total payroll employment was up in November, adding 199,000 jobs, or 0.1%. Private sector employers added 150,000 jobs (0.1%) on a seasonally adjusted basis. Minnesota outperformed the nation overall and in nine supersectors.

US & Minnesota Unemployment Rates



POPULATION TRENDS

The Twin Cities MSA is one of the nation's larger metropolitan areas. As of the 2010 census, according to the 2012 The National Data Book (Statistical Abstract of the United States), it was ranked the 16th largest metropolitan area in the United States. It had a population increase of 5.72% from 1990 to 2000. It also indicates a population increase of 28.37% from 2000 to 2010 and an increase of 7.93% from 2010 to 2020.

The population totals discussed in this section cover the ten county and seven county metropolitan areas only. These two regions best represent the macro trends of the metropolitan area. For the purpose of clarity, estimates refer to either past or current levels and projections refer to all future levels. Schedule 3 contains both estimates and projections for population for the ten county and seven county metropolitan areas. Additionally, Rice County is not included because it is just outside this metropolitan area and the county where the subject is located.

Schedule 3
Population Projections and Estimates
for the Twin Cities Metropolitan Area

	1970	1980	1990	2000	2010	2020
Ten County Metropolitan Area	1,947,897	2,093,871	2,284,731	2,415,632	3,238,814	3,495,733
Seven County Metropolitan Area	1,874,612	1,985,873	2,140,933	2,231,184	2,849,567	3,402,197
Rice County	41,582	46,087	49,183	56,665	64,142	67,097

Schedule 3
Growth Per Decade

	1970	1980	1990	2000	2010	2020
Ten County Metropolitan Area	--	7.49%	9.11%	5.72%	28.37%	7.93%
Seven County Metropolitan Area	--	5.93%	7.81%	4.21%	25.96%	19.39%
Rice County	--	10.22	7.70%	14.79%	13.19%	4.60%

Schedule 3
Percentage Share of Ten County Metro Area

	1970	1980	1990	2000	2010	2020
Ten County Metropolitan Area	100%	100%	100%	100%	100%	100%
Seven County Metropolitan Area	96.24%	94.84%	93.71%	92.36%	87.98%	89.19%
Rice County	N/A	N/A	N/A	N/A	N/A	N/A

Schedule three shows the expected ten county metropolitan area’s population to be increasing through the year 2020. Coupled with this, Rice County is expected to continue on an upward trend into and past the year 2030. Projections in the State Demographer's office indicate the central city counties have been and will continue to lose population to metropolitan area suburbs well into the year 2030. This was a common national trend during the late 1970's and is expected to continue.

Another important characteristic is the age of the population. The Twin Cities, as shown in Schedule 4, is a young metropolitan area in terms of population in the under-30 age group.

Schedule 4
Percent of Twin City Population Under
the Age of 30

<u>Year</u>	<u>Percent Under 30</u>
1985	49%
1990	45%
1995	41%
2000	39%
2010	41%
2015	40%

In summary, the Twin Cities Metropolitan Area population can be characterized as a growth area in total population. The rate of growth of total population is slowing with a migration effect out of the center city region toward the suburbs. A larger section of the population is younger (below age 30), yet, as this group ages, the percentage of the population under 30, in future time periods, is expected to be smaller than today.

Employment Trends

Historically, the Twin Cities Metropolitan Area has shown itself to have a stable and diverse economic base. Over the past ten years, the Twin Cities Metropolitan Area has consistently experienced lower unemployment than the national norm. Employment, as it is used here, measures where workers live and not where they work. This follows U.S. census standards for measuring and projecting employment.

Schedule 5
Employment Distribution Comparison
U.S. Average vs. Twin City MSA

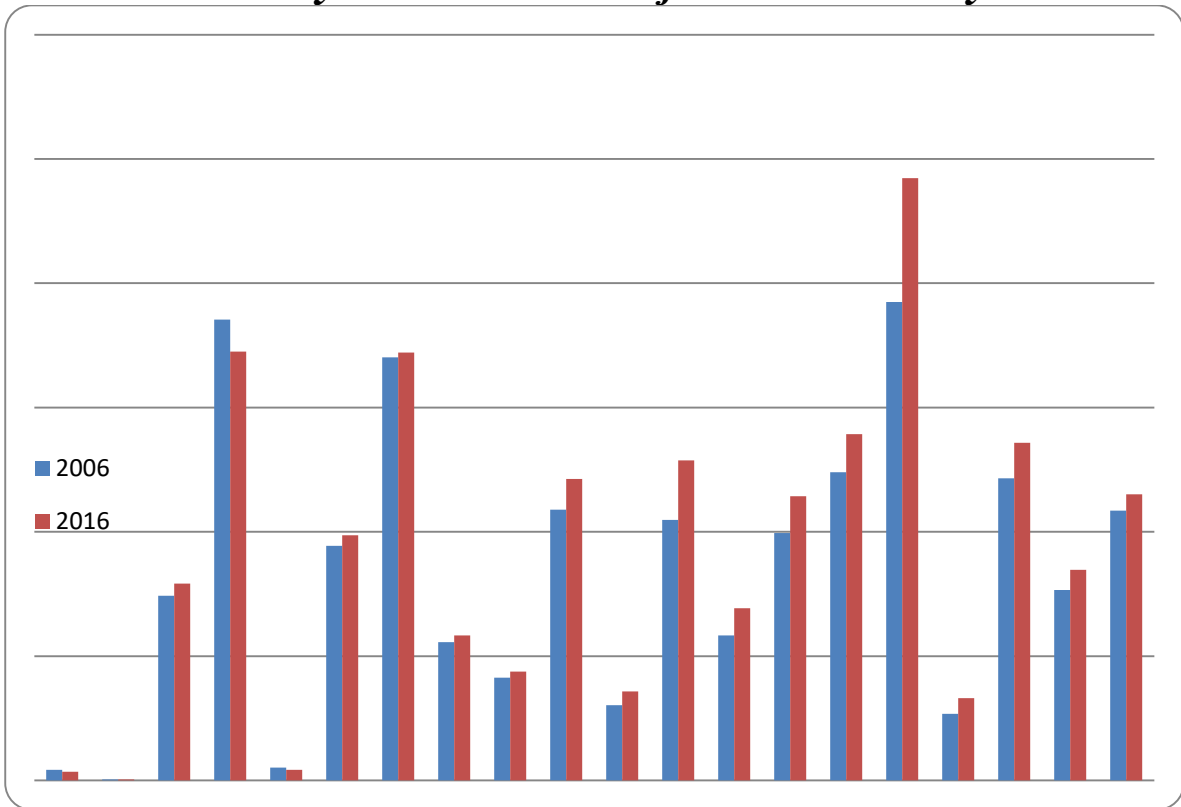
	<u>U.S. Avg.</u>	<u>Metro</u>
Total Employed (000's)	158,000	1,940
Agricultural/Forestry/Fishing	0.70%	0.70%
Construction/extraction/Maintenance	9.40%	8.40%
Management/Professional & Related	33.60%	35.80%
Production/Transportation/Material Moving	14.60%	14.90%
Sales/Office	26.70%	26.50%
Service	14.90%	13.70%
Government	14.60%	12.40%

The employment distribution again confirms the stable nature of the Twin Cities Metropolitan Area. Historically, service based economies have proven to be more stable and resistant to severe swings in the economy. The Twin Cities Metropolitan Area has 49.5% of its employment located in management, professional and services type jobs as compared to 48.5% for the nation. Office and sales workers represent 26.5% of the Twin Cities Metropolitan Area and 26.7% of the nation.

In summary, the employment base in the Twin Cities Metropolitan Area has historically proven itself to be stable and diverse. During the last and current recession, it performed and is performing better than the national average in terms of unemployment rates. The overall economic stability arises out of a diverse economic base with a larger service sector than the national average. All of these factors should continue to provide stability for the seven county metropolitan area and a positive attitude for future growth, development, investment, and employment into the year 2020.

The Twin Cities have also become the sports capitol of the Midwest, with the Minnesota Vikings, the Minnesota Twins, Minnesota Wild and the Minnesota Timberwolves. Additionally, year-round participant sports are easily available to all residents within the metro area because of the many lakes, ski resorts, hunting and fishing areas within close proximity, and an extensive public park system.

Twin City Metro Area Projected Job Analysis



NEIGHBORHOOD ANALYSIS

An overview of the neighborhood where the appraised property is located can lead to an understanding of the immediate area and helps to illustrate the Highest and Best Use of the subject property. The neighborhood analysis provides information about the immediate area's history, past patterns of development, current state, and contemplated or anticipated future uses.

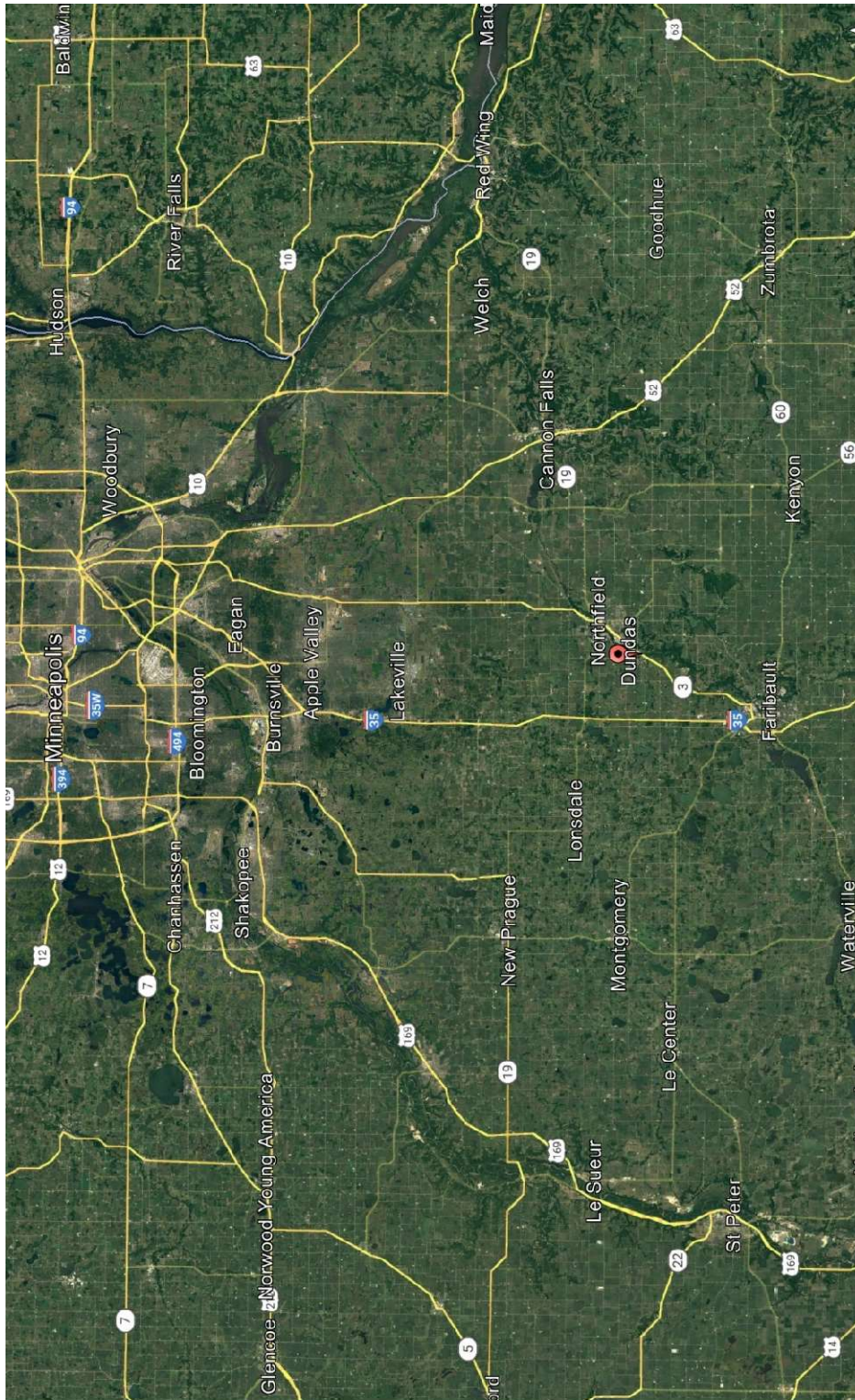
A neighborhood is defined as "a group of complimentary land uses." This indicates that a neighborhood need not be homogeneous, but rather can be a cluster of uses that do not conflict with one another and provide a harmonious climate around the properties. Neighborhood boundaries are typically physical features such as thoroughfares, highways, railroad right-of-ways, rivers, topography, and other physical factors that could act as boundaries.

The subject property is located in the City of Dundas, Minnesota. The property is located at the intersection of Gleason Road and Stafford Lane with good access to Highway #3, Highway #19 and Interstate #35. They are major arteries in the Southern Twin City Metro Area and rural communities just south of the metro area. The approximate neighborhood boundaries consist of competing developments in the Cities of New Prague, Jordan, Northfield, Faribault, Apple Valley, Prior Lake, Burnsville, Savage, Shakopee and Lakeville. This encompasses about 30 square miles of rolling, wooded and open terrain. The subject has several competitive residential, business and industrial developments near the subject property. The Subject is surrounded with new and established commercial, industrial and residential subdivisions in the \$200,000 to multi millions range.

The Subject has convenient access to Highway #3, Highway #19 and Interstate #35, which are major arteries in the Twin City Metro Area. They are good all-weather bituminous roads. The Twin City Metro areas, with all public amenities and major employment centers, are only about 20 minutes away.

Gas, electricity, telephone, storm sewer, water, sewer, gas and cable serve the Subject's area. No soil tests were provided but the soils appear to be stable and adequate to support typical commercial, business and industrial type properties found in the neighborhood. The properties in the area are owner and tenant occupied improvements. The subject is within 1 mile of schools, police and fire department and shopping centers, which is acceptable, commuting distance.

NEIGHBORHOOD MAP



DUNDAS/NORTHFIELD CITY DATA

In January 1855, John Wesley North set out from St. Anthony Falls, MN, to settle land recently ceded by the Dakota tribe. North chose the Cannon River valley because of the great potential for hydrologic power and abundant natural resources. He arrived at the site that would become Northfield with a few people, including his brother-in-law George Loomis. Loomis and North built a sawmill, then a gristmill and a bridge. When plotting Northfield, they ignored the river's natural curvature and platted the town in 95 ridged blocks.

John and his wife, Ann Loomis North, attracted many likeminded people to Northfield. These were people who believed in women's rights, temperance, the abolitionist movement, education and helping your fellow neighbor. The financial panic of 1857 brought the North's to near financial ruin, and in 1859 the North's good friend Charles Wheaton agreed to buy the North's Northfield assets.

Wheaton produced flour at North's gristmill for a few years, and then sold it to Jesse Ames and Sons. Ames enlarged the mill, and at the 1876 Centennial Exposition in Philadelphia, he won the straight flour category for best flour in the United States.

In 1927, Jesse Ames' son Adelbert Ames sold the mill to L.G. Campbell, and Northfield became the headquarters for the Campbell Cereal Co., which produced Malt-O-Meal cereal. The company moved its headquarters to Minneapolis, but kept its production facility in Northfield. Today, Malt-O-Meal still operates the Ames Mill, and Northfield is the only place in the world where its hot cereal is produced.

In 1856, the first school in Northfield was founded with 25 students reporting. In 1874, the Northfield independent school district was formed, and in 1877, the first graduating class consisted of seven girls and no boys.

Northfield College was founded in 1866 by the Minnesota Conference of Congregational Churches. Preparatory classes began in 1867, and in 1871 the college changed its name to honor a benefactor, William Carleton. At the time of his gift of \$50,000 it was the largest gift to a college in the western United States. Today, Carleton's enrollment is around 1,900 students.

The St. Olaf School was formed in 1874 by Rev. B.J. Muus, a Lutheran pastor; Harold Thorsen, a Northfield businessman; and three others. The original purpose of the school was to educate Norwegian immigrants, both men and women, to prepare them for life in the new country. The school was initially located in the public school buildings, and for a few years all of Northfield's educational institutions were within three blocks of each other. College classes began in 1886, even though the college was not officially formed until 1889. Today, St. Olaf's enrollment is around 3,000 students.

At roughly 2:00 p.m., September 7, 1876, eight men rode into town, intent on robbing the First National Bank of Northfield. It would later be called a textbook James-Younger bank robbery, and it began with three members of the gang entering the bank and announcing that it was a holdup. The three desperados ordered three bank employees to open the safe, but were told the vault was locked and couldn't be opened.

On the street, local citizens began to arm themselves when a merchant discovered the robbery in progress. Upon their discovery, two gang members sprang to their horses and began shooting and yelling at the townspeople to leave the street. This forced the other three robbers into the fray. The first to fall was a Swedish immigrant named Nicholas Gustafson, who remained on the street because he did not understand English.

The battle lasted only seven minutes, but when it was over two robbers lay dead in the street and two more were badly wounded. Six outlaws fled south, and the largest manhunt at that time in U.S. history ensued. The Younger brothers were captured and Charlie Pitts was killed near Madelia, MN. Jesse and Frank James escaped the posse and made it to Missouri.

Conclusion:

The Cities of Dundas/Northfield are on the Southern edge of the greater Minneapolis and St. Paul Metro area. Overall, it is a typical rural/suburban community with a good reputation and convenient access to the larger Metropolitan areas. The subject market area has experienced a recent recession in 2008 to approximately 2012, which real estate declined in market value. The market appears to be in recovery since the market lows in 2012. This market has a favorable future forecast and values in the area should continue to recover as the overall economy continues to recover.

During the past 36 months, this market neighborhood and the overall economy has been experiencing a market disruption caused by the Coronavirus. The Federal Reserve lowered short term interest rates to near zero and pledged to support market liquidity. Over the past twelve to eighteen months, inflation increased to a rate near 9% annually, which caused upward pressure on short and long term interest rates. The Federal Reserve increased short term rates approximately 5.25% and indicates the potential for additional rate increases. Since the Federal Reserve increased short term rates, the inflation rate has eased to approximately 4% annually. Market 30 year mortgage rates increased approximately 4.5% over the past twelve months to near 8.25%, but has moderated to approximately 6.5% over the past 30 days. Higher or raising interest rates may have negative market reaction on future marketability and values. Before the coronavirus epidemic, data indicated an overall strong market with stable to slightly appreciating market values. Because data is limited since the outbreak and raising interest rates, data is inconclusive to the affect the outbreak and increasing interest rates may have on marketability and values.

The subject property has an average to good location with good site amenities, a good reputation within the community, its convenience to the metro area, the availability of local services, and the lack of any major adverse influences, long term values should remain stable to slightly increasing for the foreseeable future as the economy continues to recover from the 2008-2012 recession and current economic conditions. There is limited real estate activity of comparable properties in the subject market area or the past 12 months. There is new construction activity and there are some signs of a continued recovery in market values in the residential housing and commercial sector type properties since the recession of 2008-2012. Based on project growth in this market and projected demand for housing and commercial properties, values in the area should remain stable or have slight increases as the economy recovers from the pandemic and current economic factors. This forecast should indicate a favorable environment for the subject property in the future. See attached market report in the addenda.

THE CITY OF DUNDAS/NORTHFIELD



SITE ANALYSIS:

The subject of this analysis are partial splits from two parcels located in the City of Dundas, Minnesota. Parcel #1 is located at 705 Gleason Road. It is owned by Independent School District #659. The site currently has approximately 3.49 acres. The subject of this report is to split off a triangular shaped area along Gleason Road and Stafford Lane with approximately 13,642 sf. The subject area is located in the southwest corner of the site along Stafford Lane South. Parcel #2 is located at 410 Stafford Lane South. It is owned by Ruths Kitchen, LLC. The site currently has approximately 1.30 acres. The subject of this report is to split off a triangular shaped area with approximately 4,845 sf. The subject area is located in the northeast corner of the site. Access to this area is from the parcel's asphalt parking area. See attached map that indicates the location of the proposed new property lines. Because the proposed property splits have not been surveyed, this appraiser was not provided a proposed legal description for the proposed subject areas. See page 17 for the current legal descriptions of parcel #1 and parcel #2. The subject parcels are located in the City of Dundas, Rice County, Minnesota. Access to the subject properties are off of Gleason Road and Stafford Lane. They have good access to Highway #3, Highway #19 and Interstate #35. The subject proposed sites are irregular in shape with slightly sloping topography. The subject Parcel #1 contains approximately 13,642 square feet. Parcel #2 contains approximately 4,845 square feet. The parcels have improvements on the sites, but the subject areas that are to be split off the larger parcel are vacant. Therefore, the market value of the improvements were not analyzed for the purposes of this report.

The site dimensions are irregular in shape. This appraiser was not provided a survey of the subject areas, but the client provided sketches of the areas to be split for both parcels. See attached proposed site map. Typical utility and drainage easements around the perimeter have no adverse effect on value or marketability. There were no other easement noted during my inspection that would have an adverse effect on marketability or value.

There is adequate grading providing for drainage of surface water. The topsoil and subsoil conditions are unknown but appear to be adequate for typical improvements. There is no evidence of settlement or related structural problems from the failure of subsoil in this area.

The utilities available are natural gas, telephone, cable, sewer, water, storm sewer and electrical service.

The zoning classification is B-2 Highway Commercial District and a summary of permitted uses is included in the Addenda.

The subject site conforms to the surrounding properties in this area and the properties are basically homogeneous. No adverse nuisances, odors, or hazards were observed. And the subject site **is not** considered to be in a flood hazard area (Community Panel 27131C0162D, Zone X, dated April 3, 2012).

PROPOSED SITE SKETCH

Proposed Parcel #1 Split Area
XXX Gleason Road
Dundas, Minnesota 55019



PROPOSED SITE SKETCH

Proposed Parcel #2 Split Area
XXX Stafford Lane
Dundas, Minnesota 55019

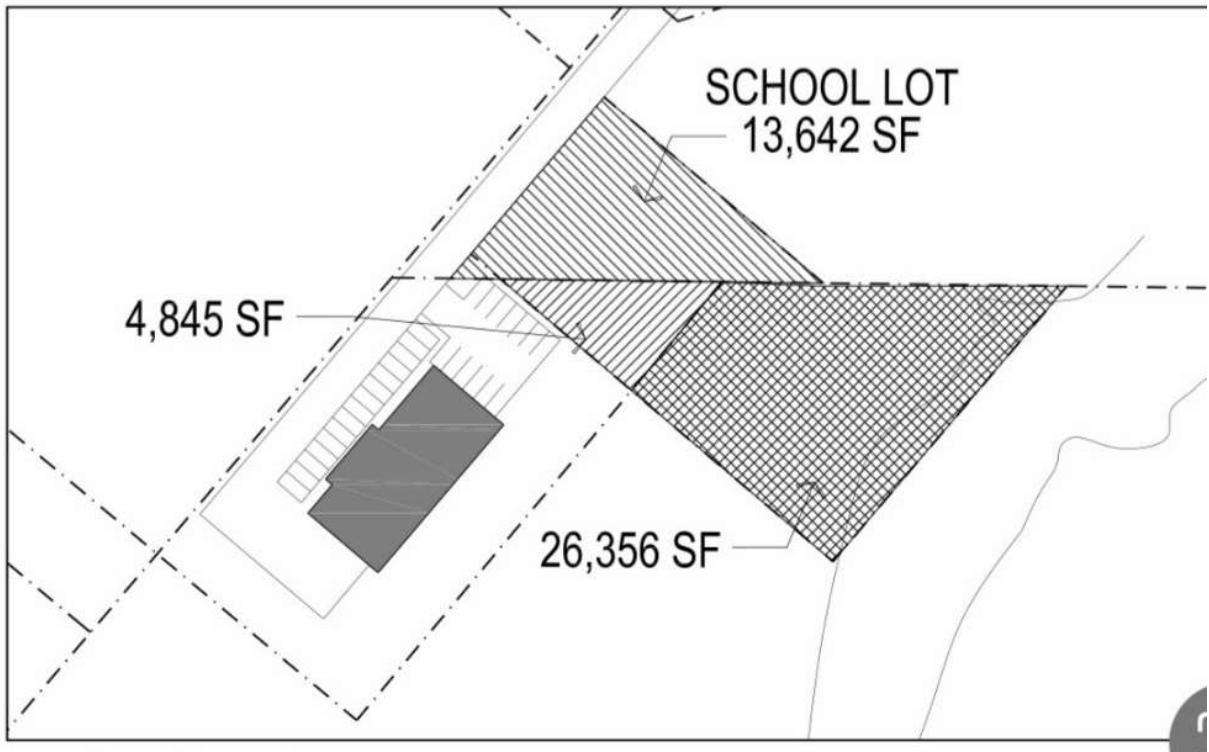


PROPOSED SITE SKETCH provided by CLIENT

XXX Gleason Road and Stafford Lane
Dundas, Minnesota 55019



 SITE SKETCH TWO
1"=50'-0"



SALES HISTORY OF THE SUBJECT

The subject parcel #1 is owned by Independent School District #659. Independent School District #659 purchased the parcel from Gleason Real Estate Holdings, LLLP on July 11, 2019 for a purchase price of \$180,000. Gleason Real Estate Holdings, LLLP owned the parcel for more than three years.

The subject parcel #2 is owned by Ruth’s Kitchen, LLC. Ruth’s Kitchen, LLC purchased the parcel from All Saints Protestant Episcopal Church of Northfield on April 21, 2016 for a sale price of \$165,000. All Saints Protestant Episcopal Church of Northfield owned the parcel for more than three years.

Tax Information Parcel #1

Property Identification Number:	17.11.3.75.021
Taxes Payable 2023:	Exempt
Special Assessments:	Exempt
Total:	Exempt
Assessed Value – 2023	Land - \$231,900

Tax Information Parcel #2

Property Identification Number:	17.14.2.00.002
Taxes Payable 2023:	\$8,038.54
Special Assessments:	\$549.46
Total:	\$8,588.00
Assessed Value – 2023	Land - \$150,000 Building - \$166,600 Total - \$316,600

Based on observation of the real estate taxes of other properties in the area, these taxes appear to be within a reasonable range.

HIGHEST AND BEST USE

Highest and Best Use is defined on page 171 of THE DICTIONARY OF REAL ESTATE APPRAISAL, Third Edition, published in 1993 by the Appraisal Institute as:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

It is to be recognized that in cases where the site has existing improvements on it, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use.

Recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners is implied. Also implied is the fact that the determination of highest and best use results from the appraiser's judgement and analytical skill, i.e., that the use determined through analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (Market Value), another appropriate term to reflect highest and best use would be most probable use. In the context of investment value, an alternative term would be most profitable use.

In analyzing the highest and best use of a site and improvements, the appraisers have five pertinent areas contributing to highest and best use. These areas are:

1. **LEGAL PERMITTED USES:** this would include uses permitted by local government zoning of the site and deed restrictions, if any.
2. **POSSIBLE USES:** uses possibly permitted by the physical characteristics of the site.
3. **FINANCIALLY FEASIBLE USE:** the appraiser's analysis of all possible and permissible uses which will produce any net return to the owner of the site.
4. **MAXIMUM PROFITABILITY:** After considering items one, two, and three, a conclusion is made as to which use will produce the highest net return to the owner of the site, which use will be the most durable and long term, and which use is legal.

5. **MOST PROBABLE USE:** a use that will promote the greatest good for the greatest number of people; a use that is in the best interests of the community as a whole. The appraisers must complete the site analysis before a conclusion on the highest and best use of the site is possible. This site analysis also indicates the present uses of the subject, which might be considered in this highest and best use analysis.

In determining highest and best use, the test is to discover which program of future utilization is capable of developing the highest net return over a substantial period of time. Highest and best use does not refer to a building of the greatest size that someone may be induced to erect nor does income always need to be interpreted in terms of money. It can take the form of amenities such as an attractive wooded site having a highest and best use as a park, or game refuge. In most properties, the highest and best use is customarily the one, which is permitted by zoning ordinances or private restrictions. There may, however, be cases where the land has a more valuable use than that permitted by law. If there is a strong possibility a change in use would be permitted, then it could properly be considered a factor in affecting value. The first step is to analyze the site as if it were vacant in terms of its potential and its limitations.

ANALYSIS AND SUPPORT OF SITE AS VACANT

The first constraints on possible uses of the subject land include its size, shape, soils, location and topography. The two subject sites are irregular in shape and the size physically restricts it to a limited number of uses. The two parcel soils appear to be stable and able to support normal buildings as found in the area. There is good access, visibility, parking and traffic flow over good all-weather roads by the site to accommodate present and future uses.

The second step to consider is all legally permissible uses and legal restrictions, as they apply to the subject, public restrictions such as zoning and private restrictions such as deed constraints.

As previously indicated in the zoning section of this report, subject is zoned B-2 Highway Commercial District and its permitted and conditional uses are stated. The B-2 Highway Commercial District is intended to provide a district allowing for the development of highway-oriented businesses and “big box” retail uses which require concentrations of auto traffic closely related to existing urban areas and/or major transportation routes. The district is also intended to accommodate those commercial uses which may be incompatible with predominantly retail uses permitted in the downtown business district and whose service is not confined to any one neighborhood or community. See addenda for the permitted and conditional uses. There are no indications of any zoning changes in the foreseeable future.

Due to the size of the proposed two subject parcels with approximately 13,642sf of Parcel #1 and approximately 4,845sf of Parcel #2, its use would be limited to those uses as permitted by present zoning.

Conclusion

Based upon the above analysis, the subject site carries a Highest and Best Use for a Commercial and Business type property. Such development would be legally permissible, physically possible, financially feasible, and maximally productive, as well as in keeping with surrounding land use.

The current and proposed uses of the subject site, as described in prior sections of this report, conforms with the Highest and Best Use conclusion of the site. Other uses of the site were analyzed extensively and the use as a business and commercial type property is concluded to be most profitable and the highest and best use.

THE APPRAISAL PROCESS

In appraising real estate for Estimated Market Value, the appraisers have three approaches to value from which to select: The Cost Approach, the Sales Comparison Approach, and the Income Approach. While all three valuation procedures are normally given consideration, the inherent strengths and applicability of each approach, coupled with the nature of the subject property, must be evaluated in order to determine which will provide supportable estimates of Market Value. The appraisers are then free to select one or more of the appropriate approaches in arriving at a final value estimate.

THE COST APPROACH

The Cost Approach is a value estimation technique developed by calculating the replacement cost of an improved property. All forms of depreciation resulting from physical deterioration, functional obsolescence and economic obsolescence are subtracted from the cost new. The value of the land, as if vacant and available for development, is then added to the depreciated value of the improvements, to produce a total value estimate. Because the proposed areas of the subject parcels are vacant, the Cost Approach was not utilized in this report.

SALES COMPARISON APPROACH

This approach is based upon a comparison of prices paid for similar properties that have sold within a reasonable time. This method of valuation is predicated on the Principle of Substitution, and assumes that an informed buyer will pay no more for a property than the cost of acquiring an equally desirable substitute property. To obtain a supportable estimate of value, adjustments are made for time of sale, location, and differences in physical characteristics. In this appraisal, I **will** utilize the Direct Sales Comparison Approach for vacant parcel to establish the market value of the subject parcels in the hypothetical condition as vacant. This approach compares recent sales of comparable vacant land properties.

INCOME APPROACH

Direct capitalization is a method used to convert an estimate of a single years income expectancy or an annual average of several years income expectancies, into an indication of value in one direct step by dividing the income estimate by an appropriate rate. The rate or factor selected represents the relationship between income and value observed in the market and is derived through comparable sales analysis. A properties income, usually annual Net Operating Income, is divided by its sale price to obtain the income rate. The standard Income Approach will **not** be used within this report. Although some income may be received from the subject land through rent, it would not be purchased by an investor for future development purposes. Therefore, the Income Approach is not considered an appropriate valuation technique for this report.

FINAL RECONCILIATION

The final step in the appraisal process is the reconciliation or correlation of the value indications. In the reconciliation or correlation, the appraisers consider the relative applicability of each of the approaches used, examines the range between the value indications, and places major emphasis on the approach that appears to produce the most reliable solution to the specific appraisal problem. The purpose of the appraisal, the type of property, and the adequacy and reliability of the data analyzed influence the weight given to each of the approaches to value. In analyzing the approaches to value, it can be readily observed that most information pertaining to Market Value of the subject property must be derived from the marketplace because the appraisers anticipate the actions of the buyer and seller in the market.

The appraisers are then put in the position of the well-informed, prudent, potential buyer and view the value question from such a buyer's perceptions and perspectives. The appraisers do this in terms of sales, rentals, operating expenses, land prices, construction costs, and locational and environmental milieu of the segment of the real estate market in which the subject property is competitive. An opinion of estimated value based on this analysis is then produced.

LAND VALUE ESTIMATE

Traditionally, this is an appraisal procedure in which the Market Value estimate is predicated upon prices paid in actual market transactions, and current listings, the former fixing the lower limit of value in a static or advancing market (price-wise), and fixing the higher limit of value in a declining market; and the latter fixing the higher limit of value in any market. It is the process of analyzing sales of similar recently sold properties in order to derive an indication of the most probable sales price of the properties being appraised. The reliability of this technique is dependent upon; (a) the availability of comparable sales data, (b) the verification of sales data, (c) the degree of comparability or the extent of adjustment necessary for differences, (d) the absence of non-typical conditions affecting sales price.

In order to estimate the value of the parcel "as is", the subject property is normally considered in light of sales of other similar sites within the neighborhood or in other competitive locations. From knowledge of this type of market data, a judgment as to the value of the subject property can be made that is considered a valid support to the indicated conclusion.

The estimation of the retail value of the subject property is based upon sales of land, which are close to the size of the Subject "as is".

Examples of closed land sales located nearby which have recently sold and are considered to be both similar and competitive with the subject property have been included for your examination. These sales have been related to the subject property and several pertinent factors have been considered such as size, time, topography, views, utilities, level of development in the area, etc.

Land sales of reasonable comparability were analyzed and adjustments were made from the comparables to the Subject in order to arrive at an indicated value range for the subject sites. A plus (+) adjustment is made if the comparable is inferior to the Subject and a minus (-) adjustment is made if it is considered superior to the Subject, based on the appraiser's judgment from experience and knowledge of the neighborhood.

