



**Board of Education  
Big Lake School District #727  
Regular Meeting**

**Thursday, January 28, 2021  
6:30 PM  
Middle School Student Center  
601 Minnesota Ave  
Big Lake, MN 55309**

**Mission Statement**

Our mission is to challenge, educate, & inspire all students to reach their highest level of achievement in academics, athletics, & the arts.

I. Call to Order	
Chair, Tonya Reasoner	
II. Roll Call	
Chair, Tonya Reasoner	
III. Approve Agenda	
Chair, Tonya Reasoner	
IV. Pledge of Allegiance	
Chair, Tonya Reasoner	
V. Retirement Recognition ( <i>F. Expand and Strengthen Public Support</i> )	
Chair, Tonya Reasoner	
Jo Cooper will be recognized	
VI. Open Forum	
Chair, Tonya Reasoner	
VII. Consent Agenda	
Chair, Tonya Reasoner	
A. Previous Minutes	
Minutes from the December 17, 2020 Truth in Taxation Hearing, the December 17, 2020 Regular Board Meeting, the January 5, 2021 Organizational Meeting, and the January 5, 2021 Work Session	
B. Claims and Accounts	
Claims and Accounts for the month of January	
C. Credit Card Report	
D. Personnel	3
VIII. Donations	4
Chair, Tonya Reasoner	
IX. Award Sale of General Obligation Facilities Maintenance Bonds, Series 2021A to Low Bidder ( <i>C. Strong Financial Foundation</i> )	5
Director of Business Services, Angie Manuel and Jodie Zesbaugh, Ehlers	
X. Financial Report ( <i>C. Strong Financial Foundation</i> )	55
Director of Business Services, Angie Manuel	
December report will be presented.	
XI. Acceptance of Bids for 2021 Roof Replacement Project ( <i>E. Facilities and Infrastructure Design</i> )	75
Buildings and Grounds Manager, TJ Zerwas	
XII. Approve Pay Equity Report ( <i>C. Strong Financial Foundation</i> )	78

Human Resources Manager, Sue Schmidt

XIII. First Reading of Revised Policy 707 (*B. Accountability for Student Success*)

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XIV. Student Representative Report (*F. Expand and Strengthen Public Support*)

Student Representative, Ella Dotzler

XV. Superintendent Report (*F. Expand and Strengthen Public Support*)

Superintendent, Tim Truebenbach

XVI. Adjournment

Chair, Tonya Reasoner

### **Strategic Directions**

- A. Implement practices that ensure all learners achieve at exceptional levels
- B. Ensure that staff, students, and families share in the accountability for the educational success of each student
- C. Establish a strong financial foundation that supports achievement of school district goals
- D. Seamlessly integrate technology as both a tool and a catalyst to maximize daily learning opportunities for students and staff
- E. Ensure that the facilities and infrastructure of Big Lake Schools are designed to optimize student learning in a safe, sustainable, and attractive environment
- F. Expand and strengthen public support for the school district



The following resolution was moved by \_\_\_\_\_ and seconded by \_\_\_\_\_:

**RESOLUTION ACCEPTING DONATIONS**

WHEREAS, Minnesota Statutes 123B.02, Subd. 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 Big Lake Schools, ISD 727, gratefully accepts the following donations as identified below:

Donor	Item	Designated Purpose (if any)
Big Lake Knights of Columbus	\$1,500.00	Lanyards for Middle School Students
Big Lake Senior Citizens Club	\$100.00	Help provide warm clothing for students in need
Big Lake Spud Fest	\$4,000	Free milk for all students in 20-21, any remaining balance to Angel Fund
Casey’s General Store	\$7.40	High School
Big Lake Lioness Club and Riverwood Bank	Hats and Mittens	For students in need at Liberty and Independence
Rebecca Sellman	School supplies and face masks	For students in need at Independence
Heather Gardner	Clarinet valued at \$899.00	Middle School Band Class
Andersen Windows	Face shields	Provide PPE for staff
Mary of the Visitation Catholic Church	Winter gear and clothes	For students in need at Independence
Mathison Motors	Winter coats, gloves, and snow pants	For students in need at Independence

The vote on adoption of the Resolution was as follows:

Aye:

Nay:

Absent:

Whereupon, said Resolution was declared duly adopted on January 28, 2021.