During the past 36 months, this market neighborhood and the overall economy has been experiencing a market disruption caused by the Coronavirus. The Federal Reserve lowered short term interest rates to near zero and pledged to support market liquidity. Over the past twelve to eighteen months, inflation has increased to a rate near 9% annually, which caused upward pressure on short and long term interest rates. The Federal Reserve has increased short term rates approximately 5.25% and indicates the potential for future additional rate increases. Since the Federal Reserve increased short term rates, the inflation rate has eased to approximately 4% annually. Market 30 year mortgage rates have increased approximately 4% over the past twelve months to near 8.25%, but has moderated to approximately 6.5%. Raising interest rates may have negative market reaction on future marketability and values. Before the coronavirus epidemic, data indicated an overall strong market with stable to slightly appreciating market values. Because data is limited since the outbreak and raising interest rates, data is inconclusive to the affect the outbreak and increasing interest rates may have on marketability and values.

In the following analysis, Sales #1 thru #4 are the most recent comparable parcel sales with similar uses as the subject property. These sales will be adjusted to estimate the market value of the subject properties “as-is” parcel.

COMPARABLE SALE #1

PID: 22.11.1.56.001 & 22.11.1.56.002
Information Source: County Records, NSMLS, Realist, eCRV
Date of Sale: June 6, 2023
Legal description: Lots 1 & 2, Block 1 in Gleason 4th Addition, Northfield, Rice County, MN
Grantor: Gleason Real Estate Holdings, LLP
Grantee: Self Storage-Dundas, LLC
Sales Price: \$210,000
Type Conveyance: WD
Location: 2051 & 2131 Honeylocust Dr, Northfield, MN
Utilities: All in place – Electric, Telephone, Sewer, Water and Storm Sewer.
Zoning: B-2 Highway Commercial District
Lot Size: 130,680 +- sq. Ft
Price Per Sq. Ft.: \$1.61
General Comments: Located in a competing business development area in the City of Northfield, Minnesota. It has good access to Highway #3 similar to the subject. It is on a corner lot.



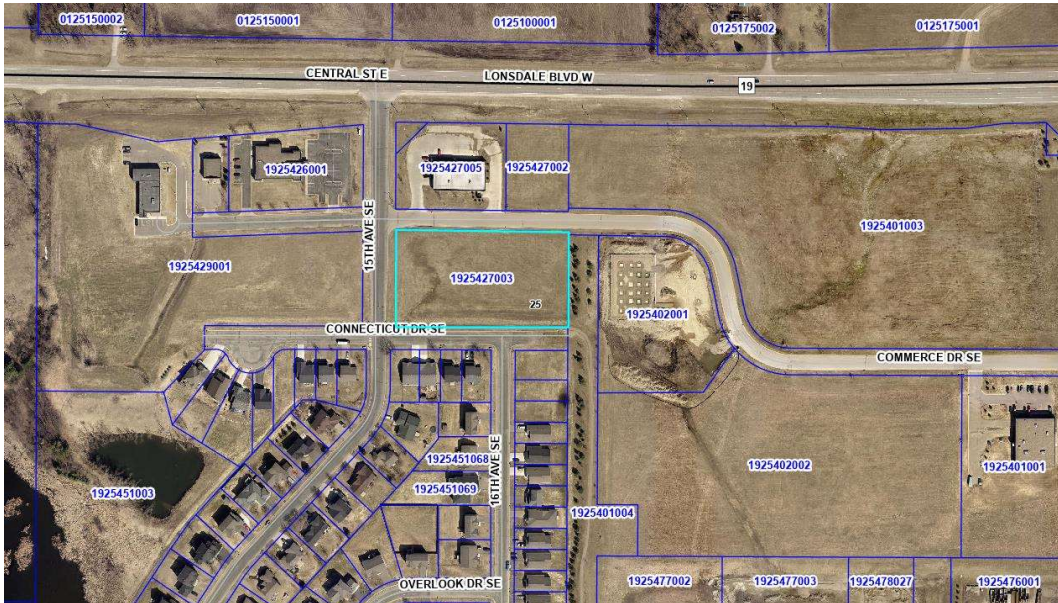
COMPARABLE SALE #2

PID: 19.25.2.59.002
Information Source: County Records, NSMLS, Realist, eCRV
Date of Sale: July 31, 2023
Legal description: Lot 2, Block 1 Rolling Ridge Market Place 6th Addition, together with those rights in Outlots A and B, Rolling Ridge Market Place 5th Addition as set forth by Amended and Restated shared easement and maintenance agreement filed as Document #A718860, Lonsdale, Rice County, MN
Grantor: First National Bank of Le Center
Grantee: Wetzee's Wash, LLC
Sales Price: \$60,000
Type Conveyance: WD
Location: 627 Ash Street NE, Lonsdale, MN
Utilities: All in place – Electric, Telephone, Sewer, Water and Storm Sewer.
Zoning: PUD Planned Urban Development District
Lot Size: 58,370 +/- sq. Ft
Price Per Sq. Ft.: \$1.03
General Comments: Located in a competing business development area in the City of Lonsdale, Minnesota. It has good access and visibility to Highway #19. It is located in a common interest community with shared maintenance of common development streets and parking areas.



COMPARABLE SALE #3

PID: 19.25.4.27.003
Information Source: County Records, NSMLS, Realist, eCRV
Date of Sale: March 6, 2023
Legal description: Outlot A, Willow Creek Commons 2nd Addition, Lonsdale, Rice County, MN
Grantor: City of Lonsdale
Grantee: GPM Lonsdale, LLC
Sales Price: \$132,500
Type Conveyance: WD
Location: XXX Commerce Drive, Lonsdale, MN
Utilities: All in place – Electric, Telephone, Sewer, Water and Storm Sewer.
Zoning: B-2 Highway & Business Services District
Lot Size: 102,802 +- sq. Ft
Price Per Sq. Ft.: \$1.29
General Comments: Located in a competing business development area in the City of Lonsdale, Minnesota. It has good access to Highway #19. It is on a corner lot.



COMPARABLE SALE #4

PID: 17.14.2.25.003
Information Source: County Records, NSMLS, Realist, eCRV
Date of Sale: February 16, 2023
Legal description: Lengthy, In Appraiser's File, Scott County, MN
Grantor: H3D, LLC
Grantee: Midwest Property Brothers, LLC
Sales Price: \$59,500
Type Conveyance: WD
Location: 399 Stafford Road N, Dundas, MN
Utilities: All in place – Electric, Telephone, Sewer, Water and Storm Sewer.
Zoning: B-2 Highway Commercial
Lot Size: 73,181 +- sf (22,267sf Useable)
Price Per Sq. Ft.: \$0.81 – (\$2.67 Useable Area)
General Comments: Located in a competing business development in the City of Dundas, Minnesota. The sale is a parcel with some steep wood terrain and has limited useable area. The sale has a shared driveway with the abutting parcel. It has wooded and sloping terrain to the rear of the parcel.



ADJUSTMENT RATIONALE – SITE SALES

In this report, I have examined many sales and current active listings of sites competitive with the subject sites. I have included four (4) of those sales considered most indicative of the subject's prospective market value for further analysis. The recited sales are the closest in proximity with similar zoning and political influences on their reported values.

Because no two properties are exactly identical, adjustments were made to account for differences between comparable sales and the subject.

Time :

It was determined by market analysis that there has been no supportable, measurable change in the market values for vacant land within the subject's market area in the last 2 years. Therefore, no adjustment was required for time.

Location :

Based upon the appraiser's judgement concerning location, visibility, view, access and other subjective considerations.

Size :

This adjustment recognizes the fact that larger land parcels generally command market values per square foot that are less than those of smaller tracts of land. This economy of size factor was not present in the land sales that have been analyzed during the course of this appraisal investigation. Therefore, no adjustment was made for size.

I have analyzed these variables and will apply them to the comparable sites. Following is a recap of the data analysis and an estimate of value for the subject site to be utilized in the Cost Approach.

COMPARABLE LAND SALES SUMMARY

Sale No.	Date Sold	Sales Price	Size Sq.Ft.	Sale \$ per Sq.Ft.
1	6/6/2023	\$210,000	130,680	\$1.61
2	7/31/2023	\$60,000	58,370	\$1.03
3	3/6/2023	\$132,500	102,802	\$1.29
4	2/16/2023	\$59,500	73,181	\$0.81

Mean : \$1.19

ESTIMATING MARKET VALUE FOR THE SUBJECT SITE

Establishment of an estimate of market value for the subject site involves selection of comparables with the most similar characteristics to the subject sites and with the most similar amenities of view, access, utilities and use.

LAND SALES ADJUSTMENT GRID PARCEL #1

Sale No.	Sale \$ per Sq.Ft.	Time X	Location X	Size X	Net = Adjustment Factor	Indicated Value Per Sq.Ft.
1	\$1.61	1.00	1.00	1.00	1.00	\$1.61
2	\$1.03	1.00	1.30	1.00	1.30	\$1.34
3	\$1.29	1.00	1.00	1.00	1.00	\$1.29
4	\$0.81	1.00	1.30	1.00	1.30	\$1.05

Mean : \$1.32

LAND SALES ADJUSTMENT GRID PARCEL #2

Sale No.	Sale \$ per Sq.Ft.	Time X	Location X	Size X	Net = Adjustment Factor	Indicated Value Per Sq.Ft.
1	\$1.61	1.00	.70	1.00	.70	\$1.13
2	\$1.03	1.00	1.00	1.00	1.00	\$1.03
3	\$1.29	1.00	.70	1.00	.70	\$0.91
4	\$0.81	1.00	1.00	1.00	1.00	\$0.81

Mean : \$0.97

Explanation of Adjustments – Comparable Land Sales

- Sale #1** is a sale in a competing business district in the City of Northfield, MN. The subject market appears to have been stable to slightly appreciating over the past few years, but data is limited and inconclusive. Therefore, no adjustment was made for time. Sale is in a competing development area in the City of Northfield, Minnesota with good access to Highway #3. The topography, zoning and access are similar to the subject. The sale is located on a corner lot, which is similar to the Parcel #1, but superior to Parcel #2. Therefore, no adjustment was made for location for parcel #1 and a 30% downward adjustment was made for Parcel #2.
- Sale #2** is a sale in a competing business district in the City of Lonsdale, MN. The subject market appears to have been stable to slightly appreciating over the past few years, but data is limited and inconclusive. Therefore, no adjustment was made for time. Sale is in a competing development area in the City of Lonsdale, Minnesota with good access and visibility to Highway #19. The topography, zoning and access are similar to the subject. The sale is located in a competing business area of the city with common development areas. The sale is not located on a corner lot, which is inferior to the Parcel #1, but similar to Parcel #2. Therefore, a 30% upward adjustment was made for location for parcel #1 and no adjustment was made for Parcel #2.
- Sale #3** is a sale in a competing business district in the City of Lonsdale, MN. The subject market appears to have been stable to slightly appreciating over the past few years, but data is limited and inconclusive. Therefore, no adjustment was made for time. Sale is in a competing development area in the City of Lonsdale, Minnesota with good access to Highway #19. The topography, zoning and access are similar to the subject. The sale is located on a corner lot, which is similar to the Parcel #1, but superior to Parcel #2. Therefore, no adjustment was made for location for parcel #1 and a 30% downward adjustment was made for Parcel #2.
- Sale #4** is a sale in the same business district in the City of Dundas, MN. The subject market appears to have been stable to slightly appreciating over the past few years, but data is limited and inconclusive. Therefore, no adjustment was made for time. Sale is in the same development area in the City of Dundas, Minnesota with good access and visibility to Highway #3. The topography, zoning and access are similar to the subject. The sale is located in the same business area as the subject property with a shared driveway access to Stafford Road. The sale is not located on a corner lot, which is inferior to the Parcel #1, but similar to Parcel #2. Therefore, a 30% upward adjustment was made for location for parcel #1 and no adjustment was made for Parcel #2.

Correlation of Comparables to Subject Site

Because of the reasonable proximity of all Sale Comparables with similar influences of zoning, location, use, access, ect., the appraisers believe that the subject site will have similar influences on estimated market value as the comparable sales.

The adjusted sale prices of the comparable sales indicated value per square foot falls in a range of \$0.81 per square foot and \$1.61 per square foot with an adjusted mean of \$1.32 per square foot for Parcel #1 and \$0.97 per square foot for Parcel #2. All of the comparables have similar commercial uses as the subject and are considered competitive.

Consideration of all factors of all recited data by the appraisers and consideration of the location of the subject with good access and visibility and the subject having all utilities in place. Comparables #1, #2, #3 and #4 appears to be the best representation of the subject's site area. Therefore, most weight was given to the mean adjusted sale price of the four closed sales. The sales indicate an estimate of value of \$1.30 per square foot for Parcel #1 and an estimate of value of \$1.00 per square foot for Parcel #2 and is supported by the comparables.

No other discoverable data exists on commercial land sales within the City of Dundas, Minnesota.

Therefore, the site value of the subject parcels are as follows;

Parcel #1 with a proposed site area of approximately 13,642 square feet times \$1.30 per square foot equals \$17,735.

Rounded to \$18,000

Parcel #2 with a proposed site area of approximately 4,845 square feet times \$1.00 per square foot equals \$4,845.

Rounded to \$5,000

RECONCILIATION AND FINAL ESTIMATE OF VALUE

In summary, the value indications for the three approaches to value utilized in this appraisal for the subject property located in the City of Dundas with the subject improvement is as follows:

DIRECT SALES COMPARISON APPROACH PARCEL #1 :	\$18,000
DIRECT SALES COMPARISON APPROACH PARCEL #2 :	\$5,000

In the appraisal process, the replacement cost reflects the cost of constructing a new property from the ground up, then depreciating the property according to its estimated effective age.

The Cost Approach value indication is based on data from both a nationally recognized cost service which has been adjusted to current time and location, as well as information supplied by local builders and suppliers. Because the subject of this report are areas that are vacant, this approach to value was not used in this report.

The Direct Sales Comparison Approach was based on the analysis of sales of generally competitive commercial properties. These sales were thoroughly analyzed and adjustments were made for those dissimilarities between the comparable sales and the subject property. Most lenders are primarily concerned with the potential sales price of secured property and most weight was given this approach.

The Income Approach is generally emphasized in the appraisal of income producing properties. A potential buyer or developer is primarily interested in the income producing capability of a commercially zoned property, while the underwriters are similarly interested in the income producing aspects as a measure of its ability to properly cover the mortgage debt service. In recent years, the market has been over built. The market has been over built and vacancy rates were higher, which held down lease rates. Although the subject sites could generate income as a vacant site, the typical investor for this type of property are not concerned with its vacant land income generation. Therefore, this analysis was not used in this report.

This report is based on sales data of similar properties in the area and the subject sites having good access to Highway #3, Highway #19 and Interstate #35 and are well traveled roads in and around the Twin City Metro Area. They are also a major artery in the southern Twin City Metro Area. This gives the subject good access to area interstate highway systems. Therefore, the indicated market value of the three approaches and my opinion to value is supported by the data in this market area.

In correlating the three approaches into a final estimate of value, I have considered the purpose of the appraisal, the age and type of property, and the adequacy of the data processed in each of the three approaches. The subject is well located and were vacant areas of Parcel #1 and Parcel #2. These considerations influenced the weight to be given each approach.

It is estimated that the marketing time, based on other sales in the area near the appraised value, would be approximately one year.

As a result of my investigation and analysis, it is my opinion that the market value of the fee simple interest on January 25, 2024 is:

Parcel #1 - \$18,000

Parcel #2 - \$5,000

National Flood Hazard Layer FIRMette

93°11'55"W 44°25'53"N



Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS

- Without Base Flood Elevation (BFE)
Zone A, V, A99
- With BFE or Depth
Zone AE, AO, AH, VE, AR
- Regulatory Floodway

OTHER AREAS OF FLOOD HAZARD

- 0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile
Zone X
- Future Conditions 1% Annual Chance Flood Hazard
Zone X
- Area with Reduced Flood Risk due to Levee. See Notes.
Zone X
- Area with Flood Risk due to Levee
Zone D

OTHER AREAS

- Area of Minimal Flood Hazard
Zone X
- Effective LOMR
- Area of Undetermined Flood Hazard
Zone D

GENERAL STRUCTURES

- Channel, Culvert, or Storm Sewer
- Levee, Dike, or Floodwall

OTHER FEATURES

- Cross Sections with 1% Annual Chance Water Surface Elevation
- Coastal Transect
- Base Flood Elevation Line (BFE)
- Limit of Study
- Jurisdiction Boundary
- Coastal Transect Baseline
- Profile Baseline
- Hydrographic Feature

MAP PANELS

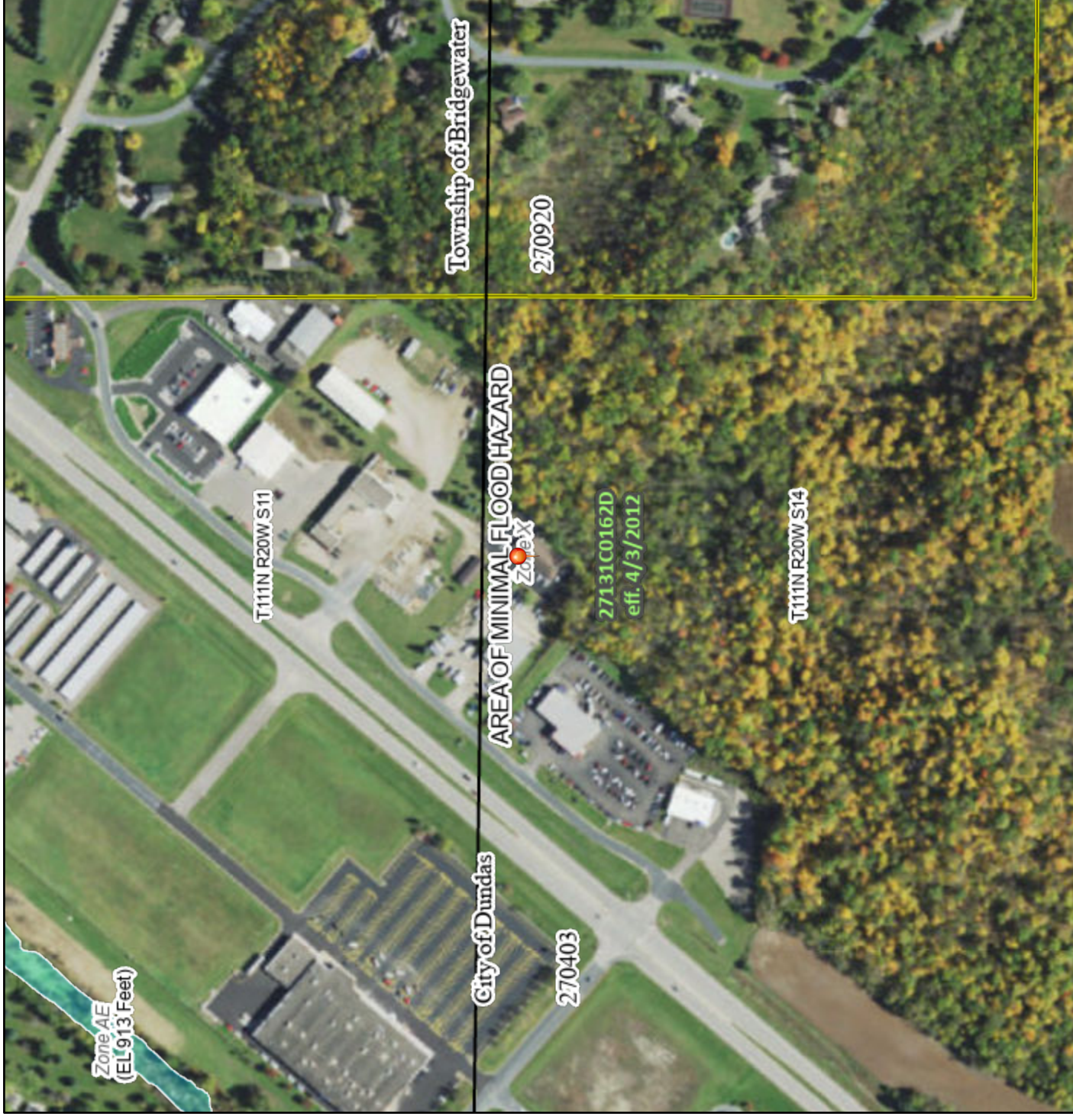
- Digital Data Available
- No Digital Data Available
- Unmapped

The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on **1/30/2024 at 3:55 PM** and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.



93°11'17"W 44°25'27"N



Basemap Imagery Source: USGS National Map 2023

§ 154.096 B-2, HIGHWAY COMMERCIAL DISTRICT.

(A) *Purpose.* The B-2 Highway Commercial District is intended to provide a district allowing for the development of highway oriented businesses and “big box” retail uses which require concentrations of auto traffic closely related to existing urban areas and/or major transportation routes. The district is also intended to accommodate those commercial uses which may be incompatible with predominantly retail uses permitted in the downtown business district and whose service is not confined to any one neighborhood or community.

(B) *Permitted uses.* Permitted uses in the B-2 District include:

(1) Auto service stations, repair shops and tire and battery sales;

(2) Retail centers and commercial office buildings. Development of individual and/or groups of buildings that are 80,000 square feet (individually and cumulatively) and larger require zoning as PUD. Expansions of existing buildings over 80,000 square feet or expansions resulting in buildings that are 80,000 square feet (individually and cumulatively) also require zoning as a PUD. The projects will be evaluated based on the design guidelines in §§ 154.115 through 154.128 of this chapter;

(3) All permitted uses allowed in the B-1 District; and

(4) Hotels.

(C) *Accessory uses.* Permitted accessory uses in the B-2 District are those commercial or business buildings and structures accessory to the principal use. The accessory uses shall not exceed 30% of the gross floor space of the principal use.

(D) *Conditional uses.*

(1) Conditional uses in this district are subject to the following requirements:

(a) A conditional use permit is applied for based on procedures set forth in § 154.022 of this chapter;

(b) Screening and landscaping in compliance with § 154.071 of this chapter shall be required; and

(c) Off-street parking is provided in compliance with § 154.067 of this chapter.

(2) Conditional uses in this district include:

(a) Commercial developments undertaken by two or more property owners in which the extension of an existing structure is proposed, a new structure is proposed, or a structure spans more than one lot. Side yards shall not be required (a zero lot line setback) in these cases unless the side yard abuts residentially zoned property or a public road. Side yard requirements specified below shall apply in these areas;

(b) Light manufacturing;

(c) Warehousing signs larger than those permitted in division (E) below;

(d) Printing and publishing services;

(e) Accessory adult uses as defined in Ch. 117 of this code; and

(f) Banquet hall (principal use), club or lodge, or religious institution when part of a multi-tenant structure; provided, the aggregate of all such uses in a single structure does not occupy more than 25% of the structure or 1,000 square feet, whichever is greater.

(E) *Performance standards.* The following minimum requirements shall be observed in the B-2 District:

(1) Lot area: the minimum necessary to meet all setbacks and other requirements of this chapter;

(2) Lot width: no minimum;

(3) Setbacks:

(a) Front yards: not less than 25 feet. In the case of corner lots, two front yards will be required.

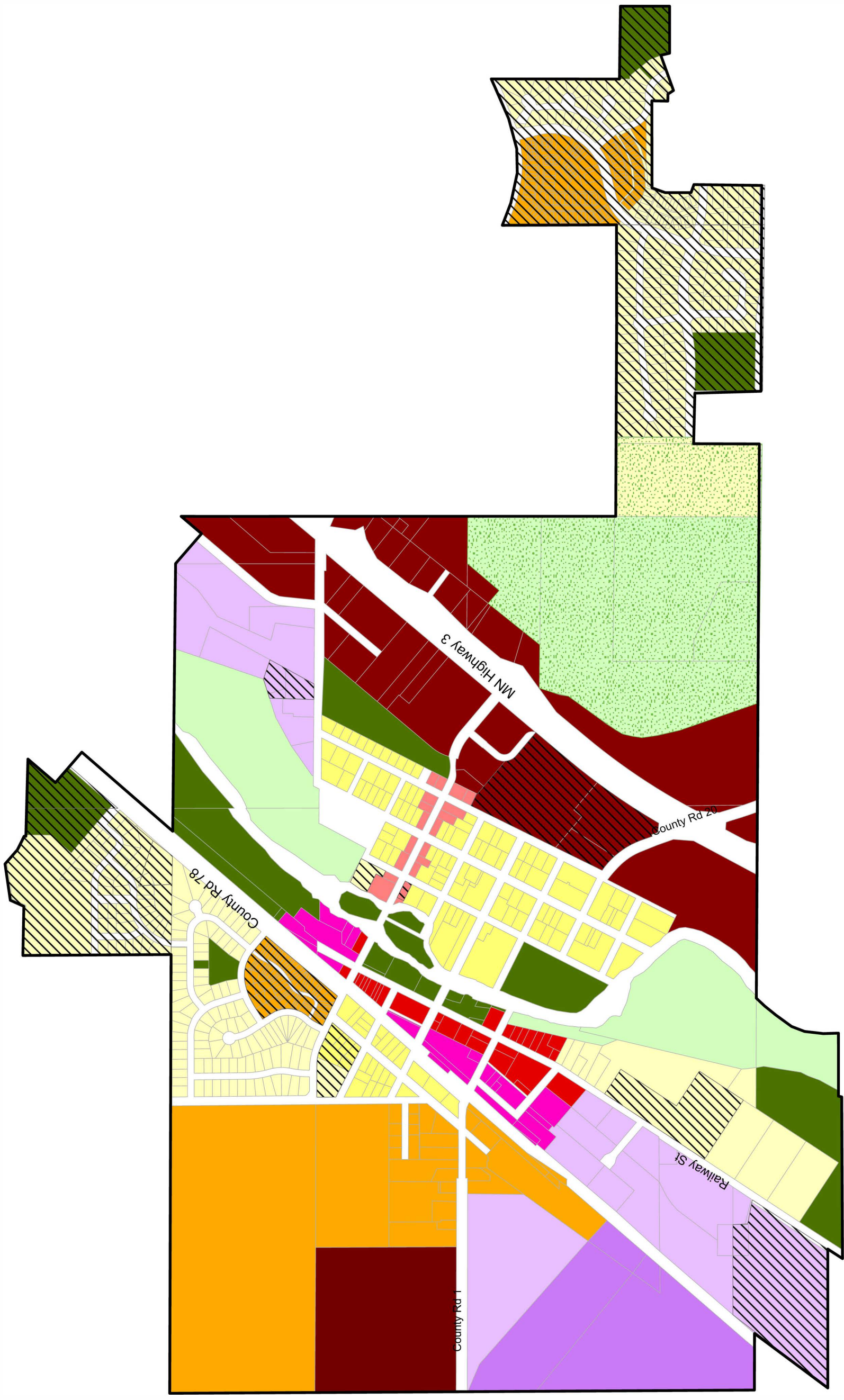
(b) Side yards: not less than ten feet on each side, except where there is a permissible zero lot line setback pursuant to division (D)(2)(a) above or 25 feet when abutting a public right-of-way or a residential district; and

(c) Rear yards: not less than 25 feet.

(4) Outside storage of materials, equipment, unused vehicles, truck trailers or products is not permitted unless authorized by conditional use permit.

(F) *Interim uses.* The following are interim uses in a B-2 District and require an interim use permit based upon procedures set forth in and regulated by § 154.026 of this chapter: none.

(Ord. passed 3-20-2002, § 13; Ord. 2017-01, passed 3-27-2017; Ord. 2019-01, passed 1-28-2019, § 1)



R-1 Single Family Residential	B-1A Downtown Core Business	G-I General Industrial
R-2 Traditional Residential	B-1B Downtown Mixed Use	P-OS Public-Open Space
R-3 Multifamily Residential	HSD Hester Street District	Bluff Protection District
R-4 High Density Residential	B-2 Highway Commercial District	PUD
NRSF Natural Resource SF Residential	L-I Limited Industrial	Boundary

ADDENDUM TO COMMERCIAL PURCHASE AGREEMENT: DUE DILIGENCE

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1. Date 5/7/2024

2. Page 1

3. Addendum to Purchase Agreement between parties, dated May 7 2024
4. (Date of this Purchase Agreement), pertaining to the purchase and sale of the Property at
5. XXX Gleason Rd Dundas MN 55019

6. In the event of a conflict between this Addendum and any other provision of the Purchase Agreement the language
7. in this Addendum shall govern.

8. This Purchase Agreement is contingent upon Buyer's reasonable approval of due diligence matters as agreed to in
9. this Addendum.

10. Title and examination and title corrections and remedies are excluded from this Addendum and shall be handled in
11. accordance with terms specified in the Examination of Title and Title Corrections and Remedies section of this
12. Purchase Agreement.

13. Buyer shall satisfy himself/herself/itself with respect to the physical condition of the Property and the feasibility
14. and suitability of the Property for Buyer's intended purpose within the respective time period(s) specified herein. Buyer
15. acknowledges that any information provided by Seller, a third party, or broker representing or assisting Seller regarding
16. dimensions, square footage, or acreage of land or improvements is approximate. Buyer shall verify the accuracy of
17. information to Buyer's satisfaction, at Buyer's sole cost and expense.

18. Buyer may declare this Purchase Agreement canceled by providing written notice to Seller, or licensee representing
19. or assisting Seller, within the respective time period(s) specified herein, in which case this Purchase Agreement is
20. canceled. Buyer and Seller shall immediately sign a written cancellation confirming said cancellation and directing
21. all earnest money paid hereunder to be refunded to Buyer, unless provided otherwise in this Purchase Agreement.

22. Buyer's failure to give written notice of cancellation of this Purchase Agreement, within the respective time period(s)
23. specified herein shall conclusively be deemed Buyer's election to proceed with the transaction without correction of
24. any disapproved items that Seller has not agreed in writing to correct or remedy.

25. **Buyer's Responsibility Regarding Due Diligence:** Buyer shall keep the Property free and clear of all liens, shall
26. indemnify, defend, and hold Seller harmless from all liability, claims, demands, damages, costs or expenses, incurred
27. by Seller by reason of any physical damage to the Property or injury to persons caused by Buyer or its agents or
28. contractors in exercising its rights under this Addendum, and shall return the Property to the same condition it was
29. in prior to Buyer's testing. Buyer shall not disturb any tenants, employees or occupants of the Property.

30. **Seller's Responsibility Regarding Due Diligence:** Seller agrees to allow reasonable access to the Property for
31. performance of any surveys, due diligence or inspections agreed to herein. Seller understands that the inspections
32. may require that all utilities be on and the Seller is responsible for providing same at Seller's expense. If the Property
33. is occupied by someone other than Owner, Owner shall comply with Minnesota law and existing Owner's lease, if
34. any, to provide tenant with proper notice in advance of any Property showing.

35. A. ENVIRONMENTAL ASSESSMENTS/INSPECTIONS:

36. (i) **Phase I:** This Purchase Agreement IS IS NOT contingent upon BUYER SELLER
----- (Check one.) -----

37. obtaining a Phase I environmental site assessment of the Property at BUYER'S SELLER'S expense
----- (Check one.) -----

38. within 60 days of Final Acceptance Date of this Purchase Agreement.

39. Buyer shall provide reasonable approval of the Phase I environmental site assessment within

40. 15 days of either:

41. (a) Final Acceptance Date of this Purchase Agreement if the Phase I environmental site assessment is
42. obligated to be obtained by Buyer; or

43. (b) receipt of the Phase I environmental site assessment if Seller is obligated to obtain.

45. Property located at XXX Gleason Rd Dundas MN 55019

46. (ii) **Phase II:** This Purchase Agreement IS IS NOT contingent upon BUYER SELLER
-----*(Check one.)*-----

47. obtaining a Phase II environmental site assessment of the Property at BUYER SELLER
-----*(Check one.)*-----

48. expense within _____ days of Final Acceptance Date of this Purchase Agreement.

49. Buyer shall provide reasonable approval of the Phase II environmental site assessment within

50. _____ days of either:

51. (a) Final Acceptance Date of this Purchase Agreement if the Phase II environmental site assessment is
52. obligated to be obtained by Buyer; or

53. (b) receipt of the Phase II environmental site assessment if Seller is obligated to obtain.

54. (iii) **Other Testing:** This Purchase Agreement IS IS NOT contingent upon BUYER SELLER
-----*(Check one.)*-----

55. obtaining other Intrusive Testing of the Property at BUYER'S SELLER'S expense within
-----*(Check one.)*-----

56. _____ days of Final Acceptance Date of this Purchase Agreement.

57. Buyer shall provide reasonable approval of the assessment/inspection within

58. _____ days of either:

59. (a) Final Acceptance Date of this Purchase Agreement if the assessment/inspection is obligated to be obtained
60. by Buyer; or

61. (b) receipt of the assessment/inspection if Seller is obligated to obtain.

62. For purposes of this form, "Intrusive Testing" shall mean any testing, inspection(s) or investigation(s) that
63. changes the Property from its original condition or otherwise damages the Property.

64. Buyer SHALL SHALL NOT be required to provide Seller with a copy of any assessment/inspection
-----*(Check one.)*-----

65. reports obtained by Buyer.

66. (iv) **Seller's Representations on Environmental Concerns:** To the best of Seller's knowledge, there are no
67. hazardous substances or underground storage tanks except herein noted:

68. _____

69. _____

70. _____

71. **B. GOVERNMENTAL APPROVAL:** The following items, if applicable, shall be completed within

72. 150 days of Final Acceptance Date of this Purchase Agreement.

73. (i) This Purchase Agreement IS IS NOT contingent upon Buyer obtaining approval of governing body of
-----*(Check one.)*-----

74. development or subdivision plans, as described below, at BUYER SELLER expense. If IS, Seller shall
-----*(Check one.)*-----

75. cooperate with Buyer to obtain such approval.

76. _____

77. (ii) This Purchase Agreement IS IS NOT contingent upon Buyer obtaining approval of governing body for
-----*(Check one.)*-----

78. rezoning or use permits, as described below, at BUYER SELLER expense. If IS, Seller shall
-----*(Check one.)*-----

79. cooperate with Buyer to obtain such approval.

80. _____

81. _____

83. Property located at XXX Gleason Rd Dundas MN 55019.

84. **C. OTHER CONTINGENCIES:** This Purchase Agreement is contingent upon Buyer's reasonable approval of the
85. following items, if checked. Buyer shall approve the items within 120 days of either:
86. (a) Final Acceptance Date of this Purchase Agreement if Buyer is obligated to obtain the item; or
87. (b) receipt of the item if Seller is obligated to obtain the item.
88. (Select appropriate options i-vi.)

89. (i) BUYER SELLER obtaining a certificate of survey of the Property, at BUYER SELLER
90. expense. ------(Check one.)-----

91. (ii) BUYER SELLER obtaining soil tests which indicate that the Property may be improved without
92. extraordinary building methods or costs, at BUYER SELLER expense. ------(Check one.)-----

93. (iii) BUYER SELLER obtaining copies of all covenants, reservations and restrictions affecting the Property,
94. at BUYER SELLER expense. ------(Check one.)-----

95. (iv) BUYER SELLER obtaining and approving copies of Association documents at BUYER SELLER
96. expense. ------(Check one.)-----

97. (v) Buyer obtaining from Seller copies of all documents in Seller's possession or control relating to the rights
98. of tenants, including but not limited to, rent rolls, leases, common area maintenance fees, and estoppel
99. certificates.

100. Seller assigns all right, title, and interest in and to the tenant security deposits and the interest earned, if
101. any, and credited thereon (collectively, the Security Deposits) for the Property at closing. Seller warrants
102. that the Security Deposits being assigned are all of the Security Deposits being held for tenants at the
103. Property. Seller shall, immediately after closing, notify tenant of the Security Deposit transfer and of Buyer's
104. name and address as required under MN Statute 504B.178, Subd. 5. Buyer agrees to hold and apply all
105. of the Security Deposits in accordance with the terms of the leases of the Property pursuant to MN Statute
106. 504B.178 and indemnify and agree to hold and defend Seller, its legal representatives, successors and
107. assigns harmless from and against any and all claims, actions, suits, proceedings, demands, assessments,
108. judgments, liabilities and costs including, without limitation, reasonable attorney's fees and expenses of
109. any kind whatsoever, arising from and after the date of closing asserted by said tenants or any person
110. or persons claiming under any of them with respect to any of the Security Deposits.

111. (vi) Buyer obtaining from Seller copies of all permits applicable to the Property, operating statements for the
112. last _____ years, vendor contracts, and any other documents in Seller's possession or
113. control and relating to the Property.

114. Buyer acknowledges that Seller makes no representations or warranties by providing any documents to
115. Buyer. Buyer agrees to return all such documents to Seller upon Seller's written request.

117. Property located at XXX Gleason Rd Dundas MN 55019

118. **D. BUYER INVESTIGATIONS:** This Purchase Agreement IS IS NOT contingent upon Buyer's investigations
-----*(Check one.)*-----

119. of the Property for Buyer to satisfy himself/herself/itself with respect to the physical condition of the Property and
120. the feasibility and suitability of the Property for Buyer's intended purpose. Any Buyer investigations shall be
121. completed within 150 days of Final Acceptance Date of this Purchase
122. Agreement. All Buyer investigations shall be at Buyer's sole cost and expense.

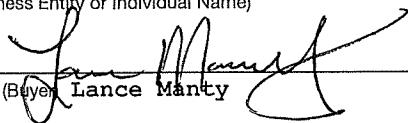
123. **SELLER**

BUYER

124. _____
(Business Entity or Individual Name)

(Business Entity or Individual Name)

125. By: _____
(Seller)

By: 
(Buyer) Lance Manty

126. Its: _____
(Title)

Its: _____
(Title)

127. _____
(Date)

(Date) 5/7/24

128. **SELLER**

BUYER

129. _____
(Business Entity or Individual Name)

(Business Entity or Individual Name)

130. By: _____
(Seller)

By: _____
(Buyer)

131. Its: _____
(Title)

Its: _____
(Title)

132. _____
(Date)

(Date)

133. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**
134. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

**PURCHASE AGREEMENT:
LAND (NON-RESIDENTIAL)**

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1. Page 1 Date May 7th 2024

2. BUYER(S) is/are: Lance Manty, (Check one.)
3. individual(s); or a business entity organized under the laws of the State of _____.
4. SELLER(S) is/are: _____, (Check one.)
5. individual(s); or a business entity organized under the laws of the State of _____.
6. Buyer's earnest money in the amount of _____
7. One Thousand Dollars
8. (\$ 1,000.00) shall be delivered no later than two (2) Business Days after
9. Final Acceptance Date to be deposited in the trust account of: (Check one.)
10. listing broker; or
11. Edina Realty,
(Trustee)
12. **within three (3) Business Days of receipt of the earnest money or Final Acceptance Date whichever is later.**
13. Said earnest money is part payment for the purchase of the property legally described as
14. Section/Township/Range TBD to be provided by a new survey
15. _____
16. Street Address XXX Gleason Rd
17. City of Dundas, County of Rice,
18. State of Minnesota, Zip Code 55019, PID # (s) _____
19. _____ including all fixtures, if any,
20. INCLUDING EXCLUDING all emblements within the Property at the time of this Purchase Agreement, if any,
------(Check one.)-----
21. (collectively the "Property") and INCLUDING EXCLUDING the following personal property, if any, which shall
------(Check one.)-----
22. be transferred with no additional monetary value, and free and clear of all liens and encumbrances:
23. _____
24. _____
25. _____,
26. all of which Property Seller has this day agreed to sell to Buyer for the sum of (\$ 18,000.00)
27. _____
28. Eighteen Thousand Dollars,
29. which Buyer agrees to pay in the following manner:
30. **CASH** of \$ 3,600.00 or more in Buyer's sole discretion, which includes the earnest
31. money and the balance to be paid at the time of closing.
32. **The date of closing shall be** November 27th 2024.
33. **DUE DILIGENCE:** This Purchase Agreement IS IS NOT subject to a due diligence contingency. (If answer is
------(Check one.)-----
34. **IS**, see attached *Addendum to Commercial Purchase Agreement: Due Diligence.*)

**PURCHASE AGREEMENT:
LAND (NON-RESIDENTIAL)**

35. Page 2 Date May 7th 2024

36. Property located at XXX Gleason Rd Dundas MN 55019.

37. This Purchase Agreement IS IS NOT subject to cancellation of a previously executed purchase agreement dated _____
-----*(Check one.)*-----

38. _____ . (If answer is **IS**, said cancellation shall be obtained no later than

39. _____ .

40. If said cancellation is not obtained by said date, this Purchase Agreement is canceled. Buyer and Seller shall
41. immediately sign a written cancellation of Purchase Agreement confirming said cancellation and directing all earnest
42. money paid here to be refunded to Buyer.)

43. **OTHER CONTINGENCIES:** This Purchase Agreement is subject to the following contingencies, and if
44. the checked contingencies specified below, if any, are not satisfied or waived, in writing, by Buyer by

45. July 31st 2024 , this Purchase Agreement is canceled as of said date. Buyer and Seller
46. shall immediately sign a written cancellation of Purchase Agreement confirming said cancellation and directing all
47. earnest money paid here to be refunded to Buyer. *(Check all that apply.)*

48. **FINANCING CONTINGENCY:** Buyer shall provide Seller, or licensee representing or assisting Seller, with the
49. Written Statement, on or before the date specified on line 45.

50. For purposes of this Contingency, "**Written Statement**" means a Written Statement prepared by Buyer's
51. mortgage originator(s) or lender(s) after the Final Acceptance Date that Buyer is approved for the loan(s) specified
52. in this Purchase Agreement, including both the first mortgage and any subordinate financing, if any, and stating
53. that an appraisal, satisfactory to the lender(s) has been completed or the lender(s) has waived the appraisal and
54. stating conditions required by lender(s) to close the loan.

55. Upon delivery of the Written Statement to Seller, or licensee representing or assisting Seller, the responsibility
56. for satisfying all conditions, except work orders, required by mortgage originator(s) or lender(s) are deemed
57. accepted by Buyer. Upon delivery of the Written Statement, if this Purchase Agreement does not close on the
58. stated closing date for ANY REASON relating to financing, other than Seller's failure to complete work orders to
59. the extent required by this Purchase Agreement, including but not limited to interest rate and discount points, if
60. any, Seller may, at Seller's option, declare this Purchase Agreement canceled, in which case this Purchase
61. Agreement is canceled. If Seller declares this Purchase Agreement canceled, Buyer and Seller shall immediately
62. sign a written cancellation of Purchase Agreement confirming said cancellation and directing all earnest money
63. paid here to be forfeited to Seller as liquidated damages. In the alternative, Seller may seek all other remedies
64. allowed by law.

65. If the Written Statement is not provided by the date specified on line 45, Seller may, at Seller's option, declare
66. this Purchase Agreement canceled by written notice to Buyer at any time prior to Seller receiving the Written
67. Statement, in which case this Purchase Agreement is canceled. In the event Seller declares this Purchase
68. Agreement canceled, Buyer and Seller shall immediately sign a written cancellation of Purchase Agreement
69. confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.

70. If the Written Statement is not provided, and Seller has not previously canceled this Purchase Agreement, this
71. Purchase Agreement is canceled as of the closing date specified in this Purchase Agreement. Buyer and Seller
72. shall immediately sign a written cancellation of Purchase Agreement confirming said cancellation and directing
73. all earnest money paid here to be refunded to Buyer.

74. **OTHER CONTINGENCIES:**
75. **Contingent on Buyer's ability to purchase part of real estate PID #17.14.2.00.002 with a**
76. **signed purchase agreement by July 31, 2024.**

76.

77.

78.

79.

80.

81. Seller's expenses for these contingencies, if any, shall not exceed \$ 0.00.

**PURCHASE AGREEMENT:
LAND (NON-RESIDENTIAL)**

82. Page 3 Date May 7th 2024

83. Property located at XXX Gleason Rd Dundas MN 55019

84. **DEED/MARKETABLE TITLE:** Upon performance by Buyer, Seller shall deliver a: *(Check one.)*

85. **WARRANTY DEED** **PERSONAL REPRESENTATIVE'S DEED** **CONTRACT FOR DEED**

86. **TRUSTEE'S DEED** **OTHER:** _____ **DEED** joined in by spouse, if any, conveying
87. marketable title, subject to

88. (a) building and zoning laws, ordinances, state and federal regulations;

89. (b) restrictions relating to use or improvement of the Property without effective forfeiture provisions;

90. (c) reservation of any mineral rights by the State of Minnesota;

91. (d) utility and drainage easements which do not interfere with existing improvements; and

92. (e) others (must be specified in writing): _____

93. _____

94. **TENANTS/LEASES:** Property **IS** **IS NOT** subject to rights of tenants. (If answer is **IS**, see attached *Addendum*
-----*(Check one.)*-----

95. *to Commercial Purchase Agreement: Due Diligence.*)

96. Seller shall not execute leases from the Date of this Purchase Agreement to the date of closing, the term of which lease
97. extends beyond the date of closing, without the prior written consent of Buyer. Buyer's consent or denial shall be

98. provided to Seller within _____ days of Seller's written request. Said

99. consent shall not be unreasonably withheld.

100. **REAL ESTATE TAXES:** Real estate taxes due and payable in the year of closing shall be prorated between Seller and

101. Buyer on a calendar year basis to the actual date of closing unless otherwise provided in this Purchase Agreement.

102. Real estate taxes, including penalties, interest, and any associated fees, payable in the years prior to closing shall
103. be paid by Seller. Real estate taxes payable in the years subsequent to closing shall be paid by Buyer.

104. **DEFERRED TAXES/SPECIAL ASSESSMENTS:**

105. **BUYER SHALL PAY** **SELLER SHALL PAY** on date of closing any deferred real estate taxes
-----*(Check one.)*-----

106. (e.g. Green Acres) or special assessments, payment of which is required as a result of the closing of this sale.

107. **BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING** **SELLER SHALL PAY ON**
-----*(Check one.)*-----

108. **DATE OF CLOSING** all installments of special assessments certified for payment, with the real estate taxes due and
109. payable in the year or closing.

110. **BUYER SHALL ASSUME** **SELLER SHALL PAY** on date of closing all other special assessments levied as
-----*(Check one.)*-----

111. of the Date of this Purchase Agreement.

112. **BUYER SHALL ASSUME** **SELLER SHALL PROVIDE FOR PAYMENT OF** special assessments pending as
-----*(Check one.)*-----

113. of the Date of this Purchase Agreement for improvements that have been ordered by any assessing authorities.

114. (Seller's provision for payment shall be by payment into escrow of two (2) times the estimated amount of the
115. assessments or less, as required by Buyer's lender.)

116. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of
117. which is not otherwise here provided.

118. As of the Date of this Purchase Agreement, Seller represents that Seller **HAS** **HAS NOT** received a notice
-----*(Check one.)*-----

119. regarding any new improvement project from any assessing authorities, the costs of which project may be assessed
120. against the Property. Any such notice received by Seller after the Date of this Purchase Agreement and before

121. closing shall be provided to Buyer immediately. If such notice is issued after the Date of this Purchase Agreement and
122. on or before the date of closing, then the parties may agree in writing, on or before the date of closing, to pay, provide

123. for the payment of, or assume the special assessments. In the absence of such agreement, either party may declare
124. this Purchase Agreement canceled by written notice to the other party, or licensee representing or assisting the other

125. party, in which case this Purchase Agreement is canceled. If either party declares this Purchase Agreement canceled,
126. Buyer and Seller shall immediately sign a written cancellation of Purchase Agreement confirming said cancellation and

127. directing all earnest money paid here to be refunded to Buyer.

**PURCHASE AGREEMENT:
LAND (NON-RESIDENTIAL)**

128. Page 4 Date May 7th 2024

129. Property located at xxx Gleason Rd Dundas MN 55019.
130. **POSSESSION:** Seller shall deliver possession of the Property: *(Check one.)*
131. **IMMEDIATELY AFTER CLOSING;** or
132. **OTHER:** _____.
133. Seller agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED HERE from the Property
134. by possession date.
135. **PRORATIONS:** All interest and rents shall be prorated between the parties as of date of closing, unless otherwise
136. agreed to in writing. Buyer shall pay Seller for remaining gallons of fuel oil or liquid petroleum gas on the day of
137. closing, at the rate of the last fill by Seller.
138. **TITLE AND EXAMINATION:** Within a reasonable time period after Final Acceptance Date, Seller shall provide one of
139. the following title evidence options, at Seller's selection, which shall include proper searches covering bankruptcies,
140. state and federal judgments, and liens, and levied and pending special assessments to Buyer or Buyer's designated
141. title service provider:
142. (a) A commitment for an owner's policy of title insurance on a current ALTA form issued by an insurer licensed to write
143. title insurance in Minnesota as selected by Buyer. Seller shall be responsible for the title search and exam costs
144. related to the commitment. Buyer shall be responsible for all additional costs related to the issuance of the title
145. insurance policy(ies), including but not limited to the premium(s), Buyer's name search, and plat drawing, if
146. any. Seller shall deliver any abstract of title and a copy of any owner's title insurance policy for the Property,
147. if in Seller's possession or control, to Buyer or Buyer's designated title service provider. Any abstract of title or
148. owner's title insurance policy provided shall be immediately returned to Seller, or licensee representing or
149. assisting Seller, upon cancellation of this Purchase Agreement.
150. (b) An abstract of title certified to date if Abstract Property or a Registered Property Abstract ("RPA") certified to date
151. if Registered (Torrens) Property. Seller shall pay for the abstracting or RPA costs and deliver any abstract for
152. this Property in Seller's possession or control to Buyer or Buyer's designated title service provider. Any abstract
153. shall be immediately returned to Seller, or licensee representing or assisting Seller, upon cancellation of this
154. Purchase Agreement. If Property is abstract and Seller does not have an abstract of title, Option (a) will
155. automatically apply.
156. Seller shall use Seller's best efforts to provide marketable title by the date of closing. In the event that Seller has not
157. provided marketable title by the date of closing, Seller shall have an additional thirty (30) days to make title marketable
158. or, in the alternative, Buyer may waive title defects by written notice to Seller. In addition to the thirty (30)-day
159. extension, Buyer and Seller may by mutual agreement further extend the closing date. Lacking such extension,
160. either party may declare this Purchase Agreement canceled by written notice to the other party, or licensee
161. representing or assisting the other party, in which case this Purchase Agreement is canceled. If either party declares
162. this Purchase Agreement canceled, Buyer and Seller shall immediately sign a written cancellation of Purchase
163. Agreement confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.
164. **SUBDIVISION OF LAND, BOUNDARIES, AND ACCESS:** If this sale constitutes or requires a subdivision of land
165. owned by Seller, Seller shall pay all subdivision expenses and obtain all necessary governmental approvals. Seller
166. warrants the legal description of the real Property to be conveyed has been or shall be approved for recording as of
167. the date of closing. Seller warrants that there is a right of access to the Property from a public right of way.
168. **MECHANIC'S LIENS:** Seller warrants that prior to the closing, payment in full will have been made for all labor, materials,
169. machinery, fixtures, or tools furnished within the 120 days immediately preceding the closing in connection with
170. construction, alteration, or repair of any structure on, or improvement to, the Property.
171. **NOTICES:** Seller warrants that Seller has not received any notice from any governmental authority as to condemnation
172. proceedings or violation of any law, ordinance, or regulation. If the Property is subject to restrictive covenants, Seller
173. warrants that Seller has not received any notice from any person or authority as to a breach of the covenants. Any
174. such notices received by Seller shall be provided to Buyer immediately. Discriminatory restrictive covenants (e.g.
175. provisions against conveyance of property to any person of a specified religious faith, creed, national origin, race, or
176. color) are illegal and unenforceable. An owner of real property may permanently remove such restrictive covenants
177. from the title by recording a statutory form in the office of the county recorder of any county where the property is
178. located.

**PURCHASE AGREEMENT:
LAND (NON-RESIDENTIAL)**

179. Page 5 Date May 7th 2024

180. Property located at XXX Gleason Rd Dundas MN 55019.

181. **DIMENSIONS:** Buyer acknowledges any dimensions or acreage of land or improvements provided by Seller, third party, or broker representing or assisting Seller are approximate. Buyer shall verify the accuracy of information to Buyer's satisfaction, if material, at Buyer's sole cost and expense.

184. **ACCESS AGREEMENT:** Seller agrees to allow Buyer reasonable access to the Property for performance of any surveys, inspections, or tests as agreed to here. Buyer shall restore the premises to the same condition it was in prior to the surveys, inspections, or tests and pay for any restoration costs.

187. **RISK OF LOSS:** If there is any loss or damage to the Property between Date of this Purchase Agreement and the date of closing for any reason, including fire, vandalism, flood, earthquake, or act of God, the risk of loss shall be on Seller. If the Property is destroyed or substantially damaged before the closing date, this Purchase Agreement is canceled, at Buyer's option, by written notice to Seller, or licensee representing or assisting Seller. If Buyer cancels this Purchase Agreement, Buyer and Seller shall immediately sign a written cancellation of Purchase Agreement confirming said cancellation and directing all earnest money paid here to be refunded to Buyer.

193. **TIME OF ESSENCE:** Time is of the essence in this Purchase Agreement.

194. **CALCULATION OF DAYS:** Any calculation of days begins on the first day (calendar or Business Days as specified) following the occurrence of the event specified and includes subsequent days (calendar or Business Days as specified) ending at 11:59 P.M. on the last day.

197. **BUSINESS DAYS:** "Business Days" are days which are not Saturdays, Sundays, or state or federal holidays unless stated elsewhere by the parties in writing.

199. **CALENDAR DAYS:** For purposes of this Agreement, any reference to "days" means "calendar days." "Calendar days" include Saturdays, Sundays, and state and federal holidays.

201. **DEFAULT:** If Buyer defaults in any of the agreements here, Seller may cancel this Purchase Agreement, and any payments made here, including earnest money, shall be retained by Seller as liquidated damages and Buyer and Seller shall affirm the same by a written cancellation agreement.

204. If Buyer defaults in any of the agreements here, Seller may terminate this Purchase Agreement under the provisions of MN Statute 559.21.

206. If this Purchase Agreement is not canceled or terminated as provided here, Buyer or Seller may seek actual damages for breach of this Purchase Agreement or specific performance of this Purchase Agreement; and, as to specific performance, such action must be commenced within six (6) months after such right of action arises.

209. **METHAMPHETAMINE PRODUCTION DISCLOSURE:**

210. (A Methamphetamine Production Disclosure is required by MN Statute 152.0275, Subd. 2 (m).)

211. Seller is not aware of any methamphetamine production that has occurred on the Property.

212. Seller is aware that methamphetamine production has occurred on the Property.

213. (See Disclosure Statement: Methamphetamine Production.)

214. **NOTICE REGARDING AIRPORT ZONING REGULATIONS:** The Property may be in or near an airport safety zone with zoning regulations adopted by the governing body that may affect the Property. Such zoning regulations are filed with the county recorder in each county where the zoned area is located. If you would like to determine if such zoning regulations affect the Property, you should contact the county recorder where the zoned area is located.

218. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender registry and persons registered with the predatory offender registry under MN Statute 243.166 may be obtained by contacting the local law enforcement offices in the community where the Property is located or the Minnesota Department of Corrections at (651) 361-7200, or from the Department of Corrections web site at <https://coms.doc.state.mn.us/publicregistrantsearch>

223. **SUBJECT TO RIGHTS OF TENANTS, IF ANY, BUYER HAS THE RIGHT TO VIEW THE PROPERTY PRIOR TO CLOSING TO ESTABLISH THAT THE PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE DATE OF THIS PURCHASE AGREEMENT.**

226. BUYER IS NOT RELYING ON ANY ORAL REPRESENTATIONS REGARDING THE CONDITION OF THE PROPERTY.

**PURCHASE AGREEMENT:
LAND (NON-RESIDENTIAL)**

227. Page 6 Date May 7th 2024

228. Property located at XXX Gleason Rd Dundas MN 55019

229. **SPECIAL DISCLOSURES:** Seller discloses, to the best of Seller's knowledge, that the Property described in this

230. Purchase Agreement consists of approximately .313 acres and is currently zoned

231. B-2 Highway Commercial District

232.

233.

234. Seller discloses, to the best of Seller's knowledge, that the Property IS IS NOT in a designated flood zone.
------(Check one.)-----

235. **PREFERENTIAL TAX TREATMENT:** Seller discloses, to the best of Seller's knowledge, that the Property

236. DOES DOES NOT currently receive preferential tax treatment (e.g., Green Acres, Managed Forest Land, Non-
------(Check one.)-----

237. Profit Status, Rural Preserve, SFIA, etc.).

238. **GOVERNMENT PROGRAMS:** Seller discloses, to the best of Seller's knowledge, that the Property IS IS NOT
------(Check one.)-----

239. enrolled in any federal, state, or local governmental programs (e.g., conservation programs, CREP, CRP, EQIP, Green

240. Acres, Managed Forest Land, RIM, riparian buffers, Rural Preserve, SFIA, WRP/RIM-WRP, etc.).

241. **ENVIRONMENTAL CONCERNS:** To the best of Seller's knowledge there are no hazardous substances or

242. underground storage tanks, except where noted here:

243. _____

244. _____

245. _____

246. **(Check appropriate boxes.)**

247. SELLER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:

248. **CITY SEWER** YES NO / **CITY WATER** YES NO

249. **SUBSURFACE SEWAGE TREATMENT SYSTEM**

250. SELLER DOES DOES NOT KNOW OF A SUBSURFACE SEWAGE TREATMENT SYSTEM ON OR SERVING
------(Check one.)-----

251. THE PROPERTY. (If answer is **DOES**, and the system does not require a state permit, see *Subsurface Sewage*

252. *Treatment System Disclosure Statement*.)

253. **PRIVATE WELL**

254. SELLER DOES DOES NOT KNOW OF A WELL ON OR SERVING THE PROPERTY. (If answer is **DOES** and well
------(Check one.)-----

255. is located on the Property, see *Well Disclosure Statement*.)

256. To the best of Seller's knowledge, the Property IS IS NOT in a Special Well Construction Area.
------(Check one.)-----

257. THIS PURCHASE AGREEMENT IS IS NOT SUBJECT TO AN *ADDENDUM TO PURCHASE AGREEMENT*:
------(Check one.)-----

258. *SUBSURFACE SEWAGE TREATMENT SYSTEM AND WELL INSPECTION CONTINGENCY*.

259. (If answer is **IS**, see attached *Addendum*.)

260. **IF A WELL OR SUBSURFACE SEWAGE TREATMENT SYSTEM EXISTS ON THE PROPERTY, BUYER HAS**

261. **RECEIVED A DISCLOSURE STATEMENT: WELL AND/OR A DISCLOSURE STATEMENT: SUBSURFACE**

262. **SEWAGE TREATMENT SYSTEM .**

263. There IS IS NOT a storage tank located on the Property that is subject to the requirements of MN Statute 116.48.
------(Check one.)-----

264. (If answer is **IS**, see *Commercial Disclosure Statement: Storage Tank(s)*.)

**PURCHASE AGREEMENT:
LAND (NON-RESIDENTIAL)**

265. Page 7 Date May 7th 2024

266. Property located at XXX Gleason Rd Dundas MN 55019

AGENCY NOTICE

267. _____
268. _____
(Licensee)

is Seller's Agent Buyer's Agent Dual Agent.

(Check one.)

269. _____
(Real Estate Company Name)

270. Jesse R Steed
(Licensee)

is Seller's Agent Buyer's Agent Dual Agent.

(Check one.)

271. Edina Realty, Inc.
(Real Estate Company Name)

272. **DUAL AGENCY DISCLOSURE:** Dual agency occurs when one broker or salesperson represents both parties to a
273. transaction, or when two salespersons licensed to the same broker each represent a party to the transaction. Dual
274. agency requires the informed consent of all parties, and means that the broker or salesperson owes the same fiduciary
275. duties to both parties to the transaction. This role limits the level of representation the broker and salespersons can
276. provide, and prohibits them from acting exclusively for either party. In dual agency, confidential information about price,
277. terms, and motivation for pursuing a transaction will be kept confidential unless one party instructs the broker or
278. salesperson in writing to disclose specific information about him or her. Other information will be shared. Dual agents
279. may not advocate for one party to the detriment of the other.

CONSENT TO DUAL AGENCY

280. _____
281. Broker represents both parties involved in the transaction, which creates a dual agency. This means that Broker and
282. its salespersons owe fiduciary duties to both parties. Because the parties may have conflicting interests, Broker and its
283. salespersons are prohibited from advocating exclusively for either party. Broker cannot act as a dual agent in this
284. transaction without the consent of both parties. Both parties acknowledge that
285. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy, sell, or lease will
286. remain confidential unless the parties instruct Broker in writing to disclose this information. Other information will
287. be shared;
288. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and
289. (3) within the limits of dual agency, Broker and its salesperson will work diligently to facilitate the mechanics of the
290. sale.
291. With the knowledge and understanding of the explanation above, the parties authorize and instruct Broker and its
292. salespersons to act as dual agents in this transaction.

293. **SELLER:** _____
(Business Entity or Individual Name)

BUYER: _____
(Business Entity or Individual Name)

294. By: _____
(Seller's Signature)

By: _____
(Buyer's Signature)

295. _____
(Seller's Printed Name)

Lance Manty
(Buyer's Printed Name)

296. Its: _____
(Title)

Its: _____
(Title)

297. _____
(Date)

(Date)

298. **SELLER:** _____
(Business Entity or Individual Name)

BUYER: _____
(Business Entity or Individual Name)

299. By: _____
(Seller's Signature)

By: _____
(Buyer's Signature)

300. _____
(Seller's Printed Name)

(Buyer's Printed Name)

301. Its: _____
(Title)

Its: _____
(Title)

302. _____
(Date)

(Date)

**PURCHASE AGREEMENT:
LAND (NON-RESIDENTIAL)**

303. Page 8 Date May 7th 2024

304. Property located at XXX Gleason Rd Dundas MN 55019

305. **CLOSING COSTS:** Buyer or Seller may be required to pay certain closing costs, which may effectively increase the
306. cash outlay at closing or reduce the proceeds from the sale.

307. **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT ("FIRPTA"):** Section 1445 of the Internal Revenue Code
308. provides that a transferee ("Buyer") of a United States real property interest must be notified in writing and must withhold
309. tax if the transferor ("Seller") is a foreign person and no exceptions from FIRPTA withholding apply. Buyer and Seller
310. agree to comply with FIRPTA requirements under Section 1445 of the Internal Revenue Code.

311. Seller shall represent and warrant, under the penalties of perjury, whether Seller is a "foreign person" (as the same
312. is defined within FIRPTA), prior to closing. Any representations made by Seller with respect to this issue shall survive
313. the closing and delivery of the deed.

314. Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument, affidavit, or statement
315. reasonably necessary to comply with the FIRPTA requirements, including delivery of their respective federal taxpayer
316. identification numbers or Social Security numbers.

317. Due to the complexity and potential risks of failing to comply with FIRPTA, including the Buyer's responsibility for
318. withholding the applicable tax, Buyer and Seller should **seek appropriate legal and tax advice regarding FIRPTA**
319. **compliance, as the respective licensees representing or assisting either party will be unable to assure either**
320. **party whether the transaction is exempt from FIRPTA withholding requirements.**

321. **NOTE:** MN Statute 500.221 establishes certain restrictions on the acquisition of title to agricultural land by aliens
322. and non-American corporations. Please seek appropriate legal advice if this Purchase Agreement is for the
323. sale of agricultural land and Buyer is a foreign person.

324. **FULLY EXECUTED PURCHASE AGREEMENT AND FINAL ACCEPTANCE:** To be binding, this Purchase Agreement
325. and all addenda must be fully executed by both parties and a copy must be delivered.

326. **ELECTRONIC SIGNATURES:** The parties agree the electronic signature of any party on any document related to
327. this transaction constitute valid, binding signatures.

328. **ENTIRE AGREEMENT:** This Purchase Agreement and all addenda and amendments signed by the parties shall
329. constitute the entire agreement between Buyer and Seller. Any other written or oral communication between Buyer
330. and Seller, including, but not limited to, e-mails, text messages, or other electronic communications are not part of this
331. Purchase Agreement. This Purchase Agreement can be modified or canceled only in writing by Buyer and Seller or by
332. operation of law. All monetary sums are deemed to be United States currency for purposes of this Purchase
333. Agreement.

334. **SURVIVAL:** All warranties specified in this Purchase Agreement shall survive the delivery of the deed or contract
335. for deed.

336. **DATE OF THIS PURCHASE AGREEMENT:** Date of this Purchase Agreement to be defined as the date on line one
337. (1) of this Purchase Agreement.

338. **OTHER:**

339. _____
340. _____
341. _____
342. _____
343. _____
344. _____
345. _____

**PURCHASE AGREEMENT:
LAND (NON-RESIDENTIAL)**

346. Page 9 Date May 7th 2024

347. Property located at XXX Gleason Rd Dundas MN 55019

348. **ADDENDA:** Attached addenda are a part of this Purchase Agreement.

349. **NOTE:** Disclosures and optional Arbitration Agreement are not part of this Purchase Agreement.

350. I agree to sell the Property for the price and on the
351. terms and conditions set forth above.

352. **I have reviewed all pages of this Purchase
353. Agreement.**

354. **I have reviewed all pages of this Purchase Agreement.**

355. **If checked, this Agreement is subject to attached
356. Addendum to Purchase Agreement: Counteroffer.**

357. **FIRPTA:** Seller represents and warrants, under penalty
358. of perjury, that Seller **IS** **IS NOT** a foreign person (i.e., a
-----*(Check one.)*-----

359. non-resident alien individual, foreign corporation, foreign
360. partnership, foreign trust, or foreign estate for purposes of
361. income taxation. (See lines 303-319.) This representation
362. and warranty shall survive the closing of the transaction
363. and the delivery of the deed.

364. **SELLER**

365. _____
(Business Entity or Individual Name)

366. By: _____
(Seller's Signature)

367. _____
(Seller's Printed Name)

368. Its: _____
(Title)

369. _____
(Date)

370. **SELLER**

371. _____
(Business Entity or Individual Name)

372. By: _____
(Seller's Signature)

373. _____
(Seller's Printed Name)

374. Its: _____
(Title)

375. _____
(Date)

376. **FINAL ACCEPTANCE DATE:** _____ The Final Acceptance Date
377. is the date on which the fully executed Purchase Agreement is delivered.

378. **THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYER(S) AND SELLER(S).**
379. **IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.**

I agree to purchase the Property for the price and on the
terms and conditions set forth above.
**I have reviewed all pages of this Purchase
Agreement.**

BUYER

(Business Entity or Individual Name)

By: _____
(Buyer's Signature)

(Buyer's Printed Name)

Its: _____
(Title)

(Date)

BUYER

(Business Entity or Individual Name)

By: _____
(Buyer's Signature)

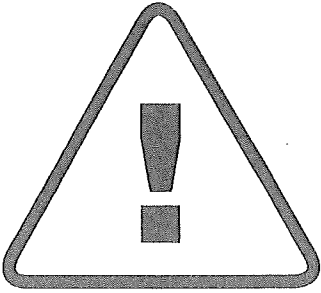
(Buyer's Printed Name)

Its: _____
(Title)

(Date)



WIRE FRAUD ALERT



Internet fraud — the use of Internet services or software with Internet access to defraud victims — is on the rise in real estate transactions.

THESE SOPHISTICATED CRIMINALS COULD:

- **HACK INTO YOUR E-MAIL ACCOUNT** or the e-mail of others involved in your real estate transaction and may direct you to wire money to the hacker's account.
- **SEND FRAUDULENT E-MAILS** that appear to be from your real estate licensee, lender, or closing agent.
- **CALL YOU** claiming they have revised wiring instructions.

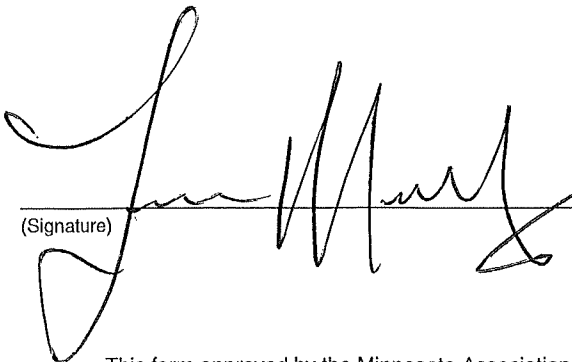
Buyers/Tenants and Sellers/Owners are advised to:

- (1) Never wire funds without confirming the wiring instructions directly with the intended recipient.
- (2) Verify that the contact information for the wire transfer recipient is legitimate by calling a known phone number for the broker or closing agent. Do not rely on the information given to you in an e-mail communication.
- (3) Never send personal information through unsecured/unencrypted e-mail.

If you suspect wire fraud in your transaction:

- (1) Immediately notify your bank, closing agent, and real estate licensee.
- (2) File a complaint online at the Internet Crime Complaint Center (IC3) at <http://www.ic3.gov>.

The undersigned acknowledge receipt of this wire fraud alert and understand the importance of taking proactive measures to avoid being a victim of wire fraud in a real estate transaction.


(Signature)

5/7/24
(Date)

(Signature)

(Date)

This form approved by the Minnesota Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form.
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CERTIFICATION OF MINUTES RELATING TO SPECIAL ELECTION

Issuer: Independent School District No. 659 (Northfield Public Schools), Minnesota

Governing Body: School Board

Kind, date, time and place of meeting: A regular meeting held on June 10, 2024 at 6:00 p.m. in the Northfield School District Office Boardroom.