January 28, 2021

SALE DAY REPORT FOR:

# Independent School District No. 727 (Big Lake), Minnesota

**\$7,975,000 General Obligation Facilities  
Maintenance Bonds, Series 2021A**



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Prepared by:

Ehlers  
3060 Centre Pointe Drive  
Roseville, MN 55113

Jodie Zesbaugh,  
Senior Municipal Advisor

Matthew Hammer,  
Municipal Advisor

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**BUILDING COMMUNITIES. IT'S WHAT WE DO.**

## COMPETITIVE SALE RESULTS

**Purpose:** To finance health and safety (indoor air quality) and deferred maintenance projects at school district facilities included in the district's ten-year facility plan approved by the Commissioner of Education.

**Rating:** **MN Credit Enhancement Rating:** Moody's Investor's Service "Aa2"  
**Underlying Rating:** Moody's Investor's Service "A1"

**Number of Bids:** 6

**Low Bidder:** Baird, Red Bank, New Jersey

### Comparison from Lowest to Highest Bid: (TIC as bid)

**Low Bid** 1.3456%\*

**High Bid** 1.6637%

**Interest Difference** **\$370,877**

<b>Summary of Sale Results:</b>	
Principal Amount*:	\$7,975,000
Underwriter's Discount:	\$99,888
Reoffering Premium:	\$188,450
True Interest Cost*:	1.3393%
Costs of Issuance:	\$71,388
Yield:	0.25% - 1.60%
Total Net P&I:	\$9,195,688

*\*The winning bidder submitted a bid with a premium price (a price greater than the par amount of the bonds) that was lower than the Pre-Sale Report estimates. As a result, the principal amount of the bonds was increased from \$7,740,000 (in the Pre-Sale Report and the Preliminary Official Statement) to \$7,975,000. This also caused a slight change in the True Interest Cost.*

**Notes:** The True Interest Cost for the 2021A issue of 1.34% is lower than the estimate of 1.85% in the Pre-Sale Report. As a result, the total principal and interest on the bonds will be approximately \$495,000 lower than the Pre-Sale estimates.

**Closing Date:** February 18, 2021

**School Board Action:** Adopt the resolution awarding the sale of \$7,975,000 General Obligation Facilities Maintenance Bonds, Series 2021A.

## **Supplementary Attachments**

- ✓ Bid Tabulation
- ✓ Updated Combined Sources and Uses of Funds
- ✓ Updated Combined Debt Service Schedule
- ✓ Updated Long-Term Debt Plan, Including Existing Debt and Proposed Debt for the Health & Safety (Indoor Air Quality) Portion of the Bond Issue
- ✓ Estimated Long-Term Facilities Revenue and Updated Debt Service Schedule for the Deferred Maintenance Portion of the Bond Issue
- ✓ Rating Reports
- ✓ Bond Resolution (Distributed Separately)

## BID TABULATION

**\$7,740,000\* General Obligation Facilities Maintenance Bonds, Series 2021A**

**Independent School District No. 727 (Big Lake), Minnesota**

**SALE: January 28, 2021**

**AWARD: BAIRD**

**MN Credit Enhancement Rating:** Moody's Investor's Service "Aa2"

**Underlying Rating:** Moody's Investor's Service "A1"

Tax Exempt - Non-Bank Qualified

NAME OF BIDDER	MATURITY (February 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
BAIRD				\$7,803,305.05	\$1,303,335.69	1.3456%
Red Bank, New Jersey	2025	2.000%	0.250%			
C.L. King	2026	2.000%	0.300%			
Collier Securities	2027	2.000%	0.400%			
Edward Jones	2028	2.000%	0.500%			
Fidelity Capital	2029	2.000%	0.600%			
Davenport & Co. L.L.	2030	2.000%	0.750%			
Loop Capital	2031	2.000%	0.800%			
Country Club Bank	2032	1.000%	1.000%			
Crews & Associates,	2033	1.125%	1.125%			
Sierra Pacific Sec.	2034	1.125%	1.200%			
BNYMellon Cap Mar	2035	1.250%	1.300%			
Isaak Bond Investments	2037	1.500%	1.500%			
Wayne Hummer & Co.	2038	1.500%	1.550%			
SumRidge Partners	2039	1.500%	1.600%			
RBC Capital Markets						
Oppenheimer & Co.						
BOK Fin Sec, WI						
Midland Securities						
FMS Bonds Inc.						
First Kentucky Securities						
MULTI-BANK SECURITIE						
First Southern LLC						
Commerce Bank, N.A.						
280 Sec						
Dinosaur Sec						
First Bankers' Banc						
Mountainside Sec						
StoneX Financial Inc						

\* Subsequent to bid opening the issue size was increased to \$7,975,000.