Members present:

Members absent:

Documents attached:

Minutes of said meeting (including):

RESOLUTION RELATING TO DETERMINING THE NECESSITY OF RENEWING AN EXPIRING CAPITAL PROJECT LEVY AUTHORIZATION, APPROVING A NEW REFERENDUM REVENUE AUTHORIZATION, AND APPROVAL OF ISSUING GENERAL OBLIGATION BONDS AND CALLING A SPECIAL ELECTION THEREON

I, the undersigned, being the duly qualified and acting recording officer of the public corporation referred to in the title of this certificate, certify that the documents attached hereto, as described above, have been carefully compared with the original records of said corporation in my legal custody, from which they have been transcribed; that said documents are a correct and complete transcript of the minutes of a meeting of the governing body of said corporation, and correct and complete copies of all resolutions and other actions taken and of all documents approved by the governing body at said meeting; and that said meeting was duly held by the governing body at the time and place and was attended throughout by the members indicated above, pursuant to call and notice of such meeting given as required by law.

WITNESS my hand officially as such recording officer on June 10, 2024.

School District Clerk

Member _____ introduced the following resolution and moved its adoption, which motion was seconded by Member _____:

RESOLUTION RELATING TO THE APPROVAL OF ISSUING GENERAL OBLIGATION BONDS AND CALLING A SPECIAL ELECTION THEREON

BE IT RESOLVED by the School Board (the Board) of Independent School District No. 659 (Northfield Public Schools), Minnesota (the School District) as follows:

It is hereby found, determined and declared as follows:

1. The Board has investigated the facts and does hereby find, determine and declare that it is necessary and expedient to:

(a) issue general obligation school building bonds in an amount not to exceed \$95,380,000 for acquisition and betterment of school sites and facilities including, but not limited to, replacing a portion of the high school building with new construction, renovations, improvements, and upgrades to the high school building, facilities, site, and systems, and purchasing equipment and furnishings, pursuant to Minnesota Statutes, Chapter 475.

The question on the approval of this borrowing of funds shall be School District Question 1 on the School District ballot at the special election held to approved said authorization.

(b) issue general obligation school building bonds in an amount not to exceed \$18,725,000 for acquisition and betterment of school sites and facilities including, but not limited to, the construction of an expanded gymnasium at the high school, pursuant to Minnesota Statutes, Chapter 475.

The question on the approval of this borrowing of funds shall be School District Question 2 on the School District ballot at the special election held to approved said authorization. The passage of School District Question 2 shall be contingent on the passage of School District Question 1.

(c) issue general obligation school building bonds in an amount not to exceed \$6,975,000 for acquisition and betterment of school sites and facilities including, but not limited to, the construction and installation of a geothermal heating, ventilation, and air conditioning system at the high school, pursuant to Minnesota Statutes, Chapter 475.

The question on the approval of this borrowing of funds shall be School District Question 3 on the School District ballot at the special election held to approved said authorization. The passage of School District Question 3 shall be contingent on the passage of School District Question 1 and School District Question 2.

2. The projects described in paragraph 1 have been submitted to the Commissioner of Education of the State of Minnesota (the Commissioner) for Review and Comment. Said projects and such submission are hereby approved by this Board. The actions of the School District's administration in applying to the Minnesota Department of Education for the Commissioner's Review and Comment and taking such other actions as necessary to comply with the provisions of Minnesota Statutes, Section 123B.71, as amended, are hereby directed, authorized, approved and ratified in all respects. The Board's determination to hold the election to authorize the issuance of the Bonds is contingent upon receiving: (a) a favorable Review and Comment; or (b) an unfavorable review and comment subject to the Board's reconsideration, by resolution, of construction of the projects and the Board's determination to proceed with such construction and approval by 60 percent of the voters voting in the election to approve the issuance of the Bonds, pursuant to Minnesota Statutes, Section 123B.70, Subdivision 4. When the Commissioner's Review and Comment is received, the Clerk is authorized and directed to publish a summary of the Review and Comment in a legal newspaper of general circulation in the School District not less than forty-eight (48) nor more than sixty (60) days before the special election date and the School District will hold a public meeting on the Review and Comment prior to the date of the election.

3. The questions on the approval of the issuance of the Bonds; shall be submitted to the qualified electors of the School District at a special election, which is hereby called and directed to be held in conjunction with the state general election on Tuesday, November 5, 2024, between the hours of 7:00 a.m. and 8:00 p.m.

4. Pursuant to Minnesota Statutes, Section 205A.11, the precincts and polling places for this special election are those precincts or parts of precincts located within the boundaries of the School District which have been established by the governing bodies located in whole or in part within the School District.

5. The Clerk is hereby authorized and directed to cause written notice of the special election to be: (a) provided to each County Auditor at least eighty-four (84) days before the date of the special election; (b) provided to the Commissioner at least eighty-four (84) days before the date of the special election; (c) posted at the administrative offices of the School District, for public inspection, at least ten (10) days before the date of the special election; and (d) published in the official newspaper of the School District once each week for at least two consecutive weeks, with the last publication being at least one week before the date of the special election. The Notice of Special Election shall be prepared in substantially the following form:

[The remainder of this page is intentionally left blank]

**NOTICE OF SPECIAL ELECTION
INDEPENDENT SCHOOL DISTRICT NO. 659
(NORTHFIELD PUBLIC SCHOOLS), MINNESOTA**

NOTICE IS HEREBY GIVEN that a special election has been called and will be held in and for Independent School District No. 659 (Northfield Public Schools), Minnesota, on November 5, 2024, between the hours of 7:00 a.m. and 8:00 p.m. to vote on the following questions:

**School District Question 1
Approval of School Building Bonds**

Shall the board of Independent School District No. 659 (Northfield Public Schools), Minnesota be authorized to issue general obligation school building bonds in an amount not to exceed \$95,380,000 for acquisition and betterment of school sites and facilities including, but not limited to, replacing a portion of the high school building with new construction, renovations, improvements, and upgrades to the high school building, facilities, site, and systems, and purchasing equipment and furnishings?

BY VOTING “YES” ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE

**School District Question 2
Approval of School Building Bonds**

If School District Question 1 above is approved, shall the board of Independent School District No. 659 (Northfield Public Schools), Minnesota be authorized to issue general obligation school building bonds in an amount not to exceed \$18,725,000 for acquisition and betterment of school sites and facilities including, but not limited to, the construction of an expanded gymnasium at the high school?

BY VOTING “YES” ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE

**School District Question 3
Approval of School Building Bonds**

If School District Question 1 and School District Question 2 above are approved, shall the board of Independent School District No. 659 (Northfield Public Schools), Minnesota be authorized to issue general obligation school building bonds in an amount not to exceed \$6,975,000 for acquisition and betterment of school sites and facilities including, but not limited to, the construction and installation of a geothermal heating, ventilation, and air conditioning system at the high school?

**BY VOTING “YES” ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A
PROPERTY TAX INCREASE**

The precincts and polling places for the special election will be the precincts and polling places used for the state general election.

All qualified electors residing in said School District may cast their ballots at the polling places for the precincts in which they reside during the polling hours specified above.

A voter must be registered to vote to be eligible to vote in the special election. Unregistered individuals may register to vote at the polling places on election day.

Dated: June 10, 2024.

BY ORDER OF THE SCHOOL BOARD

/s/ _____, Clerk

[The remainder of this page is intentionally left blank]

6. The Clerk is authorized and directed to acquire and distribute such election materials as may be necessary for the proper conduct of this special election. If an optical scan voting system is being used, the Clerk shall comply with the laws and rules governing the procedures and requirements for optical scan voting systems. The Clerk is authorized and directed to acquire and distribute such election materials and to take such other actions as may be necessary for the proper conduct of this special election and generally to cooperate with election authorities conducting any other elections on that date. The Clerk and members of the administration are authorized and directed to take such actions as may be necessary to coordinate this election with other elections, including entering into agreements with appropriate municipal and county officials regarding preparation and distribution of ballots or ballot cards, election administration, and cost sharing.


7. The Clerk is authorized and directed to cause a printed ballot for the questions to be prepared in accordance with Minnesota Statutes, Section 205A.08, Subdivision 5 and the rules of the secretary of state for use at the special election. If an optical scan voting system is being used, the Clerk shall cause official ballots to be printed according to the format of ballots for optical scan voting systems provided by the laws and rules governing optical scan voting systems. The Clerk is further authorized and directed to cause a sample ballot to be posted in the administrative offices of the School District, for public inspection, at least four (4) days before the date of the special election and to cause two sample ballots to be posted at each polling place on the date of the special election and to cooperate with the proper election officials to cause ballots or ballot cards to be prepared for use at said election. The ballot shall be in substantially the following form, with such changes in form and instructions as may be necessary to accommodate the use of an optical scan voting system:

[The remainder of this page is intentionally left blank]

**Special Election Ballot
School District Ballot
Independent School District No. 659
(Northfield Public Schools), Minnesota**

November 5, 2024

Instructions to Voters

To vote, completely fill in the oval(s) next to your choice(s) like this: 

To vote for a question, fill in the oval next to the word "Yes" for that question.

To vote against a question, fill in the oval next to the word "No" for that question.

**School District Question 1
Approval of School Building Bonds**

- YES** Shall the board of Independent School District No. 659 (Northfield Public Schools), Minnesota be authorized to issue general obligation school building bonds in an amount not to exceed \$95,380,000 for acquisition and betterment of school sites and facilities including, but not limited to, replacing a portion of the high school building with new construction, renovations, improvements, and upgrades to the high school building, facilities, site, and systems, and purchasing equipment and furnishings?
- NO**

**BY VOTING "YES" ON THIS BALLOT QUESTION, YOU ARE VOTING
FOR A PROPERTY TAX INCREASE**

**School District Question 2
Approval of School Building Bonds**

- YES** If School District Question 1 above is approved, shall the board of Independent School District No. 659 (Northfield Public Schools), Minnesota be authorized to issue general obligation school building bonds in an amount not to exceed \$18,725,000 for acquisition and betterment of school sites and facilities including, but not limited to, the construction of an expanded gymnasium at the high school?
- NO**

BY VOTING “YES” ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE

**School District Question 3
Approval of School Building Bonds**

- YES** If School District Question 1 and School District Question 2 above are approved, shall the board of Independent School District No. 659 (Northfield Public Schools), Minnesota be authorized to issue general obligation school building bonds in an amount not to exceed \$6,975,000 for acquisition and betterment of school sites and facilities including, but not limited to, the construction and installation of a geothermal heating, ventilation, and air conditioning system at the high school?
- NO**

BY VOTING “YES” ON THIS BALLOT QUESTION, YOU ARE VOTING FOR A PROPERTY TAX INCREASE

(Reverse side of ballot)

OFFICIAL BALLOT

November 5, 2024

Judge

Judge

(The ballot is to be initialed by two judges)

8. If the School District will be contracting to print the ballots for this special election, the Clerk is hereby authorized and directed to prepare instructions to the printer for layout of the ballot. Before a contract in excess of \$1,000 is awarded for printing ballots, the printer shall, upon request, furnish in accordance with Minnesota Statutes, Section 204D.04 a sufficient bond, letter of credit or certified check acceptable to the Clerk in an amount not less than \$1,000 conditioned on printing the ballots in conformity with the Minnesota election law and the instructions delivered. The Clerk shall set the amount of the bond, letter of credit or certified check in an amount equal to the value of the purchase.

9. The individuals designated as judges for the state general election shall act as election judges for this special election and shall conduct the special election at the various polling places in the manner prescribed by law.

10. The special election shall be held and the returns made and canvassed in the manner prescribed by law and the Board shall meet on a date between the third day, November 8, 2024, and the tenth day, November 15, 2024, after the special election for the purpose of canvassing the results thereof.

11. Pursuant to Minnesota Statutes, Section 205A.07, Subdivision 3a, the Clerk is hereby instructed to notify the Commissioner of the results of the special election and to provide the certified vote totals for the ballot questions in written form within fifteen (15) days after the results have been certified by the Board.

12. Pursuant to Minnesota Statutes, Section 211A.02, Subdivision 6, the Clerk is hereby instructed to make any campaign finance reports filed with the Clerk by campaign committees within seven (7) days after the special election available on the School District's web site as soon as possible, but no later than thirty (30) days after receipt of any such report. The Clerk is further instructed to provide the Campaign Finance and Public Disclosure Board with a link to the section of web site where such reports are made available. Such reports must remain available on the web site for four (4) years from the date first posted.

Upon vote being taken thereon, the following voted in favor thereof

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted.



Early Ventures Child Care Center opened in 2006 at Longfellow School. When the center opened, it was licensed for 42 children and supported teen parents attending the Area Learning Center (ALC) upstairs at Longfellow School. Currently, Early Ventures has five classrooms and is licensed for 88 children. Early Ventures is located at the Northfield Community Education Center and is licensed by the Department of Human Services (DHS), Rule 3.

Department of Human Services, Rule 3

- **Background Checks** - All Early Ventures staff need to undergo a higher level background check through DHS than school districts require. This can make staffing challenging as it does not allow us to pull any District staff to sub. Due to this, we have two “float” staff who cover staff absences.
- **Staff Training Requirements** - Early Ventures staff are required to complete 24 clock hours of training annually. In addition, to be teachers and assistant teachers in Early Ventures, staff need to have a certain amount of education and experience hours. Classrooms cannot operate with just aides and aside from rest time or bathrooming, kids cannot be left alone with aides.

Early Ventures has five classrooms

- Caterpillar (infants) - children ages 6 weeks - approximately 16 months
- Bee (young toddler) - children approximately 16 - 33 months
- Ladybug (older toddler) - 3 years prior to Kindergarten entrance
- Firefly (young preschoolers) - 2 years prior to Kindergarten entrance
- Butterfly (older preschoolers) - 1 year prior to Kindergarten entrance

Pathway I Scholarships and Child Care Assistance Program (CCAP)

CCAP and Pathway can be hard systems to navigate and many families are placed on a waiting list for Pathway scholarships.

Waitlist Numbers by Classroom

	Caterpillar	Bee	Ladybug	Firefly	Butterfly
2023-24	12	7	7	1	3
2022-23	12	8	5	0	0
2021-22	10	9	3	2	1
2020-21	4	0	0	0	0
2019-20	4	4	4	0	0

Cost to Attend Early Ventures

Annual cost for each classroom based on full-time attendance (250 days of care per year).

- Infant = \$16,500/year
- Toddler = \$14,750/year
- Preschooler = \$14,250/year

Revenue and Expenditures History

	2023-24 Budget	2022-23	2021-22	2020-21	2019-20	2018-19
Tuition	\$810,500	\$859,708	\$815,127	\$577,120	\$568,868	\$580,989
Federal/State Support	\$150,000	\$152,555	\$265,898	\$111,025	\$0	\$0
Total Revenue	\$960,500	\$1,012,263	\$1,081,025	\$688,145	\$568,868	\$580,989
Salary/Benefits	\$1,039,284	\$1,042,236	\$838,815	\$705,200	\$702,969	\$821,997
Federal/State - Salary/Benefits	\$150,000	\$150,987	\$237,027	\$111,025	\$0	\$0
Supplies/Other	\$34,400	\$38,787	-\$7,002	\$39,584	\$40,016	\$25,133
Total Expenditures	\$1,223,684	\$1,232,010	\$1,068,840	\$855,809	\$742,985	\$847,130
Net	-\$263,184	-\$219,747	\$12,185	-\$167,664	-\$174,117	-\$266,141

Additional information on the cost of childcare.

The federal Department of Health and Human Services suggests that families pay no more than 7% of their yearly household income on child care, no matter how many children they have. Last year the Minnesota Legislature set 7% as its goal too. In Rice County the median income is \$71,384 and in Northfield the medium income is \$73,877. A year of childcare at Early Ventures for an infant costs \$16,500 and for a preschooler it costs approximately \$14,250. This would be approximately 19-23% of household incomes per child in Northfield. And, we are still not covering our costs as the childcare provider. In Minnesota, the average family spends 20% of their income on child care — nearly three times higher than the federal suggestion. When we opened Early Ventures registration for next school year, we could have opened a second infant classroom (with a wait list) in the first 15 minutes of receiving registrations.

In addition, the Minnesota Legislature increased the Child Care Assistance Program (CCAP) reimbursement rates this year. There is a stark difference between Dakota and Rice County, which is really difficult for the low-income families living in Northfield. The max weekly rate for someone living in Rice County does not cover the costs of having a child attend Early Ventures or most childcare centers in Northfield.

Here is the breakdown of Dakota County vs Rice County

	Infant		Toddler		Preschool		School-Age	
Max Weekly Rate	\$427	\$294	\$385	\$265	\$332	\$250	\$310	\$175
Max Daily Rate	\$221	\$80	\$192	\$70	\$163	\$70	\$110	\$41.50

Dakota County
Rice County

Northfield Community Education

Early Ventures Child Care Report
May 28, 2024

Strategic Plan

VISION

We prepare **every** student for lifelong success by developing critical thinkers who are curious and ready to engage in our society.

Reaching Out, Reaching Up: THE 2027 STRATEGIC PLAN

VISION

We prepare every student for lifelong success by developing critical thinkers who are curious and ready to engage in our society.

BENCHMARKS

1 All children are ready for kindergarten .	2 All students are connected to the community .	3 All students are at grade level in reading and mathematics by the end of third and sixth grades.
4 All students exhibit physical, social and emotional well-being .	5 All students have a connection with a caring adult beyond their parents as they transition to middle school.	6 All students have interests, goals and a vision for the future by the end of eighth grade.
7 All students graduate from high school with a plan to reach their full potential.	8 All employees report satisfaction in the workplace.	9 All parents report satisfaction with their children's educational experience.
10 The district maintains 14% of its annual expenditures in its unassigned fund balance to ensure financial stability .	11 Community education provides relevant and accessible learning opportunities for all residents.	<small>Note: The first seven benchmarks are aligned with the language identified by Northfield Public Schools as a collective impact commitment of 20 community organizations committed to helping Northfield's youth thrive "from cradle to career."</small>



STRATEGIC COMMITMENTS



People

We prioritize the engagement, satisfaction, and support of every student, staff member, and family.



Learner Outcomes

We prepare every student to be academically and socially ready to choose their preferred pathway after high school graduation.



Equity

We ensure that every child has a fair opportunity to reach their full potential.



Communication

We communicate effectively and transparently with all stakeholders.



Stewardship

We responsibly manage our personnel, finances, property, time and environmental impact.



Partnerships

We seek community partnerships that accelerate student achievement of district benchmarks.

Strategic Commitments



People

We prioritize the engagement, satisfaction, and support of every student, staff member, and family.



Learner Outcomes

We prepare every student to be academically and socially ready to choose their preferred pathway after high school graduation.



Equity

We ensure that every child has a fair opportunity to reach their full potential.



Communication

We communicate effectively and transparently with all stakeholders.



Stewardship

We responsibly manage our personnel, finances, property, time and environmental impact.



Partnerships

We seek community partnerships that accelerate student achievement of district benchmarks.

District Benchmarks

1

All children are ready for **kindergarten**.

2

All students are connected to the **community**.

3

All students are at grade level in **reading and mathematics** by the end of third and sixth grades.

7

All students **graduate** from high school with a plan to reach their full potential.

8

All **employees** report satisfaction in the workplace.

9

All **parents** report satisfaction with their children's educational experience.

4

All students exhibit physical, social and emotional **well-being**.

5

All students have a **connection** with a caring adult beyond their parents as they transition to middle school.

6

All students have interests, goals and a **vision** for the future by the end of eighth grade.

10

The district maintains 14% of its annual expenditures in its unassigned fund balance to ensure **financial stability**.

11

Community education provides relevant and accessible learning opportunities for all residents.

Note: The first seven benchmarks are aligned with the language identified by Northfield Promise, a collective impact consortium of 20 community organizations committed to helping Northfield's youth thrive "from cradle to career".

Department of Human Services (DHS)

- Early Ventures is a DHS licensed child care center.
- In Minnesota, a child care provider is required by state law to obtain a license to operate a child care center unless the provider meets an exemption in state law. DHS Rule 3 contains the statutes for child care centers to follow.
- Examples of things governed under Rule 3 include:
 - Ratios for classrooms (children to staff)
 - Infant ratio 4:1
 - Toddler ratio 7:1
 - Preschool ratio 10:1
 - Not mixing students from other programs
 - Early Ventures can't be outside with other programs
 - Children have to be within sound and sight at all times
 - Allergies - significant paperwork involved
 - Staffing requirements



Early Ventures Structure

Early Ventures has five classrooms.

- Caterpillar (infants) - children ages 6 weeks - approximately 16 months
- Bee (young toddler) - children approximately 16 - 33 months
- Ladybug (older toddler) - 3 years prior to Kindergarten entrance
- Firefly (young preschoolers) - 2 years prior to Kindergarten entrance
- Butterfly (older preschoolers) - 1 year prior to Kindergarten entrance



Enrollment and Waitlist Numbers

2023-2024: 82 children enrolled, 30 children on the waitlist

2022-2023: 90 children enrolled, approximately 25 children on the waitlist

2021-2022: 82 children enrolled, 25 children on the waitlist

2020-2021: 69 children enrolled, 4 children on waitlist

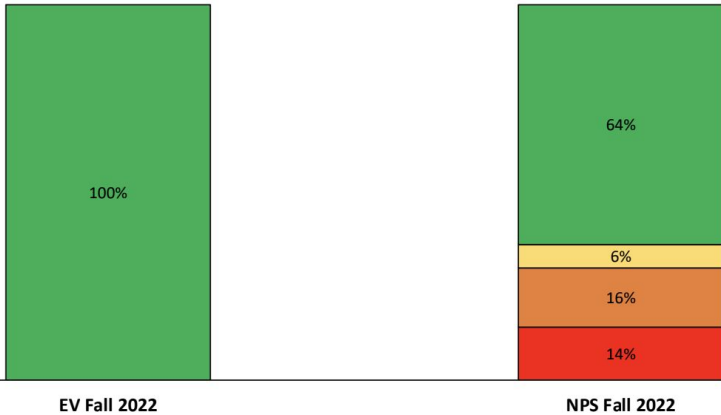
2019-2020: 92 children enrolled, 12 children on the waitlist

** Higher number of enrolled children means that we have more part-time schedules than the years with fewer enrolled kids.

Outcomes for Early Ventures children

Early Ventures vs NPS Fall 2022 Star Early Literacy Distribution

■ Urgent Intervention ■ Intervention ■ On Watch ■ At/Above Benchmark



- For the past two school years, 100% of children who attended Early Ventures were Kindergarten ready, as determined by the Star Early Literacy test.

How are these students doing now?

Here are the current academic outcomes for the last two cohorts of Early Ventures students who were 100% ready for Kindergarten.

For the 2022-23 Early Ventures Cohort:

- 16 enrolled in Kindergarten
- Percentage of students who scored at or above the 50th percentile on the 2023 Star Early Literacy test
 - 81.2% did in the fall of 2023
 - 94.0% did in the winter of 2024
 - 81.2% did in the spring of 2024
- None were at the Urgent Intervention or Intervention level for winter or spring!

For the 2021-22 Early Ventures Cohort:

- 11 are enrolled this year in grade 1
- Currently, 90% are at or above the 50th percentile this spring with one still to test.

The Dilemma

It is a challenging decision for schools to spend general fund money on early learning.

There is a need for child care in this community.

The cost of child care exceeds what most families can afford to pay and what is suggested by the Minnesota Legislature and federal Department of Health and Human Services.

The Early Ventures Child Care center operates at a deficit every year, except for when it was receiving federal funds during the COVID-19 pandemic.

Cost to attend Early Ventures

Rates for September 2024-August 2025

	Infant (Caterpillar Room)	Toddler (Bee and Ladybug Rooms)	*Preschool (Firefly and Butterfly Rooms)
2 Day (TTH)	\$83/Day	\$76/Day	\$74/Day
3 Day (MWF)	\$78/Day	\$69/Day	\$66/Day
4 Day (Flexible)	\$72/Day	\$64/Day	\$62/Day
5 Day (M-F)	\$66/Day	\$59/Day	\$57/Day

Scholarships Available to attend Early Ventures

Pathway I Scholarships

- Awarded to the family for them to select a high quality child care center or preschool
- Maximum award amount for Rice County:
 - These rates are as of July 1, 2024.

Child Care Centers, Districts/Charters, Head Start		
Infant	Toddler	Preschool
18,345.60	16,536.00	15,600.00

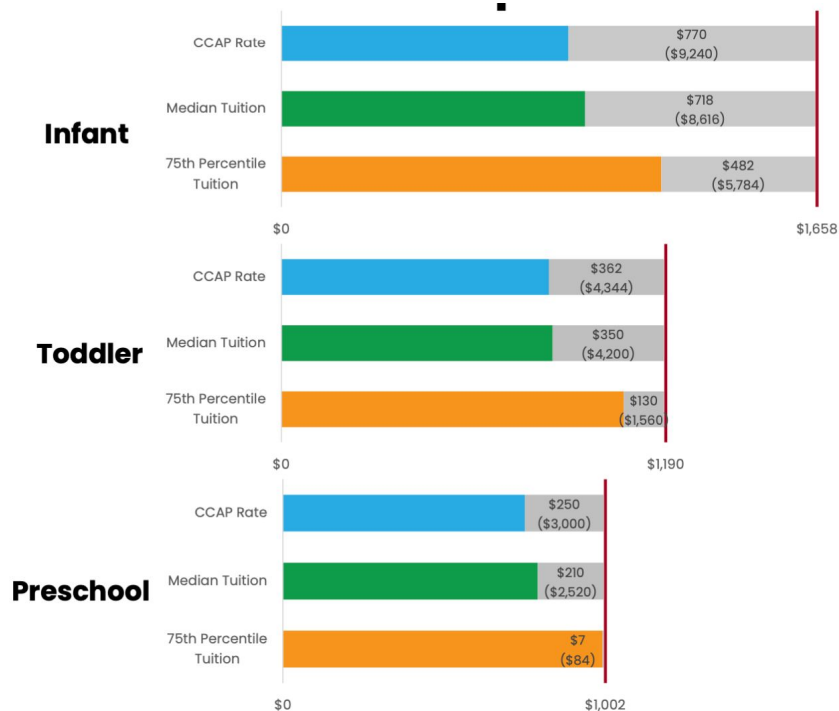
Child Care Assistance Program (CCAP)

- Provides financial assistance to help families with low incomes pay for child care so that parents may pursue employment or education leading to employment, and that children are well cared for and prepared to enter school.
- Administered by counties.

What is the “Cost of Care”?

- Most states use a Market Rate Survey to understand the price of child care services.
- Studies have shown that for many child care businesses, the price of tuition does not reflect the cost of providing care.
- Many providers set tuition rates based on what local families can afford and may balance their budgets by offering low wages, or by not paying themselves.
- The “cost of care” reflects an estimate of the true cost of what it takes to provide child care, regardless of the price the local market can support.

Cost of Care Gaps- Child Care Centers



These tables illustrate the monthly gap between the true cost of care, CCAP rates, median tuition, and the 75th percentile of tuition in Rice County for child care centers. The true cost of care varies across infants (\$1,658 per child), toddlers (\$1,190 per child), and preschoolers (\$1,002 per child) due to different licensing staffing ratio requirements.

The annual gap is noted in parenthesis.

**Data provided by First Children's Finance - Rice County Quantitative Analysis conducted April 2023.

Thank You and Questions



Early Ventures Butterfly class

- Recent Students of the Week for Northfield Public Schools
- Heading to Kindergarten in the fall.



Committee Report

Board of Education

Name: Ben Miller

Committee: DYC

Date Submitted: 5/14/2024 17:02:36

The District Youth Council has been regularly attending school board meetings and Dr. Hillman and Dr. Miller meet with the council monthly to discuss and share board and high-school related issues. The council has been instrumental in assisting with tours of the high school as part of the upcoming bond referendum. On May 13th, the graduating seniors from the DYC were recognized for their service at the board meetings and presented on accomplishments from this school year, introduced new members that will be joining the DYC, and highlighted topics that the DYC will work on for the 24-25 school year.

NORTHFIELD PUBLIC SCHOOLS

School Board Minutes

May 13, 2024

District Office Boardroom

1. Call to Order

School Board Chair Claudia Gonzalez-George called the Regular meeting of the Northfield Board of Education of Independent School District No. 659 to order at 6:00p.m. Present: Butler, Goerwitz, Gonzalez-George, Miller, Nelson, Quinnell and Stratmoen. Absent: None. This meeting was open to the public, live-streamed and recorded, and access to the recording was posted to the school district website.

2. Agenda Approval/Table File

On a motion by Quinnell, seconded by Goerwitz, the board unanimously approved the agenda.

3. Public Comment

There was one public comment.

4. Announcements and Recognitions

- Certificates of Appreciation were presented to the senior members of District Youth Council.
- The Northfield Community Education Center (NCEC) is hosting its second annual carnival on May 17, 5 - 7:30 p.m. The carnival will be held at the NCEC, with Greenvale Park Elementary as the rainsite. The carnival is planned by the Early Childhood Team at the NCEC as a fundraiser for our Early Childhood programs.
- The Northfield High School Envirothon teams are headed to state! Envirothon is a hands-on environmental and natural resources problem-solving competition that builds leadership skills for high school students in grades 9-12. Congratulations to Rae Musicant, Zac Hosterman, MacKenzie Perkins, Grace Vanvoorst, Savannah Mellies, Gabriel Fisher Navarro, Jennifer Salinas, Liam O'Neill, Ellie Capatina, Bella Rushing, and Coach Auge!

5. Items for Discussion and Reports

- a. District Youth Council 2023-24 Recap. DYC members McKenna Carlson and Connor Percy provided an end-of-year recap of the 2023-24 school year.
- b. Proposed 2024-25 General Fund Budget. Director Mertesdorf presented the Proposed 2024-25 General Fund Budget. The board will be asked to approve all 2024-25 budgets at the May 28 board meeting.
- c. Policy Committee Recommendations. Dr. Hillmann presented the policy committee's recommended updates to policies 533 and 809.1. The board will be asked to approve this at the May 28 board meeting.
- d. Fall 2024 Bond Referendum. Superintendent Hillmann updated the board on the bond referendum informational campaign and highlighted upcoming events.

6. Consent Agenda

On a motion by Miller, seconded by Goerwitz, the board unanimously approved the consent agenda.

- a. Minutes. Minutes of the Regular School Board meeting held on April 22, 2024.
- b. Gift Agreements. Gift agreements included in the board packet.
- c. Grant Application. Director of Instructional Services Hope Langston requested school board approval for a Closing Educational Opportunity Gaps Grant for \$500,000 from the Minnesota Department of Education for the time period July 1, 2024 to June 30, 2026. This grant would fund one full-time family engagement navigator to be shared by the Northfield Middle School and Northfield High School, and two full-time academic tutors, one for each building. These positions would develop a support cohort to increase family engagement and student connectedness to school in order to decrease chronic absences and encourage academic success.
- d. Overnight Field Trips.

Northfield High School Girls Soccer Coach Elle Kingsley requested board approval to take the NHS girls varsity soccer team to the Duluth East HS Pre-Season Jamboree Aug. 16 - Aug. 18, 2024.

Northfield High School science teacher Mark Auge requested board approval to take ten (10) NHS science students to the Envirothon State Competition at Wolf Ridge ELC, Finland, MN May 19 - May 20, 2024.

- e. District Youth Council Members (DYC) 2024-25. The following students were recommended to serve on DYC during the 2024-25 school year:
Rising Seniors: Wendy Ascencio Bravo, Leena Brown*, Eden Coudron*, John Dietiker*, Lucy Graham*, Junior Martinez*, Allison Mathews*, Annika Reister*
Rising Juniors: Camila Gaspar, Audrey Gilbertson, Delphine Hawkins*, Britta Jaranson, Atticus Mayer*, Malcolm Westlund
Rising Sophomores: Mae Bowers, Genevieve Knutson
*Denotes a current DYC member.
- f. Authorization to Waive the Ban of Fireworks or Ammunition on School District Property to Permit Fireworks Display. The district was contacted by the City of Northfield, the sponsor of the July 4th fireworks display, for permission to use the green space between Northfield Middle School and Bridgewater Elementary School for the fireworks display on July 4. The school district traditionally grants permission for this activity and has waived the ban of fireworks on school district property in the past. Because this is an annual event, this authorization will continue until such time the board takes action to rescind it or the City of Northfield makes an alternate request.
- g. Personnel Items
- i. Appointments
- Alexander Altermatt, Instructor Lead with Community Ed Recreation, beginning 5/6/2024 - 5/31/2024. Step 1 - \$15.00/hr.
 - Ella Andrew, Summer Targeted Services PLUS Site Assistant for up to 6 hours/day Mon.-Thurs. at Greenvale Park, beginning 6/24/2024-8/8/2024. Step 2-\$15.29/hr.
 - Molly Andrews, Special Ed EA PCA for 6.75 hours/day at the Middle School, beginning 8/26/2024. Step 2-\$17.03/hr. Plus PCA Stipend - Subject to change on settlement of 2024-2026 agreement.
 - Amelia Becker, Summer Targeted Services PLUS Site Assistant for up to 6 hours/day Mon.-Thurs. at Greenvale Park, beginning 6/24/2024-8/8/2024. Step 2-\$15.29/hr.
 - Kaitlin Bell, 1.0 FTE Third Grade Teacher at Bridgewater, beginning 8/22/2024. BA, Step 1
 - Isabella Bisel, Summer KidVentures Student Site Assistant for up to 40 hours/week at Spring Creek, beginning 6/3/2024-8/30/2024. \$14.90/hr.
 - Michael Bishop Garlitz, Summer Targeted Services PLUS/BLAST Teacher for up to 6 hours/day Mon.-Thurs. at Greenvale Park/Middle School, beginning 6/24/2024-8/8/2024. \$40/hr.
 - Nicholas Bornhauser, Summer Seasonal Grounds/Custodial Worker with the District, beginning 6/3/2024-9/24/2024. \$18.00/hr.
 - Jasmine Bos, Summer KidVentures Site Assistant for up to 40 hours/week at Spring Creek, beginning 6/3/2024-8/30/2024. \$14.90/hr.
 - Cyndra Conniff, 1.0 FTE Long Term Substitute Speech and Language Pathologist, at the Middle/High School, beginning 8/19/2024-6/6/2025. MA40, Step 10 +\$2,500 Doctoral Stipend, +\$1,000 subject matter doctoral stipend.
 - Hilary Detert, Special Ed EA PCA for 6.75 hours/day at Greenvale Park, beginning 5/13/2024. Step 4-\$18.05/hr + PCA Stipend.
 - Emilie Englert, Summer KidVentures Site Assistant for up to 40 hours/week at Spring Creek, beginning 6/3/2024-8/30/2024. \$14.90/hr.
 - David Foley, Head Girls Basketball Coach at the High School, beginning 11/11/2024; \$7,762 + step 10.
 - Mackenzie Glassing, Summer Targeted Services PLUS Teacher for up to 6 hours/day Mon.-Thurs. at Greenvale Park, beginning 6/24/2024-8/8/2024. \$40/hr.
 - Denise Halvorson, Summer Targeted Services PLUS Teacher for up to 6 hours/day Mon.-Thurs. at Greenvale Park, beginning 6/24/2024-8/8/2024. \$40/hr.
 - Melissa Hanson, .56 FTE Long Term Substitute Third Grade Teacher at Bridgewater, beginning 4/30/2024-6/6/2024. Daily Sub Rate
 - Kari Hartwig, Administrative Assistant to the Assistant Principal and Activities Director at the Middle School, beginning 5/21/2024. Class III, Step 3 - \$22.64/hr.
 - Stephanie Hernandez Flores, Summer Targeted Services PLUS Site Assistant for up to 6 hours/day Mon.-Thurs. at Greenvale Park, beginning 6/24/2024-8/8/2024. \$14.90/hr.

19. Jaelyn Holz, Summer KidVentures Site Assistant for up to 40 hours/week at Spring Creek, beginning 6/3/2024-8/30/2024. \$14.90/hr.
 20. Mark Johnson, Summer Seasonal Grounds/Custodial Technician with the District, beginning 5/1/2024-9/2/2024. \$18.50/hr.
 21. Lisa Lipins, 1.0 FTE Licensed School Counselor at the High School, beginning 8/22/2024. MA40, Step 6
 22. Evan Loe, Summer Lifeguard with Community Ed Recreation, beginning 5/29/2024-8/31/2024. Step 2-\$14.25/hr.
 23. Rebecca Lorang, 1.0 FTE English Learner Teacher at the Middle School, beginning 8/22/2024. MA, Step 3
 24. Connor Nagy, Summer Seasonal Grounds/Custodial Worker with the District, beginning 5/20/2024-9/24/2024. \$18.00/hr.
 25. Correction: Wendy Newman, 1.0 FTE Administrative Support Assistant Class IV at the NCEC, beginning 5/6/2024. Step 3 - \$23.36/hr.
 26. Brody Nygaard, Summer KidVentures Site Assistant for up to 40 hours/week at Spring Creek, beginning 6/3/2024-8/30/2024. \$14.90/hr.
 27. Kayden Oakland, Summer KidVentures Site Assistant for up to 40 hours/week at Spring Creek, beginning 6/3/2024-8/30/2024. \$14.90/hr.
 28. Katelyn Petersen, 1.0 FTE Mathematics Teacher at the High School, beginning 8/22/2024. BA, Step 4
 29. Jennifer Peterson, 1.0 FTE Licensed Social Worker at Bridgewater, beginning 8/22/2024. MA, Step 8
 30. Jenna Schlatter, 1.0 FTE Grade 6 Transition/SEL Class Teacher at the Middle Schools, beginning 8/22/2024. MA, Step 10
 31. Kaitlin Schulz, Summer Instructor Assistant with Community Ed Recreation, beginning 5/29/2024-8/31/2024. Step 1-\$14.00/hr.
 32. Qiyuan Shen, Summer KidVentures Site Assistant for up to 40 hours/week at Spring Creek, beginning 6/3/2024-8/30/2024. \$14.90/hr.
 33. Joseph Sickler, Summer Seasonal Grounds/Custodial Worker with the District, beginning 5/6/2024-9/24/2024. \$17.25/hr.
 34. Alexander Sparks, Summer Seasonal Grounds/Custodial Worker with the District, beginning 6/3/2024-9/24/2024. \$18.00/hr.
 35. Jillian Specht, 1.0 FTE Physical Education Teacher at Greenvale Park, beginning 8/22/2024. MA, Step 9
 36. Wyatt Stockdale, Summer Instructor Assistant with Community Ed Recreation, beginning 5/29/2024-8/31/2024. Step 1-\$14.00/hr.
 37. Calvin Weis, Summer Targeted Services PLUS Site Assistant for up to 6 hours/day Mon.-Thurs. at Greenvale Park, beginning 6/24/2024-8/8/2024. Step 2-\$15.29/hr.
 38. Cory Callahan, Summer Weight Room Assistant with Community Ed Recreation, effective 6/10/2024-8/31/2024. \$20.00/hr.
 39. Dominic DiMaggio, Summer Weight Room Assistant with Community Ed Recreation, effective 6/10/2024-8/31/2024. \$20.00/hr.
 40. McKenzie Foley, 1.0 FTE Fourth Grade Teacher at Bridgewater, beginning 8/22/2024. BA, Step 5.
 41. Natalie Jaeger, 1.0 FTE Mathematics Teacher at the High School, beginning 8/22/2024. BA, Step 4.
 42. Rachael Langer, 1.0 FTE Grade 6 Math Teacher at the Middle School, beginning 8/20/2024. MA+30, Step 10.
 43. Susan Lightfield, Summer KidVentures Site Assistant for up to 40 hours/week at Spring Creek, beginning 6/3/2024-8/30/2024. \$14.90/hr.
 44. Nolan Nagy, Summer Seasonal Grounds/Custodial Worker with the District, beginning 5/14/2024-9/06/2024. Year 2 - \$17.25/hr.
 45. Kylie Smith, add Targeted Services Summer PLUS Site Assistant for up to 6.5 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. \$14.90/hr.
 46. Deonta Thomas, Summer Weight Room Assistant with Community Ed Recreation, effective 6/10/2024-8/31/2024. \$20.00/hr.
- ii. Increase/Decrease/Change in Assignment
1. Alexander Altermatt, Instructor Lead with Community Ed Recreation, add Instructor Assistant with Community Ed Recreation, effective 5/29/2024-8/31/2024. Step 1-\$14.00/hr.
 2. Hilary Detert, Special Ed EA for 6.75 hours/day at Greenvale Park, change to Special Ed EA for 7.25 hours/day, effective 5/13/2024.
 3. Lindsey Downs, 1st Grade Teacher at Spring Creek, change to ADSIS Teacher at Spring Creek, effective 8/22/2024.
 4. Lindsey Downs, Teacher at Spring Creek, add Summer Targeted Services PLUS Teacher for up to 6.5 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. \$40/hr.
 5. Ana Gallego, EA at Greenvale Park, add Summer Targeted Services PLUS Site Assistant and Club Leader for up to 6 hours/day at Greenvale Park, effective 6/24/2024-8/8/2024. Site Assistant Step 4-\$16.35/hr., Club Leader \$24.30/hr.
 6. Naomi Golden, Science Teacher at the High School, add Summer Targeted Services PLUS Teacher for up to 6.5 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. \$40/hr.

7. Bob Gregory Bjorklund, 1.0 Fall Musical/Play Director at the High School, change to .75 Fall Musical/Play Director at the High School, effective 9/3/2024.
8. Amy Hales, Special Ed EA PCA for 17.5 hours/week at Middle School, change to Special Ed EA PCA for 22.5 hours/week, effective 5/9/2024-6/6/2024.
9. Sam Healy, 4th Grade Teacher at Spring Creek, change to 3rd Grade Teacher at Spring Creek, effective 8/22/2024.
10. Jennifer Klaers, Teacher at St. Dominic, add Summer Targeted Services PLUS Teacher for up to 6 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. \$40/hr.
11. Kimberly Kohaut, Community School Site Leader at Greenvale Park, add Summer Targeted Services PLUS Site Leader for up to 7 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. Step 2-\$18.77/hr.
12. Grace LaCanne, Instructor Lead with Community Ed Recreation, add Instructor Assistant with Community Ed Recreation, effective 5/29/2024-8/31/2024. Step 2-\$14.25/hr.
13. Elizabeth Larson, Grade 3 Teacher at Bridgewater, add Summer Camp Director with Community Ed Recreation, effective 7/15/2024-8/31/2024. \$20.00/hr.
14. Shanise Morris, EA at the Middle School, add Special Ed EA ESY for up to 3.5 hours/day at the NCEC, effective 6/27/2024-7/26/2024.
15. Jessy Nivala, Grade 1 Teacher at Greenvale Park, change to Grade 2 Teacher at Greenvale Park, effective 8/22/2024.
16. Jodie Rud, Grade 4 Teacher at Bridgewater, change to Grade 2 Teacher at Spring Creek, effective 8/22/2024.
17. Anita Sasse, Grade 3 Teacher at Spring Creek, add Summer Targeted Services PLUS Teacher for up to 6.5 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. \$40/hr.
18. Leila Sassine, EA at the High School, add Special Ed EA ESY for up to 5.5 hours/day at the High School, effective 6/27/2024-7/19/2024.
19. Rebekka Schrank, Special Ed Teacher at Spring Creek, add Summer Targeted Services PLUS Teacher for up to 6 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. \$40/hr.
20. Shari Setchell, Spring Play Director at the High School, add .25 Fall Musical/Play Director at the High School, effective 9/3/2024.
21. Michelle Sickler, Grade 5 Teacher at Greenvale Park, add Summer Targeted Services PLUS Teacher for up to 6.5 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. \$40/hr.
22. Caroline Sjoberg, Special Ed Teacher at Spring Creek, change to Grade 1 Teacher at Spring Creek, effective 8/22/2024.
23. Gina Swenson, Grade 1 Teacher at Greenvale Park, change to Kindergarten Teacher at Greenvale Park, effective 8/22/2024.
24. Lori Taylor, .40 ADSIS/.40 Spanish Teacher/.20 MTSS at the High School, change to .40 ADSIS/.10 Spanish Teacher/.20 MTSS at the High School, effective 8/22/2024-6/9/2025.
25. Ellen Trotman, EL Teacher at the Middle School, add Summer Targeted Services PLUS/BLAST Teacher for up to 6 hours/day Mon.-Thurs. at Greenvale Park/Middle School, effective 6/24/2024-8/8/2024. \$40/hr.
26. Ryland Updike, Instructor Lead with Community Ed Recreation, change start date to 5/3/2024-5/31/2024.
27. Ryland Updike, Instructor Lead with Community Ed Recreation, add Summer Lifeguard, Summer Instructor Assistant, and Summer Instructor Lead with Community Education Recreation, effective 5/29/2024-8/31/2024. Lifeguard - Step 1 - \$14.00/hr., Summer Instructor Assistant - Step 1 - \$14.00/hr., Summer Instructor Lead - Step 1 - \$15.00/hr.
28. Alicia Veltri, Special Ed DCD Teacher at Greenvale Park, change to Special Ed Instruction and Inclusion Coach for 197 contract days with the District, effective 8/1/2024. lane/step
29. Brent Yule, Summer Weight Room Assistant with Community Ed Recreation, change to Summer Weight Room Lead with Community Ed Recreation, effective 6/10/2024-8/31/2024. \$30.00/hr.
30. Cory Callahan, Summer Weight Room Assistant with Community Ed Recreation, add Summer Weight Room Lead with Community Ed Recreation, effective 6/10/2024-8/31/2024. \$30.00/hr.
31. Annie Kruse, Special Education Teacher and Early Childhood Coordinator at the NCEC, change to Early Childhood Special Education Coordinator at the NCEC for 225 contract days, effective 7/1/2024. \$95,000/yr.
32. Jenny Link, Special Education Teacher at the Middle School, add Summer Targeted Services PLUS Teacher for up to 6.5 hours/day Mon.-Thurs. at Greenvale Park, effective 6/24/2024-8/8/2024. \$40/hr.
33. Deonta Thomas, Summer Weight Room Assistant with Community Ed Recreation, add Summer Weight Room Lead with Community Ed Recreation, effective 6/10/2024-8/31/2024. \$30.00/hr.

iii. Leave of Absence

1. Anna Hershberger, Media Center EA at Greenvale Park, Leave of Absence beginning 5/17/2024-6/6/2024.
2. Jessica Rushton, Educational Assistant PCA at Spring Creek, FMLA beginning May 8, 2024 and continuing on an intermittent basis for up to 60 work days.

- iv. Retirements/Resignations/Terminations
 1. DeEtte Harris, EA at Spring Creek, retirement effective 6/7/2024.
 2. Jeff Holter, Custodian at the Middle School, resignation effective 5/1/2024.
 3. Angie Kruse, Speech Language Pathologist at Bridgewater, resignation effective at the end of the 2023-2024 school year.
 4. Jennifer Link, Special Ed ASD Teacher at the Middle School, resignation effective at the end of the 2023-2024 school year.
 5. Claudia Rodriguez, Yearbook Advisor at the High School, resignation effective 6/7/2024.
 6. Amanda Sieger, ADSIS Teacher at Spring Creek, resignation effective 6/7/2024.
 7. Jane Weiland, English Language Arts teacher at the Middle School, resignation effective at the end of the 2023-2024 school year.
 8. Katelyn Peterson, 1.0 FTE Math Teacher at the High School, hired for the 2024-25 school year, has declined the position.
- v. Advancement of Probationary Licensed Staff
Advancement of Licensed Staff to Tenure Status for 2024-2025 - tenure status at 1.0 FTE unless otherwise noted
 AfsharJavan, Nahal; Austin, Thomas; Bartholomew, Sara; Bischoff, Chelsea; Boda, Elaine; Dayneko, Jacob; Doliscar, Jules; El Achkar, Gisele; Gagnon, Noah; Gardner, Claire; Golden, Naomi; Grisim, Leah; Haefner, Ellen - .63 FTE; Hotz Zenk, Mary; Kelly, Anna; LaVoy, Kayla; Lovrien, Catherine; Molloy, Shawna; O'Brien, Sean - .80 FTE; Peterson, Christine; Rodgers, Sydney; Sanders, Lauren; Stanton, Elizabeth - .63 FTE; Stanton, Paul; Tharp, Lillian - .50 FTE; Trego, Shane; Turnquist, Ryan; Wadzinski, Lauren.
Advancement of Licensed Staff to Third Year Probationary Status for 2024-2025
 Betsinger, Sybil; Carlson, Kathryn; Opatrny, Ashley; Rodriguez, Breanna; Schrank, Rebekka; Torkelson, Nicole.
Advancement of Licensed Staff to Second Year Probationary Status for 2024-2025
 Bollum, Linnea; O'Keefe, Thomas; Thompson, Rachael.
- vi. Administration is recommending the approval of the following employment agreements covering the period of July 1, 2024 through June 30, 2026:
 1. Building Nurses, including St. Dominic's
 2. Community Education and Other Coordinators
 3. COTA/Speech Language
 4. Grounds, Maintenance, Electrician and Delivery Driver
 5. Head Custodians (corrected typographical errors)
 6. Interpreters for the Deaf and Hard of Hearing
 7. Non-Union Administrators
 8. Principals
- vii. Resolution for Termination and Non-Renewal of Probationary Licensed Staff. The board is requested to adopt the enclosed resolution related to the termination and non-renewal of the teaching contract of the following probationary licensed teachers effective at the close of the current 2023-2024 school year:
 1. Caitlin Robertson, 1.0 FTE, Special Education
 2. Luke VanZuilen, 1.0 FTE, Physical Education/Health
- viii. Resolution Proposing to Place Tenured Licensed Staff on Unrequested Leave of Absence. Pending approval of agenda item 7e, the board is requested to adopt the Resolution related to the proposed placement of the following tenured teachers on unrequested leave of absence effective at the end of the 2023-24 school year.
 1. Lori Taylor, .30 FTE

7. Items for Individual Action

- a. Revised 2023-24 Child Nutrition Fund Budget. On a motion by Butler, seconded by Miller, the board unanimously approved the Revised 2023-24 Child Nutrition Budget as presented at the April 22, 2024 meeting.
- b. Revised 2023-24 Community Education Fund Budget. On a motion by Goerwitz, seconded by Nelson, the board unanimously approved by roll call the Revised 2023-24 Community Education Budget as presented at the April 22, 2024 meeting. Voting 'yes' was Butler, Goerwitz, Miller, Nelson, Quinnell, Stratmoen and Gonzalez-George. No one voted 'no'.
- c. Ice Arena Letter of Support to the Northfield City Council. Superintendent Hillmann and Board Chair Gonzalez-George drafted a letter on behalf of the Board of Education and Northfield Public Schools affirming our commitment to leasing the City of Northfield's ice arena up to a maximum of \$250,000 annually for an estimated 20 years (including ice time). The district would use its lease/levy authority to fund the annual payment. The district would be part of a public/private partnership that includes the district, the City of Dundas, the City of Northfield, and the Northfield Hockey Association.

On a motion by Goerwitz, seconded by Butler, the board approved by roll call the Ice Arena Letter of Support to the Northfield City Council, affirming the district's intent to lease the city's ice arena. Voting 'yes' was Butler, Goerwitz, Miller, Nelson, Stratmoen and Gonzalez-George. Voting 'no' was Quinnell.

- d. Review and Comment Submission to the Minnesota Department of Education (MDE). The district must submit a Review and Comment document to the Minnesota Department of Education related to the Fall 2024 bond referendum.

On a motion by Gonzalez-George, seconded by Butler, the board unanimously approved by roll call submitting the Review and Comment to the Minnesota Department of Education in preparation for the Nov. 5, 2024 bond referendum election. Voting 'yes' was Butler, Goerwitz, Miller, Nelson, Quinnell, Stratmoen and Gonzalez-George. No one voted 'no'.

- e. Resolution Discontinuing and Reducing Educational Program. On a motion by Nelson, seconded by Miller, the board unanimously approved by roll call the Resolution Discontinuing and Reducing Educational Program. Voting 'yes' was Butler, Goerwitz, Miller, Nelson, Quinnell, Stratmoen and Gonzalez-George. No one voted 'no'.

<u>Program</u>	<u>Building</u>	<u>FTE</u>
Spanish	High School	.30

8. Items for Information

- a. Enrollment Report. Superintendent Hillmann reviewed the May 2024 enrollment report.
- b. Graduation. ALC graduation is scheduled at 6:00 p.m. on Friday, May 31 in the Middle School Auditorium. Northfield High School's graduation is scheduled at 2:00 p.m. on Sunday, June 9 at Memorial Field. Board members should meet in the high school office at 1:30 p.m. on June 9.

9. Future Meetings

- a. *Tuesday, May 28, 2024, 6:00 p.m., Regular Board Meeting, Northfield DO Boardroom
 - b. Monday, June 10, 2024, 6:00 p.m., Regular Board Meeting, Northfield DO Boardroom
 - c. Monday, July 8, 2024, 6:00 p.m., Regular Board Meeting, Northfield DO Boardroom
- *Note that Monday, May 27 is Memorial Day

10. Closed Session: Sale of Property as Allowed by Minnesota Statute 13D.05, Subd. 3(c)

On a motion by Butler, seconded by Goerwitz, the board unanimously moved to close the meeting as permitted by Minnesota Statute 13D.05, Subd. 3(c) to discuss the sale of district property; Parcel #17.11.3.75.021; Land Area 13,642sf.

11. Adjournment

On a motion by Gonzalez-George, seconded by Butler, the board unanimously approved to adjourn the closed session at 7:51 p.m.

On a motion by Stratmoen, seconded by Butler, the board unanimously approved to adjourn the regular board meeting at 7:51 p.m.

Amy Goerwitz
School Board Clerk

RESOLUTION ACCEPTING DONATIONS

The following resolution was moved by _____ and seconded by _____:

WHEREAS, Minnesota Statutes 123B.02, Sub. 6 provides: “ The board may receive, for the benefit of the district, bequests, donations, or gifts for any proper purpose and apply the same to the purpose designated. In that behalf, the board may act as trustee of any trust created for the benefit of the district, or for the benefit of pupils thereof, including trusts created to provide pupils of the district with advanced education after completion of high school, in the advancement of education.”; and

WHEREAS, Minnesota Statutes 465.03 provides: “Any city, county, school district or town may accept a grant or devise of real or personal property and maintain such property for the benefit of its citizens in accordance with the terms prescribed by the donor. Nothing herein shall authorize such acceptance or use for religious or sectarian purposes. Every such acceptance shall be by resolution of the governing body adopted by a two-thirds majority of its members, expressing such terms in full.”; and

WHEREAS, every such acceptance shall be by resolution of the governing body adopted by a two-thirds majority of its members, expressing such terms in full;

THEREFORE, BE IT RESOLVED, that the School Board of Northfield Public Schools, ISD 659, gratefully accepts the following donations as identified below:

The vote on adoption of the Resolution was as follows:

Aye:

Nay:

Absent:

Whereupon, said Resolution was declared duly adopted.

By: Claudia Gonzalez-George, Chair

By: Amy Goerwitz, Clerk

Date of the bequest, donation, or gift:	Amount:	Who the bequest, donation, or gift is from:	What is the bequest, donation, or gift for?
4/29/24		N/A John Benjamin.	The ALC's BWCA trip
5/9/24	\$200.00	Tomas Gomez	BW Angel Fund
5/9/24	\$200.00	Tomas Gomez	GVP Angel Fund
4/5/24	\$100.00	Hannapee Ranch LLC	Fishing Team Sponsorship
4/5/24	\$400.00	Professional Pride Realty	Fishing Team Sponsorship
4/5/24	\$300.00	Johnson Dental	Fishing Team Sponsorship
4/5/24	\$550.00	Cartime Auto Center	Fishing Team Sponsorship
5/13/24	\$100.00	Northfield Area Chamber of Commerce	Donation for Support for Community Band Summer Series
5/15/24	\$200.00	Robyn Peterson	to be used for Middle school boys/ girls golf program
5/7/24		NA Melissa King	Hand in Hand Preschool
5/1/24		NA Heidi Kram	Hand in Hand science center
5/17/24	\$7,590.00	Greenvale Park PTO	Furniture
5/9/24	\$645.00	JJ Stenzel	Mens Softball League
5/10/24	\$75.00	Margit Peterson	NMS Recess
4/20/24	\$322.50 (.50 to scholarship fund)	JoAnn Gilbert	Womens Softball League
5/22/24	\$1,122.84	NFAB	BAND FIELD TRIP BUS EXPENSES
5/21/24	\$200.00	Peter & Donna Sheffert	FFA Donation
5/17/24	\$250.00	Uriah Peterson	Principal's discretion
5/7/2024	\$150.00	Paul Wegner	Scholarship Donation in Memory of Dennis Altstaetter
5/9/2024	\$100.00	Pat Foley	Scholarship Donation in Memory of Dennis Altstaetter
5/10/2024	\$100.00	Gary and Connie DeGrote	Scholarship Donation in Memory of Dennis Altstaetter

NORTHFIELD PUBLIC SCHOOLS

POLICY DOCUMENT

COVERING

WAGES, WORKING CONDITIONS AND FRINGE BENEFITS

OF

CHILD NUTRITION EMPLOYEES

**Policy Extends from
July 1, 2024 through June 30, 2026**

ARTICLE I EMPLOYMENT

Section 1.01 – Introduction

These Personnel Policies and Practices contain information pertaining to your employment with Independent School District No. 659, Northfield (“District”). Please note that the information contained in this document may be changed from time to time. Nothing in this document establishes any form of a contract between you and the District, nor does anything in this document alter your at-will employment relationship with the District. In the same sense that you can resign your employment with the District at any time for any reason or no reason at all, so can the District terminate your employment at any time for any reason or no reason at all, consistent with the concept of at-will employment. When changes occur to the information contained in this document, the revisions will be issued to you. The statements contained in this Section 1.01 are subject to the requirements of any applicable law, such as the teacher Continuing Contract Law or the Veterans’ Preference Act, granting the administrator employment rights.

Section 1.02 – Basic Services

Employees shall faithfully perform the services prescribed by the School Board or designated representative whether or not such services are specifically described in this manual or in a general job description, abide by the rules, regulations and policies as established by the School Board and the State Department of Education, and any additions or amendments thereto, for the annual salary indicated in this agreement.

Section 1.03 – Policy

This policy is in effect from July 1, 2024 through June 30, 2026. In the event a successor policy is not approved prior to the expiration of this Policy, the employee shall be compensated according to his/her current rate until a successor policy is approved by the Board of Education.

Section 1.04 – Entry Level Probationary Period

Entry level employees’ probationary period shall be six (6) months. The purpose of probation is to verify the match between Northfield Public Schools mission based Child Nutrition needs and the mission aligned knowledge, skills and work behaviors of entry level employees. Employees in this category may or may not pass probation at the discretion of the school district.

Section 1.05 - Resignations

Employees electing to resign shall be required to give the Child Nutrition Director dated, written, and signed notice at least two (2) weeks in advance of the employee's final work day. The employee electing to resign shall continue Child Nutrition regular job responsibilities during the two-week notice period. Any request to leave sooner than the two-week notice period shall be considered by the Child Nutrition Director after a suitable replacement employee is obtained for the position. No use of personal leave is allowed in the last two weeks of employment.

Section 1.06 – Required Certification

All Child Nutrition employees must be certified by one of the following entities and keep their certification current:

- Servsafe at www.servsafe.com
- Safe food training (SFT) at www.safefoodtraining.com
- Food Safety Guy at <https://foodsafetyguy.com>

New employees that do not already have the certification must successfully complete one of the above certifications prior to the end of their six-month probationary period.

NCEC Child Nutrition employed servers and Child Nutrition Subs, that have not previously worked as a Child Nutrition employee and completed ServSafe Training, will complete the Food Handler Course.

Section 1.07 – Minnesota Food Protection Managers Certificate.

All Child Nutrition employees must hold a current MN Food Protection Manager Certificate. Current Child Nutrition staff will be required to get their Minnesota Food Managers certificate before their current food safe certificate expires.

ARTICLE II RATES OF PAY AND OTHER COMPENSATION

Section 2.01 – Wages

<u>Job Classification</u>	<u>2024-25 Hourly Rate</u>	<u>2025-26 Hourly Rate</u>
Child Nutrition Manager II - H.S. or M.S.	\$26.71	\$28.10
Child Nutrition Manager I - Elementary	\$26.34	\$27.71
Child Nutrition Associate III	\$24.97	\$26.,27
Child Nutrition Associate II	\$23.06	\$24.26
Child Nutrition Associate I	\$21.92	\$23.06
Summer Child Nutrition Lead	\$26.34	\$27.71
Summer Child Nutrition Associate	\$21.92	\$23.06
Student Child Nutrition Associate	**	**

** Pay for this position aligned with Minnesota minimum wage rates.

There will be an extra \$2.00/hour stipend paid for Kitchen Managers that oversee a satellite kitchen.

The Child Nutrition Director shall determine the job classification for each employee based upon the responsibilities of the position and the corresponding qualifications of the incumbent/entry-level employee.

Section 2.02 - Training Stipend

An hourly stipend of \$1.75 per hour in both years of the agreement for individuals who have completed Level I of the School Nutrition Association Certification will be added to the hourly rates of pay for Child Nutrition Employees. An hourly stipend of \$2.50 per hour in both years of the agreement for individuals who have completed Level 2 of the School Nutrition Association Certification will be added to the hourly rates of pay for Child Nutrition Employees. Certification shall be provided to the Human Resources Office no later than September 1 to receive the stipend.

Section 2.03 - Long-Term Substitutes

Individuals who substitute in the same position for twenty (20) consecutive work days or more shall be eligible to be paid at the CNA I hourly rate, upon the recommendation of the Child Nutrition Director and approval of the Superintendent or his/her designee. Upon completion of the long-term substitute assignment, further substitute assignments will be paid at the regular substitute rate of pay. Eligibility for payment at this level cannot be carried over from one school year to the next.

Section 2.04 - Former Child Nutrition Employees Who Substitute

Substitutes who have formerly been employed in the Northfield School District in regular Child Nutrition positions for at least three continuous years shall be paid at the CNA I hourly rate.

Section 2.05 - Rate of Pay for Regular Employees Who Substitute in a Position of Higher Classification:

Regular Child Nutrition employees who substitute in a position with a higher classification shall be paid at the hourly rate established for the higher classification beginning with the sixth consecutive day of substituting in that position.

Section 2.06 - Uniform Allowance

\$300 per year taxable stipend for all employees to be paid with their first paycheck of the contract year. The employee must purchase one (1) pair of work shoes that are slip-resistant on an annual basis. The remainder of the stipend is to be used to purchase either black, navy, khaki, gray, or olive pants (can be denim) and the approved district uniform shirt(s) or sweatshirt, with the District logo. It is required that all Child Nutrition employees purchase new clothing each school year using the allowance. The district office will coordinate the orders for shirts at the beginning of the school year. Each employee will be responsible for purchasing the approved pants. Acceptable options will not include athletic pants, yoga pants, jeggings; denim with rips, holes or tears.

Section 2.07 – Lunch

Child Nutrition employees will be provided a regular Type A lunch on food preparation days at no cost to the Child Nutrition employees according to the National School Lunch Program regulations

HOURS OF WORK, BREAKS, OVERTIME, AND HOLIDAYS

Section 2.08 – Work Day

The number of hours authorized for each position shall be established by the School Board on the basis of the requirements of the job and financial resources of the District, and shall be scheduled by the Child Nutrition Director. The paid work day shall exclude time for lunch (30 minutes). Typically, hours worked will coincide with regular established schedules. However, hours may need to be reduced or extended when student activities result in less or more students eating lunch on a given day. Kitchen Managers will notify employees of any change in hours. Employees will be paid only for time worked. The calculation of wages shall be based on the number of hours shown on the employee's weekly attendance record.

Section 2.09 – Work Year

The maximum number of work days in a given year shall be the number of student days scheduled on the approved school calendar plus up to three (3) days for opening and closing the kitchens (for example, two (2) days to receive the food order, clean and open the kitchen in the Fall and one (1) day to store food and supplies and organize the kitchen in the Spring). Additional days may be scheduled for special events such as a luncheon during preschool workshop and/or school staff in-service meetings, special workshops, etc. Any work days outside of the number of student days scheduled on the approved school calendar must be authorized as scheduled by the Child Nutrition Director.

2.10 - School Closing

In the event that school (or schools) is closed due to an emergency, Child Nutrition employees shall continue to receive compensation for up to a maximum of one (1) prorated day per year, equivalent to the normal work hours for each employee. Child Nutrition employees shall be required to perform services if requested to do so by the Child Nutrition Director. An emergency closing shall be defined as any unscheduled closing of the school or schools. Examples might include inclement weather, energy shortage, breakdown of equipment, strike, etc. The District shall have the right to require employees to perform services on days scheduled as make-ups for student days lost due to emergency closings. In the event school is closed after a late start had been announced, Child Nutrition employees who have already reported to work for the day will be paid at time and one half their base hourly rate for four (4) hours. The additional compensation does not apply for e-learning days, early dismissal or late start is due to an emergency.

Section 2.11 - Paid Breaks

Child Nutrition employees shall be allowed a 15-minute paid break for each three and one half (3½) hours segment of actual work time. The chart below shows the number of paid breaks based on hours worked.

<u>Hours Worked</u>	<u>Breaks</u>
Less than 3.5	0
3.5-6.99	1
7-8	2

These breaks shall be taken at a time when the least possible disruption in service results and as scheduled by the Kitchen Manager.

Section 2.12 – Overtime

Employees shall be paid at time and one-half of the base hourly rate for hours worked in excess of 40 in any one work week. Vacation time, sick time, or other leave time will not be used to calculate hours worked in any work week. The time and one-half rate shall also apply to services rendered for special functions after 4:00 p.m. or on weekends. The scheduling of overtime for employees shall be approved in advance by the Child Nutrition Director and Kitchen Manager.

Child Nutrition Substitutes are not eligible for overtime unless they work more than forty (40) hours in any one work week. Substitutes will be paid \$3.00 per hour above their normal pay rate for services rendered for special functions after 4:00 p.m. or on weekends.

Section 2.13 - Holidays with Pay

Employees will receive the following six (6) holidays with pay provided the Holidays occur within the employee's work year: Labor Day, Thanksgiving Day, Christmas Eve Day, Christmas Day, New Year's Day, and Memorial Day.

Summer Program: If July 4th falls during regular summer programming and on a day when summer programming is in session, employees working in the summer program will be paid for July 4th for the number of hours they would normally have worked in the summer program.

Section 2.14 - Professional Development

Professional development activities such as workshops, classes, and training sessions may be provided on a group or individual basis within budget allocations at the discretion of the Child Nutrition Director.

Annual Training Requirements

Required for all school nutrition program employees regardless of local educational agency (LEA) size. The hourly requirements for each position are outlined in the table below:

Position	Required Hours
Director	12 hours
Manager	10 hours
All other program staff (working more than 20 hours/week)	6 hours
Part-time program staff (working less than 20 hours/week)	4 hours
Substitutes/Volunteers/Student Workers/Temporary	2 hours
Hired after January 1	Must complete half of the above training hours For their position during the first year of employment when hired after January 1.

Please note:

- Any excess training hours from a school year can be carried over to meet the previous year's requirements or used to meet the following year's requirements.

ARTICLE III LEAVES

Section 3.01 - Sick Leave

The school District may require an employee to furnish a medical statement from a qualified physician as evidence of illness in order to qualify for sick leave pay if sick leave requested is due to the illness or injury of the employee. Final determination as to the eligibility of an employee for sick leave will be made by Northfield Public Schools.

Employees Working 15 to 19.99 Hours Per Week:

Three (3) prorated days per year with pay shall be allowed whenever an employee's absence is due to illness or injury of the employee, the employee's dependent child, and/or for other individuals to the extent provided by Minnesota law. Sick leave days are noncumulative from one year to the next.

Employees Working 20 Hours Per Week or More:

Ten (10) prorated days per year with pay shall be allowed whenever an employee's absence is due to illness or injury of the employee, the employee's dependent child, and/or for other individuals to the extent provided by Minnesota law. Sick leave days are cumulative to 120 days.

An employee receiving compensation under the Worker's Compensation Act may elect to use accumulated leave allowance to make up the difference between the worker's compensation payments and the employee's regular basic salary. Deductions from leave allowance will be made on a prorated basis according to the additional payments to the employee. In no event shall the additional compensation paid to the employee result in the payment of total daily, weekly or monthly compensation in excess of such employee's basic salary.

Section 3.02 - School Conference and Activities Leave

In accordance with the provisions of MS.181.9412, the District will provide each employee with up to two prorated days of school conference and activities leave during any twelve-month period to attend school conferences or school related activities related to the employee's child, provided the conference, activity or observation cannot be scheduled during non-work hours. One school day advance written notice shall be provided via the District's substitute/leave reporting system. The Human Resources Director can waive the advanced written notice requirement in emergency situations under exceptional or unusual circumstances. Such leave will be deducted from the employee's sick leave allowance.

In addition to the statutory definition of school conference and activity leave, employees may also use school conference and activity leave for post-secondary college visits for high school age students.

Section 3.03 - Bereavement Leave

Employees Working 15 to 19.99 Hours Per Week:

Up to two (2) days per year may be used in case of bereavement. Time off for bereavement shall be deducted from unused Sick Leave. Bereavement leave may be used in the case of a death of family members or friends.

Employees Working 20 Hours Per Week or More:

Up to ten (10) days per year of leave with pay in case of bereavement. Time off for bereavement shall be deducted from unused Sick Leave. Bereavement leave may be used in the case of death of family members or friends.

Section 3.04 - Personal Leave

Employees Working 15 to 19.99 Hours Per Week:

Employees working less than 20 hours per week on average are not eligible for Personal Leave.

Employees Working 20 Hours Per Week or More:

At the discretion of the Kitchen Manager and Child Nutrition Director, Child Nutrition personnel may be granted Personal Leave of up to five (5) prorated days per year. Personal Leave days will be deducted from unused Sick Leave. Personal Leave prorated days may not be carried over from one academic year to another. No more than three (3) personal leave days can be used consecutive. No more than one (1) employee per building can use personal leave on any given day. Personal leave may not be used during the last two weeks of the school year.

Requests for personal leave must be made via the District's substitute/leave system at least three (3) working days in advance, except for emergencies. Recommendations for leave approval from the Kitchen Manager are subject to final approval by the Child Nutrition Director.

Section 3.05 - Leave of Absence Without Pay

Child Nutrition personnel may apply for a Leave of Absence Without Pay in the event of personal circumstances regardless of the number of hours worked per week. A request for a leave of absence without pay must be submitted no less than thirty (30) days prior to the requested day(s) off unless emergency circumstances prevent such notice. A Leave of Absence Without Pay of up to five (5) prorated days may be approved by the Child Nutrition Director. The Child Nutrition Director will consider how many employees are scheduled to be absent at the requesting employee's site when considering the request. Typically no more than two (2) employees may be scheduled to be absent in school sites who have 10 employees or more in one work day for any reason other than illness or emergency. School sites with less than 10 employees may not have more than one (1) employee scheduled absence. Additional days may be granted without pay at the recommendation of the Child Nutrition Director and the approval of the Superintendent or his/her designee.

Section 3.06 – Judicial Duty

For any employee who is required to serve as a juror or is subpoenaed to appear as a witness (not as a defendant) in a criminal court case, Northfield Public Schools will make up the difference between such employees basic salary and the fees (but not reimbursed expenses) received by the employee. In order to be eligible for this supplement, the employee must submit to the finance office an itemized certification of fees and expenses for judicial duty. Advance notice to the Director of Child Nutrition is required to permit the scheduling of a substitute. An employee is also required to notify the Director of Child Nutrition or Kitchen Manager immediately upon being excused from judicial duty.

Section 3.07 - Child Care and Adoption Leave

Child care leaves under this section include maternity leave, parental leave and adoption leave. Child care leaves shall be processed under the Federal Family and Medical Leave Act (FMLA) for those employee's that meet the current eligibility requirements of FMLA as outlined in Policy 410 and Policy 448. Child care leaves for those employees that do not meet the current eligibility requirements of FMLA shall be processed under the District Disability After Childbirth Policy – Policy 411.

- A. A child care leave shall be granted by the school district subject to the provisions of this Section. Child care leave may be granted because of the need to prepare and/or provide parental care for a child or children of the employee for an extended period of time.
- B. An employee making application for child care leave shall inform the District in writing with intention to take the leave as soon as possible and at least one calendar month before commencement of the intended leave, except in unusual circumstances. The district and the employee will attempt to work out a satisfactory plan for the leave.
- C. If the reason for the child care leave is occasioned by pregnancy, the employee shall also provide at the time of the leave application, a medical certification indicating the expected date of the delivery.
- D. Sick leave under Section 3.02 and long-term disability insurance under Article IV, Section 4.06, is available for the disabilities of pregnancy prior to the commencement of the child care leave. Such use of sick leave days shall run concurrently with parental leave days under paragraph I.
- E. In making a determination concerning the commencement and duration of a child care leave, the School Board shall not, unless otherwise agreed, be required to:
 - (1) Grant any leave more than six (6) months in length or to the beginning of the school year following such six (6) month period.
- F. Failure of the employee to return pursuant to the date determined under this Section shall constitute the failure to work without first securing a release which is a ground for immediate discharge unless the school district and the employee mutually agree to an extension in the leave.
- G. An employee who returns from child care leave within the provisions of this Section shall retain all previous experience credit and any unused leave time accumulated under the provisions of this Agreement at the commencement of the leave.
- H. Up to twenty (20) days leave allowance may be used for adoption purposes such as preparation and legal reasons, necessary travel, and initial adjustment.
- I. Up to ten (10) days parental leave may be used within 30 days of the birth of a child, the days used to be deducted from sick leave. Employees that qualify for maternity leave are not eligible for these parental leave days.
- J. Time off during the leave period shall not count toward a step advancement on the wage schedule. However, employees will be advanced a step if they worked more than one-half of the duty days in their work year.

**ARTICLE IV
GROUP INSURANCE**

Section 4.01 – Eligibility

Employees Working Less than 20 Hours Per Week:

No Group Insurance is provided to Child Nutrition employees who work less than 20 hours per week.

Employees Working 20 Hours Per Week or More:

Employees scheduled to work all of the scheduled student days in session or more shall be eligible for Group Insurance Benefits.

Insurance coverage will be effective upon enrollment of the employee and acceptance by the carrier. All District participation and contribution toward benefits shall cease effective on the last working day of the month in which the Child Nutrition employee terminates employment. However, employees may be continued in the group for a period determined by COBRA legislation at the employees' own expense.

During the term of this policy, the employer will purchase the group insurance policies described in this section. It is understood and agreed that the provisions of this section are merely descriptive of the coverage provided, and that the eligibility of the employee for benefits shall be governed by the terms of the master insurance contracts in force between the employer and the insurer providing such coverage. The effective date for employer contributions shall be January 1 of each year of this agreement.

Section 4.02 - Health and Hospitalization Insurance

Eligible employees and their spouse and dependent children may participate in the District group health and hospitalization insurance plan. The school district will contribute toward the premium according to the schedule below. Any additional cost of the premium shall be borne by the employee and paid by payroll deduction.

2024-26 Health Insurance District Contribution

	30-40 hrs/wk <u>1.0 factor</u>	25 < 30 hrs/wk <u>.6 factor</u>	20 < 25 hrs/wk <u>.5 factor</u>
<u>SINGLE</u>	Same as teachers settlement	.60 × teachers settlement	.50 × teachers settlement
<u>FAMILY</u>	Same as teachers settlement	.60 × teachers settlement	.50 × teachers settlement

Section 4.03 - Dental Insurance

Eligible employees and their spouse and dependent children may participate in the District group dental insurance plan. The District will contribute toward the premium according to the schedule below. Any additional cost of the premium shall be paid by the employee through payroll deduction.

2024-26 Dental Insurance District Contribution

	30-40 hrs/wk <u>1.0 factor</u>	25 < 30 hrs/wk <u>.6 factor</u>	20 < 25 hrs/wk <u>.5 factor</u>
<u>SINGLE</u>	Same as teachers settlement	.60 × teachers settlement	.50 × teachers settlement
<u>FAMILY</u>	Same as teachers settlement	.60 × teachers settlement	.50 × teachers settlement

Section 4.04 - Life Insurance

The School District shall provide, at District expense, a group term life insurance plan providing \$35,000 of coverage for each eligible employee. The eligible employees may purchase additional group term life insurance in increments of \$25,000 up to a maximum of \$100,000 at the group rate upon evidence of insurability and acceptance by the carrier. The cost of such additional coverage shall be paid fully by the employee through payroll deduction.

Section 4.05 - Income Protection

The employer shall pay the full premium for group long-term disability insurance coverage. There shall be a 60-day waiting period before disability income protection goes into effect.

Section 4.06 – Retirement

All District contributions for benefits shall cease upon retirement. Child Nutrition employees who retire after age 59 may continue participation in the District’s group health and hospitalization insurance plan until eligible for Medicare provided they pay the full cost of the premium. Participation beyond that shall be in accordance with applicable laws and regulations.

**ARTICLE V
LONGEVITY**

Section 5.01 - Longevity Appreciation

Employees working 20 hours/week or more Longevity Appreciation:

2024-26

After 5 years:	\$1,000/yr	After 15 years:	\$2,000/yr
After 10 years:	\$1,500/yr	After 20 years:	\$2,500/yr

Employees working less than 20 hours/week Longevity Appreciation:

After 5 years: \$700/yr

Section 5.02 - Longevity Pay Schedule

The longevity amounts are on an annual basis and are to be paid in addition to the basic salary. Longevity increments will be divided equally over the total number of pay periods during the fiscal year, beginning with the first paycheck of each school year. All longevity pay will be based on the latest hiring date in cases of broken service.

ARTICLE VI RETIREMENT

Section 6.01 – 403(b) Matching Plan

Each year by October 1, eligible employees who wish to participate in the plan shall be responsible to complete and file a salary deduction authorization for their annual contribution to a matching 403(b) plan. The School District will match an employee's contribution to a 403 (b) plan up to \$2,500 per school year. During a year in which the employee makes no contribution, the District shall likewise make no contribution to that employee account. Maximum lifetime district contribution will be \$35,000.

OFFICE EMPLOYEES

AGREEMENT

BETWEEN

INDEPENDENT SCHOOL DISTRICT NO. 659, NORTHFIELD, MINNESOTA

AND

NORTHFIELD PUBLIC SCHOOLS OFFICE EMPLOYEES

AGREEMENT EXTENDS FROM

July 1, 2024 to June 30, 2026

ARTICLE I EMPLOYMENT

Section 1.01 Parties: THIS AGREEMENT is entered into between the School Board of Independent School District No. 659, Northfield, Minnesota, hereinafter referred to as the school district, and the Northfield Public Schools Office Employees, Northfield, Minnesota, hereinafter referred to as exclusive representative, pursuant to and in compliance with the Public Employment Labor Relations Act of 1971 as amended, hereinafter referred to as the P.E.L.R.A., to provide the items and conditions of employment for office personnel during the duration of this agreement.

RECOGNITION OF EXCLUSIVE REPRESENTATIVE

Section 1.02 Recognition: In accordance with the P.E.L.R.A., the school district recognizes the Northfield Public Schools Office Employees, as the exclusive representative for office personnel employed by the School Board of Independent School District No. 659, which exclusive representative shall have those rights and duties as prescribed by the P.E.L.R.A. and as described in the provisions of this Agreement.

Section 1.03 Appropriate Unit: The exclusive representative shall represent all such employees of the district contained in the appropriate unit as defined in Article I, Section 1.06 of this Agreement and the P.E.L.R.A. and in certification by the Commissioner of Mediation Services, if any.

Section 1.04 Information: The school district shall provide the exclusive representative with a list that includes the classification and salary schedule placement of all bargaining unit members by October 1 of each year. In addition, the school district shall provide a seniority list of all bargaining unit members with the seniority date being the most recent date of continuous employment in this bargaining unit.

DEFINITIONS

Section 1.05 Terms and Conditions of Employment: shall mean the hours of employment, the compensation therefore including fringe benefits except retirement contributions or benefits, and the employer's personnel policies affecting the working conditions of the employee.

Section 1.06 Description of Appropriate Unit: For purposes of this Agreement, the term Northfield Public Schools Office Employees shall mean all office employees in the appropriate unit employed by the school district in such classifications listed in Article II, Section 2.01 excluding the following: confidential employees, supervisory employees, essential employees, part-time employees whose services do not exceed the lesser of 14 hours per week or 35% of the normal work week in the employees bargaining unit, employees who hold positions of a temporary or seasonal character for a period not in excess of 67 working days in any calendar year and emergency employees.

Section 1.07 School District: For purposes of administering this Agreement, the term "School District" shall mean the School Board or its designated representative.

Section 1.08 Other Terms: Terms not defined in this Agreement shall have those meanings as defined by the P.E.L.R.A.

SCHOOL DISTRICT RIGHTS

Section 1.09 Inherent Managerial Rights: The exclusive representative recognizes that the school district is not required to meet and negotiate on matters of inherent managerial policy, which include, but are not limited to, such areas of discretion or policy as the functions and programs of the employer, its

overall budget, utilization of technology, the organizational structure and selection and direction and number of personnel.

Section 1.10 Management Responsibilities: The exclusive representative recognizes the right and obligation of the School Board to efficiently manage and conduct the operation of the school district within its legal limitations and with its primary obligation to provide educational opportunity for the students of the school district.

Section 1.11 Effect of Laws, Rules and Regulations: The exclusive representative recognizes that all employees covered by this Agreement shall perform the services and duties prescribed by the School Board and shall be governed by State and Federal laws, and by School Board rules, regulations, directives and orders, issued by properly designated officials of the school district. The exclusive representative also recognizes the right, obligation and duty of the School Board and its duly designated officials to promulgate rules, regulations, directives and orders from time to time as deemed necessary by the School Board insofar as such rules, regulations, directives and orders are not inconsistent with the terms of this Agreement and recognizes that the School Board, all employees covered by this Agreement, and all provisions of this Agreement are subject to State and Federal laws. Any provision of this Agreement found to be in violation of any such laws, rules, regulations, directives or orders shall be null and void and without force and effect.

Section 1.12 Reservation of Managerial Rights: The foregoing enumeration of Board rights and duties shall not be deemed to exclude other inherent management rights and management functions not expressly reserved herein, and all management rights and management functions not expressly delegated in the Agreement are reserved to the school district.

EMPLOYEE RIGHTS

Section 1.13 Right to Views: Nothing contained in this Agreement shall be construed to limit, impair or affect the right of any employee or his/her representative to the expression or communication of a view, grievance, complaint or opinion on any matter related to the conditions or compensation of public employment or their betterment, so long as the same is not designed to and does not interfere with the full, faithful and proper performance of the duties of employment or circumvent the rights of the exclusive representative.

Section 1.14 Right to Join: Employees shall have the right to form and join labor or employee organizations, and shall have the right not to form and join such organizations. Employees in an appropriate unit shall have the right by secret ballot to designate an exclusive representative for the purpose of negotiating grievance procedures and the terms and conditions of employment for employees of such unit with the School Board.

Section 1.15 Request for Dues Check Off: The exclusive representative shall be allowed dues check off for its members, provided that dues check off and the proceeds thereof shall not be allowed to any exclusive representative that has lost its rights to dues check off. Upon receipt of the list of employees authorized for dues deduction from the exclusive representative, the school district will deduct from the employee's paycheck the dues that the employee has agreed to pay to the employee organization in nineteen (19) installments. Such installments will begin as outlined on the District's annual Payroll Calendar.

Section 1.16 Conducting Business of the Exclusive Representative: The exclusive representative shall have access to school facilities, including equipment, by arrangement with the office of Community Education. Reasonable time without loss of pay may be granted by the school district for use by the

exclusive representative for representation issues, negotiations or mediation sessions of this bargaining unit that cannot be scheduled outside the work day.

Section 1.17 Personnel Files: An employee may review his or her district personnel file during regular business hours upon written request. The employee shall have the right to reproduce any of the contents of the file and may submit for inclusion in the file written information in response to any material contained therein. When material involving evaluation, reprimand or deficiency is to be placed in the employee's file, a copy will be provided to the employee.

Section 1.18 Association Release Time: During the term of this Agreement, the Association will have available 40 hours of release time. This time shall include all time spent away from work duties on behalf of the exclusive representative as designated by the Northfield Public Schools Office Employees Association President. Association leave shall not be used for activities in support of any other association business, nor to run for elective office of any kind.

ARTICLE II

JOB CLASSIFICATIONS, RATES OF PAY, HOURS OF SERVICE AND HOLIDAYS

Section 2.01 Job Classifications: Office personnel represented by the Northfield Public Schools Office Employees shall be employed in three classifications: Class II, III, and IV. Positions included in these classifications are listed below:

CLASS II

Office Generalist – Due Process Clerical
Adult Basic Education - Office Generalist

CLASS III

Office Specialist – Middle School Guidance
Office Specialist – Greenvale Park Office
Office Specialist – Bridgewater Office
Office Specialist – Spring Creek Office
Office Specialist – Student Activities Director
Office Specialist – Middle School Assistant Principal/Activities Department
Office Specialist – High School Assistant Principal
Office Specialist – High School Guidance

CLASS IV

Administrative Support Assistant – Community Education Office (3)
Administrative Support Assistant – Alternative Learning Center
Administrative Support Assistant – High School Principal
Administrative Support Assistant – Middle School Principal
Administrative Support Assistant – Spring Creek School Principal
Administrative Support Assistant – Child Nutrition/DO Receptionist
Administrative Support Assistant – Bridgewater School Principal
Administrative Support Assistant – Greenvale Park School Principal
Administrative Support Assistant – Director of Buildings & Grounds
Administrative Support Assistant – Director of Instructional Services/Director of Technology Services
Accounting Generalist – Finance Office (2)
Human Resources Generalist – Human Resources Office (2)
Administrative Support Assistant – Director of Special Education

Section 2.02 Rates of Pay: The steps and corresponding rates of pay are shown below. Step placement of entering employees shall be recommended by the Superintendent or designee and approved by the School Board.

RATES OF PAY

2024-25

	1	2	3	4	5
Class II	20.89	21.30	21.73	22.16	22.59
Class III	22.40	22.85	23.30	23.70	24.16
Class IV	24.52	24.95	25.42	25.87	26.34

2025-26

	1	2	3	4	5
Class II	21.20	21.62	22.06	22.49	22.93
Class III	22.97	23.44	23.89	24.30	24.78
Class IV	25.50	25.94	26.42	26.90	27.39

A stipend of \$1.00/hour will be added to any office employee that has Spanish speaking skills to help interpret for families. Candidates seeking this stipend will be subject to a Spanish language proficiency evaluation, as determined by the District, prior to being approved for the stipend.

Step changes shall take effect at the beginning of the work year. In order for an employee to advance to a succeeding step on the schedule, she/he must have been employed by the district for more than half of the preceding work year.

During the duration of this Agreement, advancement on any salary schedule shall be subject to the terms of this Agreement. In the event a successor Agreement is not entered into prior to the expiration of this Agreement, an employee shall be compensated according to his/her current rate until a successor Agreement is entered into.

Section 2.03 Job Reclassification: Employees changing from one classification to another classification shall move to the same step in the new classification if the change takes place during the work year. However, when an employee is reclassified at the end of the work year, he/she shall advance a step on the schedule effective July 1 provided the employee has worked more than half of the preceding year.

A change from one classification to another shall be made at the discretion of the school district. However, the Superintendent or designee shall discuss such changes in classification and the classification of new positions with the President of the Association.

Section 2.04 Rate of Pay for Regular Employees who Substitute in a Position with a Higher Classification:

Subd. 1. Regular office employees who substitute in a position with a higher job classification

shall be paid as follows:

- a. Five (5) days or less of continuous service as a substitute - employee's current rate of pay or a rate of pay commensurate with step 1 of the classification of the position in the higher classification, whichever is greater.
- b. The sixth (6th) day and all days thereafter of continuous service as a substitute - rate of pay commensurate with employee's current step placement in the classification of the position in the higher classification.

Subd. 2. Employees who substitute in a lower job classification shall be paid at their current rate of pay.

HOURS OF SERVICE

Section 2.05 Basic Work Week: The schedule of authorized hours worked per day and days worked per year shall be established by the immediate supervisor. Working hours shall be exclusive of lunch.

Section 2.06 Lunch Period: The lunch period shall be 30 minutes on student days. One hour may be taken on non-student days; however, arrangements must be made with the immediate supervisor to make up the extra 30 minutes.

Section 2.07 Breaks: Office employees shall have a 15-minute break for each four (4) consecutive hours worked each morning and afternoon. These breaks shall be taken at a time when the least possible disruption in service results. Break time is non-accumulating.

Section 2.08 Overtime: Overtime shall be paid on the basis of one and one-half times the base hourly rate for all hours worked beyond forty hours per week. No overtime will be paid unless it has been specifically authorized by the Superintendent of Schools or his/her designee.

Section 2.09 Part-time Employees: The school district reserves the right to employ such personnel as it deems desirable or necessary on a part-time or casual basis.

Section 2.10 School Closing: In the event that school (or schools) is closed due to an emergency, office employees shall continue to receive compensation for up to a maximum of one (1) day per year. Office employees shall be required to perform services if requested to do so by their immediate supervisor and shall earn one and one-half times the base hourly rate. Subsequent days would become e-learning days and Office Employees would have the choice to work remotely or in the building at their regular rate of pay. School days that begin late or end early due to an emergency shall not be counted towards this day, and Office Employees shall receive compensation proportionate to their workday for late start or early release portions of their day.

In the event that school begins two hours late, the building campus user will be required to report to work at the regular time. They will be paid one and one-half times the base hourly rate for up to two hours.

An emergency closing shall be defined as any unscheduled closing of the school or schools. Examples might include inclement weather, energy shortage, breakdown of equipment, strike, riot, etc.

The district shall have the right to require employees to perform services on days scheduled as make-ups for student days lost due to emergency closings.

Section 2.11 Summer Work: Regular employees of the school district who are not employed for the full year shall, to the extent possible, be given consideration for summer employment in their regular position or similar positions when the need for such summer work arises and if, in the opinion of the school administration and/or Board of Education, the employee is qualified to perform the work. Such work will be at the employee's regular rate of pay.

Section 2.12 Definition of Work Year:

Subd. 1. The fiscal year shall be from July 1 to June 30.

Subd. 2. The work year for individuals employed for less than 12 months shall be established on the basis of a specified number of days. Generally, this will include the school year plus a specified number of days distributed before the beginning of the school year and after the end of the school year.

Subd. 3. The school district reserves the right to adjust the work year of all office personnel.

HOLIDAYS

Section 2.13 Eligibility: Office Employees who work 20 hours per week or more shall be eligible for paid holidays as provided in this Article. Paid holidays shall be prorated to the normal percentage of the day worked.

Section 2.14 Employees with a work year of 173 to less than 195 days: Office employees in this section shall receive the following paid holidays:

Labor Day
Thanksgiving Day
Juneteenth
Memorial Day

Section 2.15 Employees with a Work Year of 195 to less than 220 Days: Office employees in this section shall receive the following paid holidays:

Labor Day	Christmas Day
Thanksgiving Day	New Year's Day
Friday after Thanksgiving	Juneteenth
Memorial Day	

Section 2.16 Employees with a Work Year of 220 Days or More: Office employees with a work year of 220 days or more shall receive the following additional holidays:

Independence Day
Christmas Eve Day
Martin Luther King, Jr. Day

Whenever any of the holidays listed above fall on a Saturday, the preceding Friday shall be observed as the holiday. Whenever any of the holidays listed above shall fall on Sunday, the succeeding Monday shall be observed as the holiday.

**ARTICLE III
LEAVES**

VACATION

Section 3.01 Vacation Eligibility: Vacation shall apply only to employees who are employed 30 hours or more per week with the following exception: Employees who work 20 hours or more per week and have a 52-week work year will be eligible for vacation. Vacation days shall be prorated for eligible employees who work less than 40 hours per week.

Section 3.02 Vacation Days/Work Year:

Employees with a work year of 250 days shall be granted the following vacation time with pay. Work year is defined as the number of work days excluding paid holidays.

Years of Service Completed:

1 – 5 years	15 days
6 + years	20 days

Employees with a work year of 220 days to 249 days shall be granted the following vacation time with pay. Work year is defined as the number of work days excluding paid holidays.

Years of Service Completed:

1 – 5 years	10 days
6 – 13 years	15 days
14 + years	20 days

Employees with a work year of 195 to less than 220 days shall be granted the following vacation time with pay:

Years of Service Completed:

1 to 5 years	8 days
6 + years	12 days

Section 3.03 Vacation Days During First Year of Service: During the first year of service, employees shall be eligible for a pro-rated number of vacation days with pay based on the number of days worked in that fiscal year.

Section 3.04 Vacation Periods: Vacation periods shall be approved in advance by the employee's immediate supervisor. All requests should be submitted sufficiently in advance using the District's substitute/leave management system so that work assignments can be adequately covered by other employees.

Office employees are encouraged to take vacation in the summer or at other times when school is not in session except in the case of unusual personal circumstances. Approval to take vacation on days when school is in session shall be obtained from the immediate supervisor and/or building principal. Vacation days will be lost unless they are taken within twelve (12) months after the year in which they were earned. A one-time extension of up to six months to use vacation time may be granted by the Superintendent or designee upon the recommendation of the supervisor if it is determined that unusual circumstances have

precluded the use of vacation within the regularly designated period of time. Employees shall receive payment for unused vacation days earned up to the date of resignation upon separation of employment. Vacation benefits shall not accrue during any period of absence for reasons other than vacation or required military leave which extends beyond one month.

SICK LEAVE

Section 3.05 Sick Leave:

Subd. 1. Employees who are regularly employed at least four hours per day in a regular work week assignment for a minimum of 173 days but less than 195 days shall be granted 10 days of sick leave, a regular work assignment of 195 days shall be granted 11 days of sick leave per year if the work year is less than 220 days, and 12 days per year if the work year is 220 days or more. Sick leave days shall be prorated to the percentage of the day worked. The work year is defined as the number of work days, excluding paid holidays.

Subd. 2. Unused sick leave days may accumulate to a maximum credit as follows:

<u>Work Year</u>	<u>Maximum Accumulation</u>
220 work days or more:	228 days
195 to 219 work days	202 days
less than 195 work days	164 days

Subd. 3. Sick leave with pay shall be allowed whenever an employee's absence is due to illness or injury of the employee or the employee's dependent child or other individuals to the extent of Minnesota law which prevented the employee's attendance at work on that day or days.

Subd. 4. The school district may require an employee to furnish a medical certificate from a qualified physician as evidence of illness, indicating that such illness required the employee's absence, in order to qualify for sick leave pay. In the event that a medical certificate will be required, the employee will be so advised.

Subd. 5. All sick leave shall be available at the beginning of the school year. The employee shall repay the school district any wages paid for sick days which are not later earned by such employee.

Section 3.06 Bereavement Leave: Employees may be allowed up to ten (10) days per year of leave with pay in case of death. Bereavement leave may be used in the case of a death of family or friends.

Time off for bereavement shall be deducted from unused sick days.

Section 3.07 Worker's Compensation: An employee who is absent from work as a result of a compensable injury incurred in the service of the school district under the provisions of the Worker's Compensation Act shall be allowed to use accumulated sick leave or vacation pay in combination with Worker's Compensation to receive the employee's regular rate of pay. The school district will assume that the employee elects to do so, using sick leave first, then vacation, unless the employee notifies the district in advance that he or she elects not to use sick leave or vacation for this purpose. Benefit payments shall continue in accordance with state and federal laws.

Section 3.08 Judicial Duty: For any employee who is required to serve as a juror or is subpoenaed to appear as a witness (not as a defendant) in a criminal court case, Northfield Public Schools will make up the difference between such employees basic salary and the fees (but not reimbursed expenses) received

by the employee. In order to be eligible for this supplement, the employee must submit to the finance office an itemized certification of fees and expenses for judicial duty. Advance notice to the building administrator is required to permit the scheduling of a substitute, if required. An employee is also required to notify the building administrator immediately upon being excused from judicial duty.

Section 3.09 Child Care and Adoption Leave:

Child care leaves under this section include maternity leave, parental leave and adoption leave. Child care leaves shall be processed under the Federal Family and Medical Leave Act (FMLA) for those employee's that meet the current eligibility requirements of FMLA as outlined in Policy 410 and Policy 448. Child care leaves for those employees that do not meet the current eligibility requirements of FMLA shall be processed under the District Disability After Childbirth Policy – Policy 411.

- A. A child care leave shall be granted by the school district subject to the provisions of this Section. Child care leave may be granted because of the need to prepare and/or provide parental care for a child or children of the employee for an extended period of time.
- B. An employee making application for child care leave shall inform the District in writing with intention to take the leave as soon as possible and at least one calendar month before commencement of the intended leave, except in unusual circumstances. The district and the employee will attempt to work out a satisfactory plan for the leave.
- C. If the reason for the child care leave is occasioned by pregnancy, the employee shall also provide at the time of the leave application, a medical certification indicating the expected date of the delivery.
- D. Sick leave under Section 3.02 and long-term disability insurance under Article IV, Section 4.06, is available for the disabilities of pregnancy prior to the commencement of the child care leave. Such use of sick leave days shall run concurrently with parental leave days under paragraph I.
- E. In making a determination concerning the commencement and duration of a child care leave, the School Board shall not, unless otherwise agreed, be required to:
 - (1) Grant any leave more than six (6) months in length or to the beginning of the school year following such six (6) month period.
- F. Failure of the employee to return pursuant to the date determined under this Section shall constitute the failure to work without first securing a release which is a ground for immediate discharge unless the school district and the employee mutually agree to an extension in the leave.
- G. An employee who returns from child care leave within the provisions of this Section shall retain all previous experience credit and any unused leave time accumulated under the provisions of this Agreement at the commencement of the leave.

H. Up to twenty (20) days leave allowance may be used for adoption purposes such as preparation and legal reasons, necessary travel, and initial adjustment.

I. Up to ten (10) days parental leave may be used within 30 days of the birth of a child, the days used to be deducted from sick leave. Employees that qualify for maternity leave are not eligible for these parental leave days.

J. Time off during the leave period shall not count toward a step advancement on the wage schedule. However, office employees will be advanced a step if they worked more than one-half of the duty days in their work year.

Section 3.10 Leaves of Absence Without Pay: Office personnel may apply for leaves of absence without pay in the event of personal extenuating circumstances. Leaves of absence without pay of up to five (5) days may be approved by the Director of Human Resources. Additional days may be granted without pay at the recommendation of the building principal or immediate supervisor and the approval of the Director of Human Resources.

Section 3.11 Personal Leave: Up to a total of five (5) days sick leave per year may be used to cover events requiring the employee's personal attention which cannot be conducted outside scheduled hours of work. Request for leave under this Section must be made through the District's substitute/leave system at least three (3) days in advance, except for emergencies. No more than three (3) days personal leave can be used consecutively.

Section 3.12 School Conference and Activities Leave: In accordance with the provisions of MS.181.9412, the District will provide each employee with up to sixteen hours of school conference and activities leave during any twelve month period to attend school conferences or school related activities related to the employee's child, provided the conference, activity or observation cannot be scheduled during non-work hours. One school day advance written notice shall be provided via the District's substitute/leave reporting system. The Human Resources Director can waive the advanced written notice requirement in emergency situations under exceptional or unusual circumstances. Such leave will be deducted from the employee's sick leave allowance. In addition to the statutory definition of school conference and activity leave, employees may also use school conference and activity leave for post-secondary college visits for high school age students.

ARTICLE IV GROUP INSURANCE

Section 4.01 Group Insurance: During the term of this Agreement, the employer will purchase the group insurance policies described in this Article. It is understood and agreed that the provisions of this Article are merely descriptive of the coverage provided, and that the eligibility of the employee for benefits shall be governed by the terms of the master insurance contracts in force between the employer and the insurer providing such coverage.

Office employees regularly scheduled to work twenty or more hours per week in a position with a minimum work year of the student days in session shall be eligible to apply for benefits described under this Article. Coverage will be effective only upon enrollment of the employee and acceptance by the carrier.

Substitute or temporary office personnel who are employed for less than one student school year shall not be eligible for any benefits described under this Article or sick leave benefits described under Article III.

Section 4.02 Health and Hospitalization Insurance: Eligible employees and their spouse and eligible dependents may participate in the district group health and hospitalization insurance plan. The school district will contribute toward the premium according to the schedule below. Any additional cost of the premium shall be borne by the employee and paid by payroll deductions. The effective date for employer contributions shall be January 1.

	<u>30-40 hrs/wk</u> <u>1.0 factor</u>	<u>25 < 30 hrs/wk</u> <u>.6 factor</u>	<u>20 < 25 hrs/wk</u> <u>.5 factor</u>
<u>SINGLE:</u> Tied to Teachers		Tied to Teachers x .60	Tied to Teachers x .50
<u>FAMILY:</u> Tied to Teachers		Tied to Teachers x .60	Tied to Teachers x .50

Section 4.03 Income Protection: Income protection insurance shall be provided for employees who are eligible for and enrolled in the school district's long-term disability insurance plan, providing income to the extent of 2/3 of the employee's base salary at the time of disability, commencing after 60 consecutive calendar days of disability due to sickness or accident. The premium will be paid by the school district. Such disability payment will be coordinated with Social Security, Public Employees Retirement Association or any other public retirement plans which may provide the same type of coverage. An employee who is absent from work as a result of a long-term disability shall be allowed to use accumulated sick leave or vacation pay in combination with income protection insurance payment to receive the employee's regular rate of pay.

Section 4.04 Life Insurance: The employer will provide group term life insurance coverage for eligible employees in the amount of \$35,000. The employee may purchase additional group term life insurance in increments of \$25,000 up to a maximum of \$100,000 at the group rate upon evidence of insurability and acceptance by the carrier. The cost of such additional coverage shall be paid fully by the office employee through payroll deduction.

Section 4.05 Dental Insurance: Eligible employees and their spouse and dependent children may participate in the district group dental insurance plan. The school district will contribute toward the premium according to the schedule below. Any additional cost of the premium shall be borne by the employee and paid by payroll deduction. The effective date for employer contributions shall be January 1.

	<u>30-40 hrs/wk</u> <u>1.0 factor</u>	<u>25 < 30 hrs/wk</u> <u>.6 factor</u>	<u>20 < 25 hrs/wk</u> <u>.5 factor</u>
<u>SINGLE:</u> Tied to Teachers		Tied to Teachers x .60	Tied to Teachers x .50
<u>FAMILY:</u> Tied to Teachers		Tied to Teachers x .60	Tied to Teachers x .50

Section 4.06 Claims Against the School District: It is understood that the school district's only obligation is to purchase an insurance policy and pay such amounts as agreed to herein and no claims shall be made against the school district as a result of a denial of insurance benefits by an insurance carrier.

Section 4.07 Duration of Insurance Contribution: An employee is eligible for school district contributions as provided in this Article as long as the employee is employed by the school district. Upon termination of employment, all district participation and contribution shall cease, effective on the last working day, except for those employees eligible for employer contributions in Article VI, Retirement,

Section 6.01. However, employees may be continued in the group for a period following termination of employment or after the district’s contributions toward retirement benefits cease, as determined by state and federal laws if they agree to pay the entire premium amount.

**ARTICLE V
LONGEVITY**

Section 5.01 Longevity Pay: Office personnel shall receive longevity pay according to the schedule listed below.

In addition to the hourly rate to which they are entitled under Article II, Section 2.02 Office Employees shall be eligible for longevity pay according to the following schedule. Longevity pay differential shall begin with the first paycheck issued to the employee after July 1 upon obtaining eligibility. Eligibility means the employee has met the completed years of service based on their seniority date by September 15. If the employee does not meet the eligibility requirements for longevity pay prior to September 15, they would begin receiving longevity pay the following year.

	<u>2024-25</u>	<u>2025-26</u>
After completion of 6 years of employment:	\$1.00/hour	\$1.00/hour
After completion of 7 – 11 years of employment	\$1.50/hour	\$1.50/hour
After completion of 12 – 16 years of employment	\$2.00/hour	\$2.00/hour
After completion of 17 – 21 years of employment	\$2.50/hour	\$2.50/hour
After completion of 22 or more years of employment	\$3.00/hour	\$3.00/hour

**ARTICLE VI
RETIREMENT**

Section 6.01 Retirement Insurance: The district shall contribute toward the premium for medical (health and hospitalization) insurance under the same conditions as an employed office employee, but not to exceed 80% of the premium, for six (6) years for any office employee who was enrolled in the plan prior to retirement and who retires upon attaining age fifty-five (55) and has a minimum of ten (10) years employment in the Northfield Public Schools. Office employees electing to receive this medical insurance benefit must make timely payments of his/her portion of the insurance premium cost in order to remain eligible for the benefit. Coverage will be available to a retired office employee who has group medical insurance available from another employer. However, such other employer’s insurance must be taken and will be considered primary coverage.

Once a retired employee becomes eligible for Medicare the retired employee’s coverage will convert to a Medicare supplement policy. Such policy (when combined with Medicare) will at a minimum be equivalent coverage to the group health and hospitalization plan offered to active employees and retired employees who are not eligible for Medicare.

In the event a retired employee and his or her dependent(s) become eligible for Medicare at different times, the individual insured will be converted to the Medicare supplement policy upon becoming eligible. At such time as there is only one other insured remaining on the family group health plan, he/she will be converted to a single policy under the group health plan until they become eligible for Medicare. If dependent children are covered under the group health plan they will be eligible to continue coverage until such time that the last parent covered on the group health plan becomes eligible for Medicare.

Once the retired employee or their dependent(s) obtain Medicare eligibility, the District shall contribute up to \$400.00 toward the monthly premium of the Medicare supplement plan for the remainder of the contribution period as defined above.

When the retiree becomes eligible for Medicare, the retiree must be in compliance with M.S. 471.611

Section 6.02 403(b) Matching Plan: Each year by October 1, employees who wish to participate in the plan shall be responsible to complete and file a salary deduction authorization for their annual contribution to a matching 403(b) plan. The School District will match an employee's contribution to a 403 (b) tax deferred plan up to \$1,000 per school year. During a year in which the employee makes no contribution, the District shall likewise make no contribution to that employee account. The maximum lifetime contribution shall be \$35,000.

ARTICLE VII PROBATIONARY PERIOD, RESIGNATIONS, AND DISCIPLINE AND DISCHARGE

Section 7.01 Resignations: Employees shall give a two week notice of resignation in writing to the Superintendent or designee with a copy to the immediate supervisor. Such two-week period shall not include vacation time off unless agreed to by the Superintendent or designee.

Section 7.02 Probationary Period: A new employee under the provisions of this Agreement shall serve a probationary period of six (6) months of continuous service in the District during which time the District shall have the right to suspend without pay, discharge or otherwise discipline such employee. During this probationary period, the employee shall have no recourse to the grievance procedure insofar as suspension, discharge or other discipline is concerned. However, a probationary employee shall have the right to bring a grievance on any other provisions of the contract alleged to have been violated.

Section 7.03 Completion of Probationary Period: An employee who has completed the probationary period may be disciplined or discharged only for cause except in the case of individuals who are substituting for personnel on long-term leaves of absence. An employee who has completed the probationary period and is suspended without pay or discharged shall have access to the grievance procedure.

Section 7.04 Progressive Discipline: Discipline shall normally occur in the following sequence:

1. Conference with employee
2. Written reprimand
3. Suspension without pay
4. Discharge

The relative seriousness of the matter will determine at what level disciplinary action is commenced. The District may, in its discretion, suspend an employee with pay pending an investigation.

ARTICLE VIII EXPENSES

Necessary and pre-approved expenses that are required of any office employee in the performance of school duty shall be at the expense of the school district. The mileage reimbursement rate shall be set by the School Board.

**ARTICLE IX
NOTIFICATION OF JOB OPENINGS**

The district recognizes that it is desirable in making assignments to consider the interests and aspirations of its employees. All notices of job openings will be posted in each school for a period of five (5) working days. In addition, a copy will be sent to the president of the office employees and all members of the local via the District e-mail system.

During the summer and/or vacation periods when office personnel are away from the schools, written notification to the president of the association shall constitute proper notification. Requests for consideration for job openings shall be made through the District's online application system.

Final judgment regarding the selection and placement of office employees shall be made by the School Board upon the recommendation of the Superintendent or designee. The Board shall encourage a policy of selecting the best qualified applicant for job openings.

**ARTICLE X
PROFESSIONAL GROWTH**

Office employees may attend workshop programs deemed to be appropriate for non-certified staff, provided such attendance is approved by the employee's immediate supervisor. Expenses incurred shall be subject to Article VIII of this Agreement.

**ARTICLE XI
GRIEVANCE PROCEDURE**

Section 11.01 Grievance Definition: A "grievance" shall mean an allegation by an employee resulting in a dispute or disagreement between the employee and the School Board as to the interpretation or application of terms and conditions of employment insofar as such matters are contained in this Agreement.

Section 11.02 Representative: The employee, administrator, or School Board may be represented during any step of the procedure by any person or agent designated by such party to act in his/her behalf.

Section 11.03 Definitions and Interpretation:

Subd. 1. Extension: Time limits specified in this Agreement may be extended by mutual agreement.

Subd. 2. Days: Reference to days regarding time periods in this procedure shall refer to working days. A working day is defined as all week days not designated as holidays by state law.

Subd. 3. Computation of Time: In computing any period of time prescribed or allowed by procedures herein, the date of the act, event, or default for which the designated period of time begins to run shall not be included. The last day of the period so computed shall be counted, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday.

Subd. 4. Filing and Postmark: The filing or service of any notice or document herein shall be timely if it is personally served or if it bears a certified postmark of the United States Postal Service within the time period.

Section 11.03 Time Limitation and Waiver: Grievances shall not be valid for consideration unless the grievance is submitted in writing to the School Board's designee, setting forth the facts and the specific provision of the Agreement allegedly violated and the particular relief sought within twenty days after the date the event giving rise to the grievance occurred. Failure to file any grievance within such period shall be deemed a waiver thereof. Failure to appeal a grievance from one level to another within the time periods hereafter provided shall constitute a waiver of the grievance.

Section 11.04 Adjustments of Grievance: The School Board and the employee shall attempt to adjust all grievances which may arise during the course of employment of any employee within the school district in the following manner:

Subd. 1. Informal Discussion: Before filing a formal grievance, the employee shall first discuss the alleged grievance with his/her building principal or other immediate supervisor in an attempt to resolve the grievance on an informal basis.

Subd. 2. Level I: If the grievance is not resolved through informal discussions, a formal grievance shall be initiated in writing and served on the building principal or other immediate supervisor. The principal or other immediate supervisor shall give a written decision on the grievance to the parties involved within ten days after receipt of the written grievance.

Subd. 3. Level II: In the event the grievance is not resolved in Level I, the decision rendered may be appealed to the Superintendent of Schools, provided such appeal is made in writing within ten days after receipt of the decision in Level I. If a grievance is properly appealed to the Superintendent, the Superintendent or his/her designee shall set a time to meet regarding the grievance within fifteen days after receipt of the appeal. Within ten days after the meeting, the Superintendent or his/her designee shall issue a decision in writing to the parties involved.

Subd. 4. Level III: In the event the grievance is not resolved in Level II, the decision rendered may be appealed to the School Board, provided such appeal is made in writing within ten days after receipt of the decision in Level II. If a grievance is properly appealed to the School Board, the School Board shall set a time to hear the grievance within twenty days after receipt of the appeal. Within twenty days after the meeting, the School Board shall issue its decision in writing to the parties involved. At the option of the School Board, a committee or representative(s) of the Board may be designated by the Board to hear the appeal at this level and report its findings and recommendations to the School Board. The School Board shall then render its decision.

Section 11.05 School Board Review: The School Board reserves the right to review any decision issued under Level I or Level II of this procedure provided the School Board or its representative notify the parties of its intention to review within ten days after the decision has been rendered. In the event the School Board reviews a grievance under this section, the School Board reserves the right to reverse or modify such decision.

Section 11.06 Denial of Grievance: Failure by the School Board or its representative to issue a decision within the same time periods provided herein shall constitute a denial of the grievance and the employee may appeal it to the next level.

Section 11.07 Arbitration Procedures: In the event that the exclusive representative and the School Board are unable to resolve any grievance, the grievance may be submitted to arbitration as defined herein:

Subd. 1. Request: A request to submit a grievance to arbitration must be made in writing signed by the aggrieved party, and such request must be filed in the Office of the Superintendent within ten days following the decision in Level III of the grievance procedure.

Subd. 2. Prior Procedure Required: No grievance shall be considered by the arbitrator which has not been first duly processed in accordance with the grievance procedure and appeal provisions.

Subd. 3. Selection of Arbitrator: Upon the proper submission of a grievance under the terms of this procedure, the parties shall, within ten days after the request to arbitrate, attempt to agree upon the selection of an arbitrator. If no agreement on an arbitrator is reached, either party may request from the Bureau of Mediation Services, pursuant to the P.E.L.R.A., a list of arbitrators selected by the Commissioner, providing such request is made within twenty days after request for arbitration. Upon receipt of the list of arbitrators, the school district and the exclusive representative shall alternately strike names from the list of arbitrators selected by the Commissioner until only one (1) name remains. This arbitrator shall decide the grievance and the decision is binding upon the parties. The request shall ask that the appointment be made within thirty days after the receipt of said request. Failure to agree upon an arbitrator or the failure to request a list of arbitrators from the Bureau of Mediation Services within the time periods provided herein shall constitute a waiver of the grievance.

Subd. 4. Submission of Grievance Information:

- a) Upon appointment of the arbitrator, the appealing party shall within five days after notice of appointment forward to the arbitrator, with a copy to the School Board, the submission of the grievance which shall include the following:
 - (1) The issues involved.
 - (2) Statement of the facts.
 - (3) Position of the grievant.
 - (4) The written documents relating to Section 5, Article XII of the grievance procedure.
- b) The School Board may make a similar submission of information relating to the grievance either before or at the time of the hearing.

Subd. 5. Hearing: The grievance shall be heard by a single arbitrator and both parties may be represented by such person or persons as they may choose and designate, and the parties shall have the right to a hearing at which time both parties will have the opportunity to submit evidence, offer testimony, and make oral or written arguments relating to the issues before the arbitrator. The proceeding before the arbitrator shall be a hearing denovo.

Subd. 6. Decision: The decision by the arbitrator shall be rendered within thirty days after the close of the hearing. Decisions by the arbitrator in cases properly before him shall be final and binding upon the parties, subject, however, to the limitations of arbitration decisions as provided by in the P.E.L.R.A.

Subd. 7. Expenses: Each party shall bear its own expenses in connection with arbitration including expenses relating to the party's representatives, witnesses, and any other expenses which the party incurs in connection with presenting its case in arbitration. A transcript or recording shall be made of the hearing at the request of either party. The parties shall share equally fees and expenses of the arbitrator, the cost of the transcript or recording if requested by either or both parties, and any other expenses which the parties mutually agree are necessary for

the conduct of the arbitration. However, the party ordering a copy of such transcript shall pay for such copy.

Subd. 8. Jurisdiction: The arbitrator shall have jurisdiction over disputes or disagreements relating to grievances properly before the arbitrator pursuant to the terms of this procedure. The jurisdiction of the arbitrator shall not extend to proposed changes in terms and conditions of employment as defined herein and contained in this written agreement; nor shall an arbitrator have jurisdiction over any grievance which has not been submitted to arbitration in compliance with the terms of the grievance and arbitration procedure as outlined herein; nor shall the jurisdiction of the arbitrator extend to matters of inherent managerial policy, which shall include but are not limited to such areas of discretion or policy as the functions and programs of the employer, its overall budget, utilization of technology, the organizational structure, and selection and direction and number of personnel. In considering any issue in dispute, in its order the arbitrator shall give due consideration to the statutory rights and obligations of the public school boards to efficiently manage and conduct its operation within the legal limitations surrounding the financing of such operations.

Section 11.08 Election of Remedies and Waiver: A party instituting any action, proceeding or complaint in a federal or state court of law, or before an administrative tribunal, federal agency, state agency, or seeking relief through any statutory process for which relief may be granted, the subject matter of which may constitute a grievance under this Agreement, shall immediately thereupon waive any and all rights to pursue a grievance under this Article. Upon instituting a proceeding in another forum as outlined herein, the employee shall waive his/her right to initiate a grievance pursuant to this Article or, if the grievance is pending in the grievance procedure, the right to pursue it further. This shall not apply to actions to compel arbitration as provided in this Agreement or to enforce the award of an arbitrator.

ARTICLE XII OTHER BENEFITS

Section 12.01 - Vandalism Reimbursement - The School District shall reimburse the employee for vehicular vandalism, which occurs in the course of the employee performing his or her required duties, in an amount up to \$500 in a given year toward the unreimbursed insurance deductible amount on the vehicle. Vandalism Reimbursement does not cover normal wear and tear from parking in a public parking lot.

ARTICLE XIII DURATION

Section 13.01 Term and Reopening Negotiations: This Agreement shall remain in full force and effect for a period commencing on July 1, 2024 through June 30, 2026, and thereafter until modifications are made pursuant to the P.E.L.R.A. If either party desires to modify or amend this Agreement commencing at its expiration, it shall give written notice of such intent no later than 90 days prior to said expiration. Unless otherwise mutually agreed, the parties shall not commence negotiations more than 90 days prior to the expiration of this Agreement.

Section 13.02 Effect: This Agreement constitutes the full and complete Agreement between the School Board and the exclusive representative representing the employees. The provisions herein relating to terms and conditions of employment supersede any and all prior agreements, resolutions, practices, school district policies, rules or regulations concerning terms and conditions of employment inconsistent with these provisions.

Section 13.03 Finality: Any matters relating to the terms and conditions of employment, whether or not referred to in this Agreement, shall not be open for negotiation during the term of this Agreement.

Section 13.04 Severability: The provisions of this Agreement shall be severable, and if any provision thereof or the application of any such provision under any circumstances is held invalid, it shall not affect any other provisions of this Agreement or the application of any provision thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

**For the Northfield Public Schools
Office Employees Association**

For Independent School District No. 659

President

Chairperson, Board of Education

Dated: _____

Clerk, Board of Education

Lead Negotiator

Lead Negotiator

Dated: _____

Dated: _____

Policy 533 WELLNESS

I. PURPOSE

As required by the federal Healthy and Hunger Free Kids Act of 2010, the purpose of this policy is to set forth methods that promote student and staff wellness, prevent and reduce childhood obesity, and ensure that school meals and other food and beverages sold and otherwise made available on the Northfield Public Schools' campus during the school day are consistent with applicable minimum local, state, and federal standards. ~~(See notes at the end about the impact of the federal Healthy and Hunger Free Kids Act on this policy.)~~

II. GENERAL STATEMENT OF POLICY

- A. The Board of Education recognizes that nutrition promotion and education, physical activity, and other school-based activities that promote student wellness are essential components of the educational process and that good holistic health fosters student attendance and learning.
- B. The school environment should promote students²- and staff health, well-being, and ability to learn by encouraging healthy eating and physical activity.
- C. The district encourages the involvement of parents, caregivers, students, representatives of the child nutrition department, teachers, school health professionals, the board, school administrators, and the general public in the development, implementation, and periodic review and update of the district's wellness policy.
- D. Children need access to healthy foods and opportunities to be physically active in order to grow, learn, and thrive.
- E. All students in grades E-12 will have opportunities, support, and encouragement to be physically active on a regular basis.
- F. Qualified child nutrition personnel will provide students with access to a variety of affordable, nutritious, and appealing foods that meet the health and nutrition needs of students; try to accommodate the religious, ethnic, and cultural diversity of the student body in meal planning; and will provide clean, safe, and pleasant settings and adequate time for students to eat.

III. WELLNESS GOALS

- A. Nutrition Promotion and Education
 - 1. The district will encourage and support healthy eating by students and staff, and engage in nutrition promotion that is:

- a. Offered as part of a comprehensive program designed to provide students and staff with the knowledge and skills necessary to promote and protect their health.
 - b. Part of health education classes, as well as classroom instruction in subjects such as math, science, language arts, social sciences, and elective subjects, where appropriate.
 - c. Enjoyable, developmentally appropriate, culturally relevant, and includes participatory activities, such as contests, promotions, taste testing, and field trips.
2. The district will encourage all students and staff to make age appropriate, healthy selections of foods and beverages, including those sold individually outside the reimbursable school meal programs, such as through a la carte/snack lines, vending machines, fundraising events, concession stands, and student stores.

B. Physical Activity

1. Students need opportunities for physical activity and to fully embrace regular physical activity as a personal behavior. Toward that end, health and physical education will reinforce the knowledge and self-management skills needed to maintain a healthy lifestyle and reduce sedentary activities.
2. Opportunities for physical activity will be incorporated into other subject lessons, where appropriate.
3. Classroom teachers will provide short physical activity breaks between lessons or classes, as appropriate.
4. The district will provide students whose families qualify for free or reduced priced meals through the National School Lunch Program with scholarships for athletic and community education classes that promote physical activities. The district will make every effort to eliminate any social stigma attached to, and prevent the overt identification of, students who are eligible for these scholarships.

C. Communications with Parents

1. The district recognizes that parents, guardians, and caregivers have a primary role in promoting their children's health and well-being.
2. The district will support parents' efforts to provide a healthy diet and daily physical activity for their children.
3. The district encourages parents to pack healthy lunches and snacks and refrain from including beverages and foods without nutritional value.
4. The district will provide information about physical education and other school-based physical activity opportunities and will support family

efforts to provide their children with opportunities to be physically active outside of school.

IV. STANDARDS AND NUTRITION GUIDELINES

A. School Meals

1. The district will provide healthy and safe school meal programs that comply with all applicable federal, state, and local laws, rules, and regulations.
2. Child nutrition personnel will provide students with access to a variety of affordable, nutritious, and appealing foods that meet the health and nutrition needs of students.
3. Child nutrition personnel will try to accommodate the religious, ethnic, and cultural diversity of the student body in meal planning.
4. Child nutrition personnel will try to accommodate the needs of vegetarian/vegan students.
5. Child nutrition personnel will provide clean, safe, and pleasant settings and adequate time for students to eat.
6. Child nutrition personnel will take every measure to ensure that student access to foods and beverages meets or exceeds all applicable federal, state, and local laws, rules, and regulations and that reimbursable school meals meet USDA nutrition standards.
7. Child nutrition personnel shall adhere to all applicable federal, state, and local food safety and security guidelines.
- ~~8. The district will make every effort to eliminate any social stigma attached to, and prevent the overt identification of, students who are eligible for free and reduced-price school meals.~~
8. The district will provide students access to hand washing or hand sanitizing before they eat meals or snacks.
9. The district will publish the process used to accommodate dietary restrictions due to allergies or intolerances on the child nutrition department website.
10. The district will schedule meal periods at appropriate times during the school day and make every effort to provide students with sufficient time to eat after sitting down for school meals.
11. The district will discourage tutoring, club, or organizational meetings or activities during mealtimes unless students may eat during such activities.

B. School Food Service Program/Personnel

1. The district shall designate an appropriate person to be responsible for the district's food service program, whose duties shall include the creation of nutrition guidelines and procedures for the selection of foods and beverages made available on campus to ensure food and beverage choices are consistent with current USDA guidelines.

2. As part of the district's responsibility to operate a food service program, the district will provide continuing professional development for all child nutrition personnel in schools.

C. Competitive Foods and Beverages

1. All foods and beverages sold on school grounds to students and staff, outside of reimbursable meals, are considered "competitive foods." Competitive foods include items sold à la carte in the cafeteria, from vending machines, school stores, and for in-school fundraisers.
2. All competitive foods will meet the USDA Smart Snacks in School (Smart Snacks) nutrition standards and any applicable state nutrition standards, at a minimum. Smart Snacks aim to improve student health and well-being, increase consumption of healthful foods during the school day, and create an environment that reinforces the development of healthy eating habits.
3. Before and Aftercare (child care) programs must also comply with the district's nutrition standards unless they are reimbursable under USDA school meals program, in which case they must comply with all applicable USDA standards.

D. Other Foods and Beverages Made Available to Students

1. Student and staff wellness will be a consideration for all foods offered, but not sold, to students on the school campus, including those foods provided through:
[**Note: Up to two special event exceptions will be allowed at the Middle School, the High School, and the Area Learning Center per year. Two exceptions per grade level, per year, will be allowed at the Elementary Schools. These events will be determined by the building administrator and Wellness Committee Coordinator. These exceptions will be documented on our District Wellness procedures form and provided to the Director of Finance to determine if an expense is allowable under the wellness policy guidelines.]
 - a. Celebrations and parties. The district will provide a list of healthy party ideas to parents and teachers, including non-food celebration ideas.
 - b. Classroom snacks brought by parents. The district will provide to parents a list of suggested foods and beverages that meet Smart Snacks nutrition standards.
2. Rewards and incentives. Schools will not use foods or beverages as rewards for academic performance or good behavior (unless this practice is allowed by a student's individual education plan or behavior intervention plan) and will not withhold food or beverages as punishment.
3. Fundraising. The district will make available to parents and teachers a list of suggested healthy fundraising ideas.

E. Food and Beverage Marketing in Schools

1. School-based marketing will be consistent with nutrition education and health promotion.
2. Schools will restrict food and beverages marketing to the promotion of only those foods and beverages that meet the Smart Snacks nutrition standards.

V. **WELLNESS LEADERSHIP AND COMMUNITY INVOLVEMENT**

A. Wellness Coordinator

1. The superintendent will designate a district official to oversee the district's wellness activities (Wellness Coordinator.) The Wellness Coordinator will ensure that each school implements the policy.
2. The principal of each school, or a designated school official, will ensure compliance within the school and will report to the Wellness Coordinator regarding compliance matters upon request.

B. Public Involvement

1. The Wellness Coordinator will permit parents, students, representatives of the child nutrition department, teachers of physical education, school health professionals, the board, school administrators, and the general public to participate in the development, implementation, and periodic review and update of the wellness policy.
2. The Wellness Coordinator will hold meetings, from time to time, for the purpose of discussing the development, implementation, and periodic review and update of the wellness policy. All meeting dates and times will be posted on the district's website and will be open to the public.

VI. **POLICY IMPLEMENTATION AND MONITORING**

A. Implementation and Publication

1. After approval by the board, the wellness policy will be implemented throughout the district.
2. The district will post its wellness policy on its website, to the extent it maintains a website.

B. Annual Reporting

The Wellness Coordinator will annually inform the public about the content and implementation of the wellness policy and make the policy and any updates to the policy available to the public.

C. Triennial Assessment

1. At least once every three years, the district will evaluate compliance with the wellness policy to assess the implementation of the policy and create a report that includes the following information:
 - a. the extent to which schools under the jurisdiction of the district are in compliance with the wellness policy;
 - b. the extent to which the district's wellness policy compares to model local wellness policies; and
 - c. a description of the progress made in attaining the goals of the district's wellness policy.
2. The Wellness Coordinator will be responsible for conducting the triennial assessment.
3. The triennial assessment report shall be posted on the district's website or otherwise made available to the public.

D. Record Keeping

The district will retain records to document compliance with the requirements of the wellness policy. The records to be retained include, but are not limited to:

1. The district's written wellness policy.
2. Documentation demonstrating compliance with community involvement requirements, including requirements to make the local school wellness policy and triennial assessments available to the public.
3. Documentation of the triennial assessment of the local school wellness policy for each school under the district's jurisdiction efforts to review and update the wellness policy (including an indication of who is involved in the update and methods the district uses to make stakeholders aware of their ability to participate on the Wellness Committee).

Notes:

- *All school districts that participate in the National School Lunch and School Breakfast Programs are required by the Healthy, Hunger-Free Kids Act of 2010 (Act) to have a wellness policy that includes standards and nutrition guidelines for foods and beverages made available to students on campus during the school day, as well as specific goals for nutrition promotion and education, physical activity, and other school-based activities that promote student wellness. The Act requires the involvement of parents, students, representatives of the child nutrition department, teachers of physical education, school health professionals, the school board, school administrators, and the public in the development, implementation, and periodic review and update of the wellness policy. The Act also requires a plan for measuring implementation of the policy and reporting wellness policy content and implementation issues to the public, as well as the designation of at least one person charged with responsibility for the*

implementation and oversight of the wellness policy to ensure the district is in compliance with the policy.

- *The Act requires that school districts have standards, selected by the district, for all foods available on the school campus during the school day with the objective of promoting student health and reducing childhood obesity. For foods and beverages sold to students during the school day on school campus, the Act requires that districts also have nutrition guidelines.*
- *The Act specifically requires that this wellness policy contain standards and nutrition guidelines for all foods and beverages sold to students during the school day that are consistent with the meal requirements for lunches and after-school snacks set forth in 7 Code of Federal Regulations Section 210.10 and the meal requirements for breakfasts set forth in Code of Federal Regulations Section 220.8.*

Policy 533 Wellness

Adopted: 05.22.2006; Updated: 03.11.2013, 05.2013, 05.08.2017, 08.13.2018, 06.20.2022; Non-Substantive Update: 10.03.2022;
Updated: INSERT DATE HERE

Board of Education

INDEPENDENT SCHOOL DISTRICT NO. 659

Northfield, Minnesota

Legal References:

Minn. Stat. § 121A.215 (Local School District Wellness Policy; Website)
42 U.S.C. § 1751 *et seq.* (Healthy and Hunger-Free Kids Act)
42 U.S.C. § 1758b (Local School Wellness Policy)
42 U.S.C. § 1771 *et seq.* (Child Nutrition Act)
7 U.S.C. § 5341 (Establishment of Dietary Guidelines)
7 C.F.R. § 210.10 (School Lunch Program Regulations)
7 C.F.R. § 220.8 (School Breakfast Program Regulations)

Local Resources:

Minnesota Department of Education, www.education.state.mn.us
Minnesota Department of Health, www.health.state.mn.us
County Health Departments
Action for Healthy Kids Minnesota, www.actionforhealthykids.org
United States Department of Agriculture, www.fns.usda.gov

Policy 809.1 SPONSORSHIP OF SCHOOL DISTRICT OWNED PROPERTY

I. PURPOSE

The purpose of this policy is to establish guidelines for the paid sponsorships of Northfield School District owned property including equipment, materials, office space, classrooms, athletic fields/courts/competition spaces, science labs, auditoriums, vehicles and other areas/items as determined by the Board of Education.

II. GENERAL STATEMENT OF POLICY

The district shall ensure that paid sponsorships of school property preserve the long-standing traditions, values, culture, and prestige of the district.

III. SPONSORSHIP

- A. The district recognizes that circumstances exist when the district may enter into an agreement with a business, foundation, or other corporate entity for the specific sponsorship of district property in exchange for a specific financial or other contribution to the district.
- ~~All such agreements must be in writing, and reviewed and approved by the board.~~ Approving the paid sponsorships of school property valued at \$25,000 or less is the responsibility of the superintendent and director of finance. Approving the paid sponsorships of school property valued at greater than \$25,000 is the responsibility of the board. The superintendent and director of finance shall have the authority to negotiate agreements for sponsorship valued at greater than \$25,000, but shall consult with the board before negotiating such agreements.
 - Sponsorship shall not be granted to businesses, foundations, or other corporate entities whose products, practices, or communications run counter to the mission, vision and policies of the district.
 - All revenue from the granting of sponsorship must be used according to a plan specified by the board.
- B. Transferability and Renewability. If a sponsorship is granted by a written agreement, those rights may be transferred or renewed as permitted by the written agreement.
- C. Limit of Sponsorship
- On the Part of the District. The district's right to use the name and other brand elements of the sponsor is permitted by express agreement with the sponsor.

2. On the Part of the Sponsor. The party after whom a district property is named has no decision-making rights as to the purpose of the district property unless specifically provided for in the written agreement between the parties. The district will not agree to any condition in an agreement that could unnecessarily limit progress toward the district's mission and purpose, statutory obligation, or the local authority of the board. In turn, the named party has no liability with respect to that district property unless provided for in a specific contract between the parties. Any such limits must be included in any sponsorship agreement.
- D. Termination of Sponsorship. In addition to any remedies for breach of the written agreement granting sponsorship, the parties may terminate a sponsorship agreement in advance of the scheduled termination date under the following conditions:
1. Termination by the District. The district reserves the right, at its sole discretion, to terminate the sponsorship without refund of consideration, prior to the scheduled termination date, should it feel it is necessary to do so to avoid the district being brought into disrepute.
 2. Termination by the Named Party. The sponsor may, without refund of consideration, at its sole discretion, terminate its acceptance of the sponsorship prior to the scheduled termination date, in the event that the district directly brings the named party into disrepute.

Policy 809.1 Sponsorship of School District Owned Property

Adopted: 10.12.2020; Reviewed: 01.26.2023; Updated: INSERT DATE HERE

Board of Education
INDEPENDENT SCHOOL DISTRICT NO. 659
Northfield, Minnesota

Legal References: Minn. Stat. §123B.025 (School Sponsorship and Advertising Revenue)

Cross References: MSBA/MASA Model Policy 706 (Acceptance of Gifts)
Northfield Public Schools Policy 809 (Naming of School District Buildings)



Northfield

PUBLIC SCHOOLS



2024-25 BUDGET

REACHING OUT, REACHING UP

\$

81.4% of expenditures go to direct student instruction & support.

\$

AA+ Bond Rating by S&P

\$

MDE School Finance Award for 12 consecutive years.

NORTHFIELD PUBLIC SCHOOLS
INDEPENDENT SCHOOL DISTRICT 659
BOARD OF EDUCATION

Claudia Gonzalez-George, Chair

Corey Butler, Vice Chair

Ben Miller, Treasurer

Amy Goerwitz, Clerk

Jenny Nelson

Jeff Quinnell

Noel Stratmoen

SUPERINTENDENT OF SCHOOLS

Dr. Matt Hillmann, Ed.D.

This document was prepared by the Finance Department of Northfield Public Schools

www.northfieldschools.org

Reaching Out, Reaching Up:

THE 2027 STRATEGIC PLAN



VISION

We prepare every student for lifelong success by developing critical thinkers who are curious and ready to engage in our society.

BENCHMARKS

1 All children are ready for kindergarten .	2 All students are connected to the community .	3 All students are at grade level in reading and mathematics by the end of third and sixth grades.
4 All students exhibit physical, social and emotional well-being .	5 All students have a connection with a caring adult beyond their parents as they transition to middle school.	6 All students have interests, goals and a vision for the future by the end of eighth grade.
7 All students graduate from high school with a plan to reach their full potential.	8 All employees report satisfaction in the workplace.	9 All parents report satisfaction with their children's educational experience.
10 The district maintains 14% of its annual expenditures in its unassigned fund balance to ensure financial stability .	11 Community education provides relevant and accessible learning opportunities for all residents.	<small>Note: The first seven benchmarks are aligned with the language identified by Northfield Promise, a collective impact consortium of 20 community organizations committed to helping Northfield's youth thrive "from cradle to career"</small>

STRATEGIC COMMITMENTS



People

We prioritize the engagement, satisfaction, and support of every student, staff member, and family.



Learner Outcomes

We prepare every student to be academically and socially ready to choose their preferred pathway after high school graduation.



Equity

We ensure that every child has a fair opportunity to reach their full potential.



Communication

We communicate effectively and transparently with all stakeholders.



Stewardship

We responsibly manage our personnel, finances, property, time and environmental impact.



Partnerships

We seek community partnerships that accelerate student achievement of district benchmarks.

May 28, 2024

Board of Education
Independent School District 659
Northfield, MN

It is with pride I submit and recommend the proposed budgets for the 2024-25 school year. This budget document is one of our primary tools to present summarized and transparent financial information to our employees, the community and stakeholders. This report includes our Operating and Proprietary funds with an emphasis on the General Fund. This document provides a cohesive report for all of the budgets presented over the past few months.

The purpose of a budget is to quantify the strategic plan and programming choices we have made as a district. It is a guide for the Board of Education to authorize the administration to fulfill the vision and mission of the district each day. In December, a revised budget that includes more accurate enrollment data, finalized employment contracts and a complete analysis of the 2024 legislative session will be presented. In the spring of 2022 and 2023 the district managed a priority-based budget process. This document consolidates the critical work of our staff and community with assumptions and parameters as the framework for the 2024-25 budget planning process.

Sixty-eight percent of the district's total funding comes from the State of Minnesota. While the State made a significant investment in public education in 2023. It is essential that we recognize that these increases are helping close the gap on decades of inadequate funding. The additional funding helps counter the impact of declining enrollment on our revenue. The Northfield community has been a tireless supporter of our schools. Their unwavering support and commitment to our students is deeply appreciated.

We strive daily to implement the district's strategic plan. We consistently demonstrate good stewardship by analyzing information, prioritizing needs and managing our financial, physical and human resources to support Northfield Public Schools.

Gratefully,



Val Mertesdorf
Director of Finance

BUDGET DEVELOPMENT CALENDAR

November 27	Auditors presented results of 2022-23 financial audit.
December 11	School Board reviewed and approved 2023-24 revised General Fund budget as well as certified the 2023 Payable 2024 Tax Levy.
January 22	School Board presented with the financial forecast.
February 12	School Board adopted resolution requiring the administration to make recommendations for additions and reductions in programs and adding or discontinuing positions. School Board presented with proposed Operating Capital and Long-Term Facilities Maintenance budget.
March 11	School Board presented with proposed Debt Service and Internal Service Fund budgets.
April 22	School Board presented with proposed Child Nutrition and Community Education budgets. School Board adopted the necessary resolutions relating to General Fund program and staffing changes for 2024-25.
May 13	School Board presented with proposed budget for the General Fund.
May 28	School Board adopts the 2024-25 Proposed Budgets for all funds.

STUDENT ENROLLMENT PROJECTIONS

Minnesota funds the majority of its K-12 programs through a complex formula applied to the number of students attending each school. For most funding programs, the pupil count, known as adjusted pupil units (APU) is used to determine school revenue amounts.

The past four years the district has experienced declining enrollment. Based on our most recent demographic study, the district anticipates that the total number of students will continue to decline over the next ten years. We expect a decline of at least 400 students.

The October 1, 2023 enrollment numbers were included with historical data to calculate the current enrollment forecast which was prepared using the traditional cohort survival technique and weighting these results to favor more recent years. The following table represents the 2024-25 student enrollment projection. The bottom table includes historical enrollment counts and the longer range forecast for additional context.

2024-25 Projected Average Daily Membership (ADM)					
Pre-KG	KG (incl. HK)	1-3	4-6	7-12 (incl. ALC)	Total
47.5	238.5	766.0	813.7	1,910.5	3,776.0

Enrollment History and Projection							
Year	Pre-K	KG	1-3	4-6	7-12	Total	APU
2014-15*	24.5	266.4	816.0	862.9	1,899.5	3,869.3	4,249.2
2015-16	32.3	250.2	841.7	865.5	1,932.6	3,922.3	4,308.9
2016-17	40.6	246.9	825.6	906.7	1,976.6	3,996.4	4,391.7
2017-18	39.3	273.0	807.1	922.9	2,001.8	4,044.1	4,444.5
2018-19	41.2	248.4	797.6	911.0	2,051.8	4,050.0	4,460.4
2019-20	42.8	246.5	764.4	892.8	2,072.6	4,019.0	4,433.6
2020-21	44.3	202.4	747.9	843.9	2,062.3	3,900.8	4,313.3
2021-22	49.1	245.0	750.8	822.9	1,993.0	3,860.8	4,259.4
2022-23	47.8	240.0	743.7	808.4	1,965.6	3,805.4	4,198.5
2023-24#	50.2	252.0	734.1	825.6	1,962.2	3,824.1	4,216.6
2024-25#	47.5	238.5	766.0	813.7	1,910.5	3,776.0	4,158.1
2025-26#	46.9	235.4	772.0	802.0	1,865.6	3,721.9	4,095.0

Estimated Enrollment

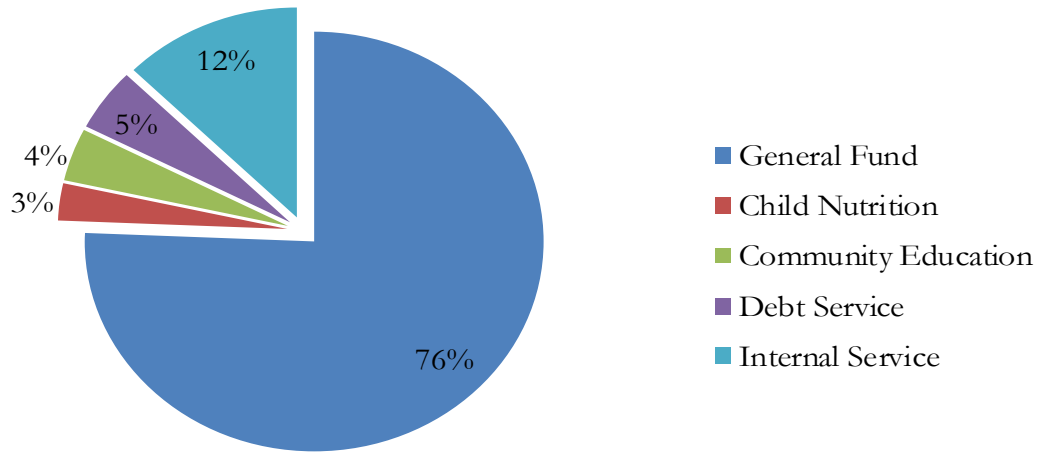
PROPOSED 2024-25 BUDGET SUMMARY OF ALL FUNDS

	July 1, 2024 Projected <u>Fund Balance*</u>	FY 2025 <u>Revenues</u>	FY 2025 <u>Expenditures</u>	June 30, 2025 Projected <u>Fund Balance*</u>
General Fund**	\$ 14,052,575	\$ 67,744,818	\$ 66,853,904	\$ 14,943,489
Child Nutrition	\$ 961,294	\$ 2,550,906	\$ 2,746,877	\$ 765,323
Community Education	\$ 603,889	\$ 3,633,084	\$ 3,964,204	\$ 272,769
Debt Service	\$ 1,737,982	\$ 4,322,700	\$ 4,027,009	\$ 2,033,673
Internal Service	\$ 3,823,861	\$ 11,298,342	\$ 11,336,200	\$ 3,786,004

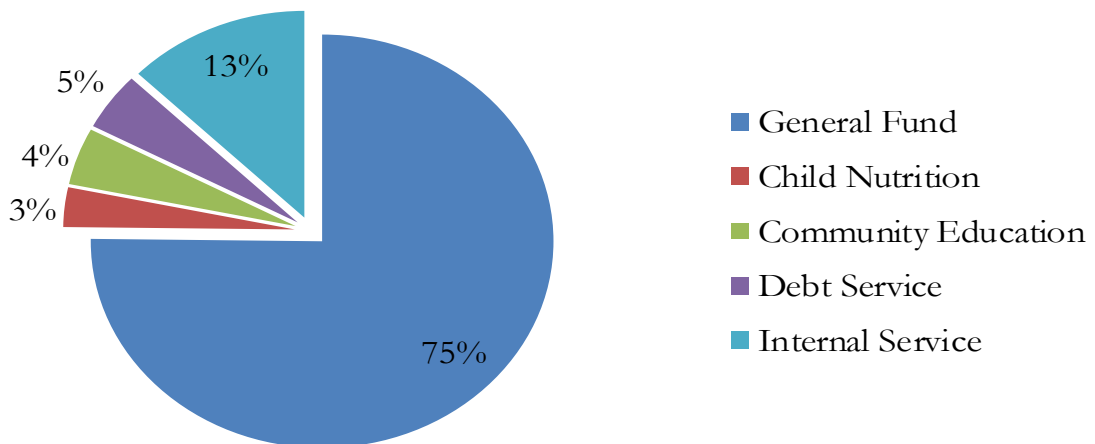
* Beginning and ending fund balance includes restricted funds

**General Fund includes Capital and Long Term Facility Maintenance funds.

2024-25 Budget Resources All Funds



2024-25 Budget Expenditures All Funds



GENERAL FUND

The General Fund accounts for the primary operations of the district, including educational and instructional support services to students from Kindergarten through twelfth grade, pupil transportation and capital outlay.

Preliminary budget assumptions include an increase in per pupil funding from the State of 2%. Overall, revenue will increase approximately 7.6% over the prior year. The increase is primarily related to the increase in the voter approved capital projects levy. The district receives 68% of its revenue from the State of Minnesota. Declining enrollment is one of the most significant financial challenges we face. Seventy percent of our revenue is enrollment-based formulas. The declining trend we've seen will continue in 2024-25. We are projecting an increase in special education funding. The proposed budget does not assume an increase in the special education cross subsidy aid.

Projected expenditures are represented with an aggregate decrease of 7.53%. This includes a projected increase of 6.6% in salaries and benefits and an 8.9% increase in non-salary and other operating expenditures excluding capital related items. The increases are a result of contract settlements, inflation and the voter approved increase in the capital projects levy.

The financial summary shows the impact of the priority based budget process. While those decisions are difficult, they are necessary for the financial stability of the district. Our staff and community worked collaboratively to prioritize spending and ultimately reduce the budget by nearly \$6 million over two years. I'm pleased to report that the ending fund balance in 2023-24 is projected to exceed the Board's goal of 14%. The 14% goal is calculated as a percentage of general fund expenditures excluding operating capital, long-term facility maintenance, scholarship and student activity expenditures. These expenditures are highly volatile, and have been diluting the historical calculation. The new calculation will provide fewer erratic variations.

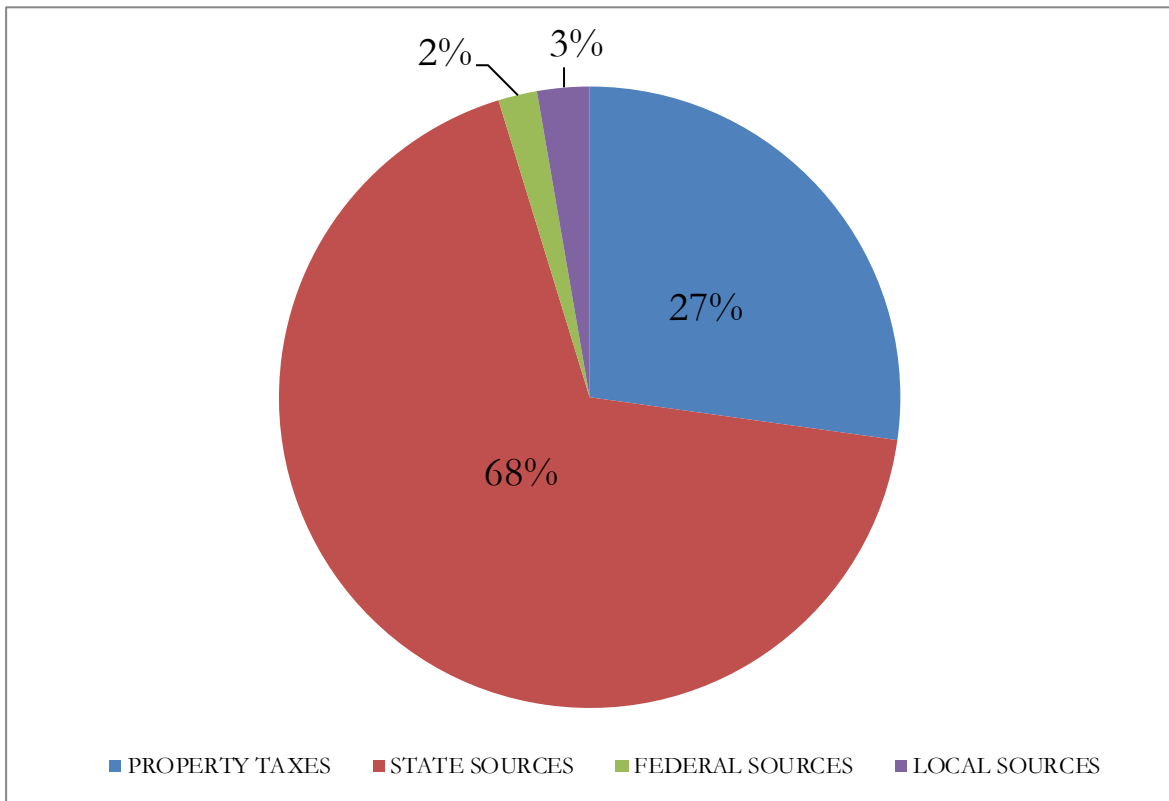
GENERAL FUND | FINANCIAL SUMMARY

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
REVENUE	\$ 59,808,842	\$ 61,267,825	\$ 62,956,616	\$ 67,744,818
EXPENDITURES	62,769,665	63,194,494	62,170,588	66,853,904
DIFFERENCE	(2,960,823)	(1,926,669)	786,028	890,914
BEGINNING FUND BALANCE	18,154,039	15,193,216	13,266,547	14,052,575
ENDING FUND BALANCE	\$ 15,193,216	\$ 13,266,547	\$ 14,052,575	\$ 14,943,489
RESTRICTED FUND BALANCE	\$ 6,288,044	\$ 5,561,095	\$ 5,652,983	\$ 5,824,111
UNRESTRICTED FUND BALANCE	\$ 8,905,172	\$ 7,705,452	\$ 8,399,592	\$ 9,119,378
PERCENTAGE OF EXPENDITURES (excl. Capital, LTFM, Scholarships & SAF)	15.2%	13.1%	14.3%	14.3%

GENERAL FUND | REVENUE

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
PROPERTY TAXES	\$ 14,971,029	\$ 14,428,100	\$ 15,232,888	\$ 18,429,798
STATE SOURCES	39,514,217	40,469,579	44,193,234	46,103,824
FEDERAL SOURCES	3,485,637	4,274,807	1,724,951	1,371,005
LOCAL SOURCES	1,837,959	2,095,339	1,805,543	1,840,191
TOTAL	\$ 59,808,842	\$ 61,267,825	\$ 62,956,616	\$ 67,744,818

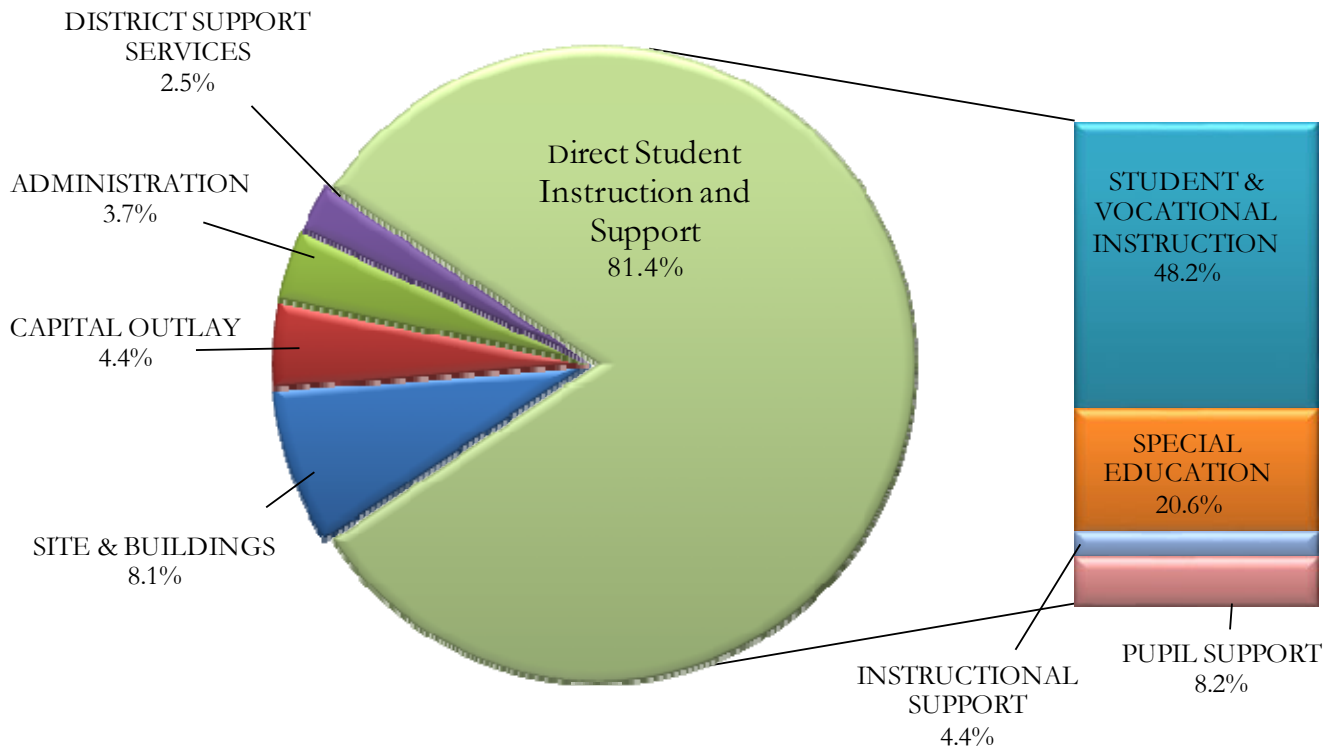
REVENUE BY SOURCE



GENERAL FUND | EXPENDITURES BY PROGRAM

- Student Instruction: \$45,710,184 (68.37%)**
 Includes costs associated with teaching students as well as co-curricular and extra-curricular activities from Kindergarten through twelfth grade. It also includes specialty programming such as special education, alternative education, English learner and compensatory programs.
- Student Support Services: \$9,989,463 (14.94%)**
 Includes costs associated with supporting students including transportation, media centers, guidance/counseling services, nursing services as well as the instructional services department.
- Site and Buildings: \$7,045,773 (10.54%)**
 Includes costs associated with operations, maintenance, repairs and remodeling of all facilities and grounds of the school district. This program category also includes the majority of our capital outlay expenditures.
- District Support Services: \$1,633,781 (2.49%)**
 Includes costs associated with services provided by the district office such as human resources, finance, communications and other centralized office functions.
- Administration: \$2,444,703 (3.66%)**
 Includes costs associated with the district administration including the school board, superintendent and principals. Instructional administration was added by MDE in FY23, these dollars were reclassified from curriculum and development under student support services.

2024-25 EXPENDITURES BY PROGRAM



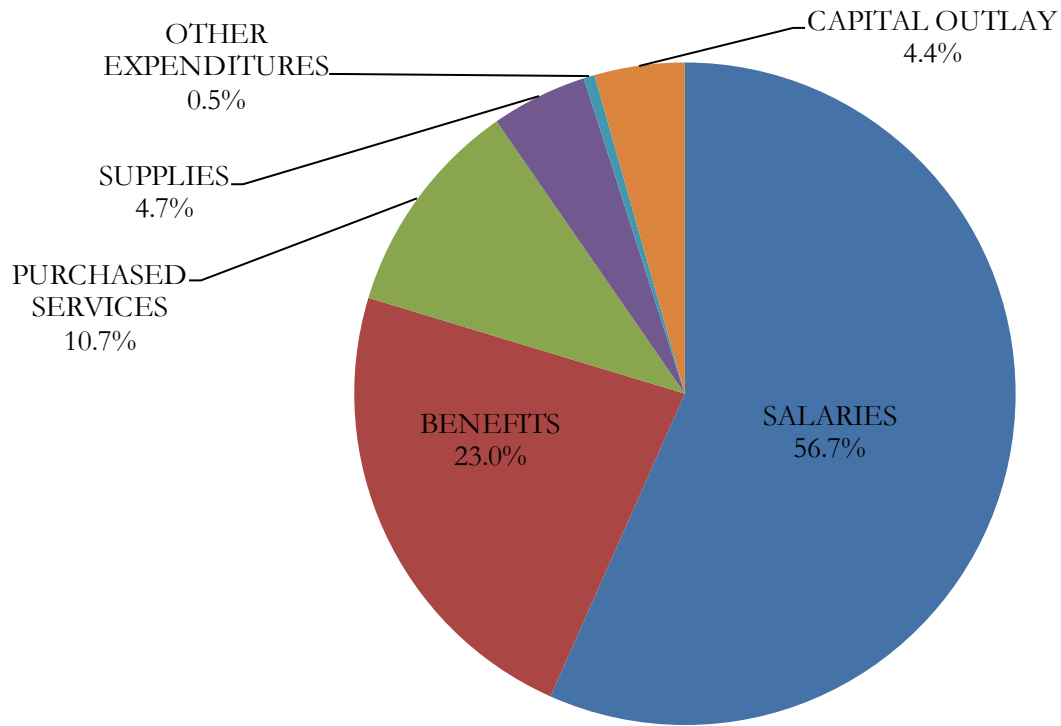
GENERAL FUND | EXPENDITURES BY PROGRAM (cont)

PROGRAM CATEGORIES		2024-25 Proposed
Student Instruction \$45,710,184 68.37%	Elementary Instruction	\$ 14,999,249
	Middle and High School Instruction	\$ 12,402,113
	Special Education	\$ 13,763,291
	Co-curricular and Extra-curricular Activities	\$ 2,265,329
	English Learners	\$ 1,227,158
	Title/Compensatory Programs	\$ 511,490
	Career and Technical Programs	\$ 541,554
Student Support Services \$9,989,463 14.94%	Instructional Support	\$ 763,501
	Curriculum and Development	\$ 382,859
	Educational Media	\$ 295,864
	Instructional Technology	\$ 2,375,079
	Guidance/Counseling	\$ 1,086,392
	Health Services	\$ 594,268
	Student Transportation	\$ 3,562,316
	Staff Development	\$ 626,994
Other Student Support	\$ 302,190	
Sites and Buildings \$7,045,773 10.54%	Operations and Maintenance	\$ 5,167,080
	Facilities	\$ 456,103
	Long Term Facilities Maintenance	\$ 1,198,050
	Property or Other Insurance	\$ 224,540
District Support Services \$1,633,781 2.49%	Finance Department	\$ 623,006
	Human Resources	\$ 553,626
	Administrative Technology	\$ 225,754
	General Administrative Support	\$ 123,478
	Communications and Assessment	\$ 115,257
	Elections	\$ 22,660
Administration \$2,444,703 3.66%	Office of Superintendent	\$ 396,567
	Instructional Administration	\$ 303,881
	School Administration	\$ 1,684,332
	School Board	\$ 59,923
Total General Fund		\$ 66,853,904

GENERAL FUND | EXPENDITURES BY OBJECT

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
SALARIES	\$ 35,858,968	\$ 35,631,953	\$ 35,792,422	\$ 37,881,246
BENEFITS	13,520,265	13,949,786	14,149,912	15,380,900
PURCHASED SERVICES	7,435,989	6,739,378	6,695,334	7,144,821
SUPPLIES	2,921,439	2,289,606	2,581,841	3,137,600
OTHER EXPENDITURES	508,383	616,008	495,866	360,253
CAPITAL OUTLAY	2,524,621	3,967,763	2,455,213	2,949,084
TOTAL	\$ 62,769,665	\$ 63,194,494	\$ 62,170,588	\$ 66,853,904

2024-25 EXPENDITURES BY OBJECT



GENERAL FUND

OPERATING CAPITAL and LONG-TERM FACILITIES MAINTENANCE

The primary source of operating capital revenue comes from local property taxes which includes the voter approved operating capital levy of \$1.9 million. The capital levy was renewed and increased by the voters in November 2022. This increase is included in FY24-25. Long Term Facilities Maintenance revenue is a combination of local levy and state aid. These funding sources have specific restrictions regarding what the district can purchase. Any unspent funds are kept in a restricted fund balance code for future purchases that meet the specifications.

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Revenue Summary				
Operating Capital	\$ 755,922	\$ 756,646	\$ 761,823	\$ 774,674
Capital Projects Levy	\$ 750,000	\$ 744,481	\$ 750,000	\$ 1,906,488
Lease Levy	\$ 353,449	\$ 407,986	\$ 382,517	\$ 403,539
Long Term Facility Maintenance	\$ 1,487,915	\$ 1,401,654	\$ 1,313,087	\$ 1,416,396
Sale of Equipment	\$ 141,004	\$ 25,100	\$ 100,000	\$ -
Total Revenues	\$ 3,488,290	\$ 3,335,867	\$ 3,307,427	\$ 4,501,097

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Expenditure Summary				
Leased Facility Space/Assessments	\$ 393,276	\$ 393,618	\$ 417,722	\$ 413,968
Lease Purchase Agreement	\$ 212,352	\$ 212,352	\$ 212,352	\$ 132,135
Building/Program Allocation	\$ 138,061	\$ 208,392	\$ 140,763	\$ 157,316
Textbooks/Digital Curriculum	\$ 194,858	\$ 324,167	\$ 250,000	\$ 400,000
Technology Leases	\$ 529,431	\$ 656,331	\$ 582,825	\$ 671,192
Network Administration	\$ 350,000	\$ -	\$ -	\$ 600,000
Capital Committee Recommendations	\$ 480,376	\$ 358,718	\$ 184,150	\$ 801,308
Long Term Facility Maintenance	\$ 1,593,168	\$ 1,910,751	\$ 1,287,350	\$ 1,198,050
Total Expenditures	\$ 3,891,522	\$ 4,064,329	\$ 3,075,162	\$ 4,373,969

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Fund Summary				
Beginning Balance	\$ 1,735,348	\$ 1,332,116	\$ 603,654	\$ 835,919
Revenue	\$ 3,488,290	\$ 3,335,867	\$ 3,307,427	\$ 4,501,097
Expenditures	\$ 3,891,522	\$ 4,064,329	\$ 3,075,162	\$ 4,373,969
Ending Balance	\$ 1,332,116	\$ 603,654	\$ 835,919	\$ 963,047
Operating Capital	\$ 256,738	\$ 37,373	\$ 243,901	\$ 152,683
Long Term Facility Maintenance	\$ 1,075,378	\$ 566,281	\$ 592,018	\$ 810,364
Ending Fund Balance	\$ 1,332,116	\$ 603,654	\$ 835,919	\$ 963,047

CHILD NUTRITION FUND

The Child Nutrition Fund is a self-sustaining fund whose mission is to provide quality nutritious meals that support the growth and development of our students to fuel their learning. Revenue comes from a variety of sources including state and federal funding, student and adult purchases, federal commodities, and grant dollars.

The majority of the budget is accounted for in labor and food costs. The child nutrition program for the 2023-24 school year began state funding free breakfast and lunch as passed by the Legislature.

The proposed budget shows a spend down of the fund balance. The child nutrition fund has a fund balance maximum. The child nutrition department is constantly evaluating food costs and direct labor hours per meal served will be the primary focus to ensure budget targets are met. The Child Nutrition team works tirelessly to provide creative solutions for our students to help increase participation.

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Revenue Summary				
Tuition, fees and other	190,510	1,058,297	343,000	322,000
State Aids	80,988	97,980	1,135,000	1,174,000
Federal Aids	2,570,826	1,207,006	1,191,198	1,054,906
Total Revenues	\$ 2,842,324	\$ 2,363,283	\$ 2,669,198	\$ 2,550,906
Expenditure Summary				
Salaries and Benefits	\$ 1,182,086	\$ 1,206,373	\$ 1,279,367	\$ 1,346,051
Purchased Services	22,243	50,042	66,900	66,900
Food and Supplies	1,077,695	1,166,145	1,286,098	1,265,926
Equipment	-	129,498	13,000	68,000
Total Expenditures	\$ 2,282,024	\$ 2,552,058	\$ 2,645,365	\$ 2,746,877
Fund Summary				
Revenue	\$ 2,842,324	\$ 2,363,283	\$ 2,669,198	\$ 2,550,906
Expenditures	2,282,024	2,552,058	2,645,365	2,746,877
Net	560,300	(188,775)	23,833	(195,971)
Beginning Fund Balance	565,936	1,126,236	937,461	961,294
Ending Fund Balance	\$ 1,126,236	\$ 937,461	\$ 961,294	\$ 765,323
Fund Balance Max	\$ 760,675	\$ 1,701,372	\$ 1,763,577	\$ 1,831,251

Per the MDE, the Child Nutrition Department fund balance should not exceed 3 months average operating expenditures assuming a nine month operating year. Temporarily increased to 6 months beginning with FY2022.

COMMUNITY EDUCATION FUND

Northfield Public Schools Community Education focuses on lifelong learning, recreation and community involvement. We provide numerous opportunities and classes for all ages to develop skills, stay healthy and inspire creativity.

Our Early Childhood Family Education (ECFE) programs support parents in their role as their child's first and foremost teacher. Among our other Early Childhood Programs, Hand in Hand Preschool and Ventures childcare work together to prepare and support students in year-long learning. The budget for 2024-25 was developed with the goal of sustaining participation in their programs that have rebounded from the pandemic. The community education department has a goal of 14% fund balance.

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Revenue Summary				
Local Property Taxes	\$ 416,244	\$ 424,735	\$ 440,332	\$ 396,647
Tuition, fees and other	2,584,964	2,767,281	2,533,770	2,744,908
State Aids	286,269	394,463	406,140	491,529
Federal Aids	627,781	237,297	237,297	-
Total Revenues	\$ 3,915,258	\$ 3,823,776	\$ 3,617,539	\$ 3,633,084
Expenditure Summary				
Salaries and Wages	\$ 2,241,742	\$ 2,396,727	\$ 2,399,739	\$ 2,499,588
Benefits	643,499	780,416	828,620	884,772
Purchased Services	369,198	522,294	479,822	493,509
Supplies and Dues	83,594	110,570	79,157	82,435
Capital Outlay	18,727	16,360	3,900	3,900
Total Expenditures	\$ 3,356,760	\$ 3,826,367	\$ 3,791,238	\$ 3,964,204
Fund Summary				
Revenue	\$ 3,915,258	\$ 3,823,776	\$ 3,617,539	\$ 3,633,084
Expenditures	3,356,760	3,826,367	3,791,238	3,964,204
Net	558,498	(2,591)	(173,699)	(331,120)
Beginning Fund Balance	221,681	780,179	777,588	603,889
Ending Fund Balance	\$ 780,179	\$ 777,588	\$ 603,889	\$ 272,769
<i>Fund Balance Goal</i>	<i>469,946</i>	<i>535,691</i>	<i>530,773</i>	<i>554,989</i>
General Community Ed	\$ 369,736	\$ 362,568	\$ 175,354	\$ (126,275)
Early Childhood Family Education	\$ 297,925	\$ 359,370	\$ 392,156	\$ 409,278
School Readiness	\$ 92,001	\$ 6,248	\$ (8,425)	\$ (49,062)
Unreserved	\$ 20,517	\$ 49,402	\$ 44,804	\$ 38,828
Ending Fund Balance	\$ 780,179	\$ 777,588	\$ 603,889	\$ 272,769

DEBT SERVICE FUND

This fund is used to account for the accumulation of resources used for payment of general long-term obligation bond principal, interest, and related costs.

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Revenue Summary				
Local property Taxes	\$ 4,981,365	\$ 4,917,608	\$ 5,462,320	\$ 3,346,396
Interest on Investments	4,841	113,523	3,000	50,000
State of MN	803,669	835,958	835,890	926,304
Other Sources	-	71,072	-	-
Total Revenues	\$ 5,789,875	\$ 5,938,161	\$ 6,301,210	\$ 4,322,700

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Expenditure Summary				
Bond Principal	\$ 3,650,000	\$ 3,955,000	\$ 4,130,000	\$ 2,445,000
Bond Interest	2,185,017	1,964,053	1,775,409	1,575,009
Other Debt Service Fees	5,462	6,950	7,000	7,000
Other Uses	-	-	-	-
Total Expenditures	\$ 5,840,479	\$ 5,926,003	\$ 5,912,409	\$ 4,027,009

	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Fund Summary				
Revenue	\$ 5,789,875	\$ 5,938,161	\$ 6,301,210	\$ 4,322,700
Expenditures	5,840,479	5,926,003	5,912,409	4,027,009
Net	(50,604)	12,158	388,801	295,691
Beginning Fund Balance	1,387,627	1,337,023	1,349,181	1,737,982
Ending Fund Balance	\$ 1,337,023	\$ 1,349,181	\$ 1,737,982	\$ 2,033,673

DEBT SERVICE FUND (cont)

**Current Outstanding Debt
2024-25 Principal and Interest Payments**

Issue Date	Net Interest Rate	Original Issue	Purpose	Final Maturity	FY 2024-25 Payments		
					Principal	Interest	Total
5/13/2014	2.0-3.0%	\$ 1,525,000	GVP/HS Roofs	2/1/2025	\$ 165,000	\$ 4,950	\$ 169,950
3/23/2017	1.93%	\$ 1,325,000	BW Roof	2/1/2027	\$ 140,000	\$ 13,050	\$ 153,050
1/31/2019	3.22%	\$ 39,255,000	Elementary/Early Childhood	2/1/2039	\$ 935,000	\$ 1,422,381	\$ 2,357,381
11/4/2020	0.37%	\$ 9,665,000	Refund '11A/'12A	2/1/2025	\$ 1,205,000	\$ 60,250	\$ 1,265,250
2/17/2022	1.95%	\$ 3,120,000	LTFM MS Roof	2/1/2042	\$ -	\$ 74,378	\$ 74,378
					\$ 2,445,000	\$ 1,575,009	\$ 4,020,009

**General Obligation Debt
Annual Maturity Schedule**

Fiscal Year	Principal	Interest	Total
2025	2,445,000	1,575,009	4,020,009
2026	2,085,000	1,458,859	3,543,859
2027	2,230,000	1,357,509	3,587,509
2028	2,360,000	1,249,009	3,609,009
2029	2,470,000	1,132,759	3,602,759
2030	2,590,000	1,011,059	3,601,059
2031	2,680,000	919,484	3,599,484
2032	2,785,000	816,084	3,601,084
2033	2,865,000	734,484	3,599,484
2034	2,950,000	650,534	3,600,534
2035	3,040,000	564,084	3,604,084
2036	3,140,000	464,371	3,604,371
2037	3,240,000	361,353	3,601,353
2038	3,350,000	251,178	3,601,178
2039	3,465,000	137,228	3,602,228
2040	230,000	15,165	245,165
2041	235,000	10,450	245,450
2042	240,000	5,280	245,280
	\$ 42,400,000	\$ 12,713,896	\$ 55,113,896

**INTERNAL SERVICE FUND
SELF-INSURANCE PLAN**

The district established this fund in 2005-06 to account for the financial activity of the self-insurance plan for the dental benefits provided to employees. In May 2011 the district elected to become self-insured for medical benefits as well. The revenue in this fund represents premiums paid for dental and medical coverage by the district and our active and retired employees. Expenditures represent actual claims and administrative fees paid for dental and medical services received by our current or retired employees covered by the plan.

DENTAL FUND				
	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Beginning Balance	\$473,777	\$447,720	\$410,322	\$325,017
Charges for Services	643,521	634,777	647,048	657,248
Interest Earnings	706	15,198	100	5,000
Total Sources	1,118,004	1,097,695	1,057,470	987,265
Insurance Claims	630,301	649,440	691,875	701,971
Administrative Fees	39,983	37,933	40,578	39,586
Total Expenditures	670,284	687,373	732,453	741,558
Ending Fund Balance	\$447,720	\$410,322	\$325,017	\$245,707
Goal (40%)	\$252,120	\$259,776	\$276,750	\$280,789

MEDICAL FUND				
	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Beginning Balance	\$3,310,424	\$2,712,104	\$3,111,136	\$3,498,844
Charges for Services	8,256,059	9,360,477	10,398,426	10,236,095
RX Rebates	305,585	422,492	350,000	350,000
Interest Earnings	4,000	104,756	1,000	50,000
Total Sources	11,876,068	12,599,829	13,860,562	14,134,939
Insurance Claims	8,148,921	8,330,923	9,236,574	9,473,046
Administrative Fees	1,015,043	1,157,770	1,125,144	1,121,596
Total Expenditures	9,163,964	9,488,693	10,361,718	10,594,642
Ending Fund Balance	\$2,712,104	\$3,111,136	\$3,498,844	\$3,540,297
Goal (40%)	\$3,259,568	\$3,332,369	\$3,694,630	\$3,789,218

FUND SUMMARY				
	2021-22 Audit Results	2022-23 Audit Results	2023-24 Revised Budget	2024-25 Proposed Budget
Beginning Balance	\$3,784,201	\$3,159,824	\$3,521,458	\$3,823,861
Total Revenue	8,904,286	10,537,700	11,396,574	11,298,342
Total Sources	12,688,487	13,697,524	14,918,032	15,122,203
Total Expenditures	9,834,248	10,176,066	11,094,171	11,336,200
Ending Fund Balance	\$2,854,239	\$3,521,458	\$3,823,861	\$3,786,004