Adjusted Price - \$8,049,731.28      Adjusted Net Interest Cost - \$1,326,095.93      Adjusted TIC - 1.3393%

<b>NAME OF BIDDER</b>	<b>MATURITY (February 1)</b>	<b>RATE</b>	<b>REOFFERING YIELD</b>	<b>PRICE</b>	<b>NET INTEREST COST</b>	<b>TRUE INTEREST RATE</b>
NORTHLAND SECURITIES, INC. Minneapolis, Minnesota				\$7,799,691.60	\$1,421,670.73	1.4698%
UBS FINANCIAL SERVICES INC. New York, New York				\$8,332,026.79	\$1,542,137.52	1.5396%
HILLTOP SECURITIES Dallas, Texas				\$8,281,168.30	\$1,538,848.23	1.5399%
KEYBANC CAPITAL MARKETS INCORPORATED Cleveland, Ohio				\$8,354,081.80	\$1,582,023.20	1.5788%
J.P. MORGAN SECURITIES LLC New York, New York				\$8,440,286.90	\$1,674,212.54	1.6637%

**SALE RESULTS**

**Big Lake School District No. 727**

**January 28, 2021**

Estimated Sources and Uses of Funds  
2021A Facilities Maintenance Bond Issue

Description	Health & Safety/IAQ	Deferred Maintenance	Total
<b>Authorized Bond Amount</b>	<b>\$6,000,000</b>	<b>\$2,250,000</b>	<b>\$8,250,000</b>
<b>Actual Bond Amount</b>	<b>\$5,725,000</b>	<b>\$2,250,000</b>	<b>\$7,975,000</b>
<b>Estimated Project Cost</b>	<b>\$5,700,000</b>	<b>\$2,000,000</b>	<b>\$7,700,000</b>
<b>Number of Debt Service Levies</b>	<b>13</b>	<b>15</b>	
<b>Term of Bond Issue</b>	<b>14</b>	<b>18</b>	
<b>Dated</b>	<b>2/18/2021</b>	<b>2/18/2021</b>	<b>2/18/2021</b>
<b>Sources of Funds</b>			
Par Amount	\$5,725,000	\$2,250,000	\$7,975,000
Reoffering Premium <sup>1</sup>	188,450	0	188,450
Estimated Investment Earnings <sup>2</sup>	2,855	1,044	3,899
<b>Total Sources</b>	<b>\$5,916,305</b>	<b>\$2,251,044</b>	<b>\$8,167,349</b>
<b>Uses of Funds</b>			
Allowance for Discount Bidding <sup>3</sup>	\$71,707	\$28,182	\$99,888
Original Issue Discount <sup>4</sup>	0	13,830	13,830
Capitalized Interest <sup>5</sup>	80,188	99,952	180,140
Legal and Fiscal Costs <sup>6</sup>	51,247	20,141	71,388
<b>Net Available for Project Costs</b>	<b>5,713,163</b>	<b>2,088,940</b>	<b>7,802,103</b>
<b>Total Uses</b>	<b>\$5,916,305</b>	<b>\$2,251,044</b>	<b>\$8,167,349</b>
<b>Deposit to Construction Fund</b>	<b>\$5,710,308</b>	<b>\$2,087,896</b>	<b>\$7,798,204</b>

- 1 The underwriter of the bonds paid a premium to purchase the bonds.
- 2 Estimated investment earnings are based on an average interest rate of 0.1% and an average life of 6 months.
- 3 The allowance for discount bidding is an estimate of the compensation taken by the underwriter who provides the lowest true interest cost as part of the competitive bidding process and purchases the bonds. Ehlers provides independent municipal advisory services as part of the bond sale process and is not an underwriting firm.
- 4 The underwriter provided a discount bid on the Deferred Maintenance portion of the Bonds.
- 5 To maintain the debt levy consistent with later years and provide flexibility for future levies, these estimates assume that the interest payments due during fiscal year 2022 and a portion of the interest payments due during fiscal years 2023 and 2024 would be made from bond proceeds.
- 6 Includes fees for municipal advisor, bond counsel, rating agency, paying agent and county certificate.

# Independent School District No. 727 (Big Lake), MN

\$7,975,000 General Obligation Facilities Maintenance Bonds, Series 2021A

Issue Summary

Dated: February 18, 2021

## Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	CIF	Net New D/S	Fiscal Total
02/18/2021	-	-	-	-	-	-	-
08/01/2021	-	-	53,433.44	53,433.44	(53,433.44)	-	-
02/01/2022	-	-	59,006.25	59,006.25	(59,006.25)	-	-
08/01/2022	-	-	59,006.25	59,006.25	(16,925.00)	42,081.25	-
02/01/2023	-	-	59,006.25	59,006.25	(16,925.00)	42,081.25	84,162.50
08/01/2023	-	-	59,006.25	59,006.25	(16,925.00)	42,081.25	-
02/01/2024	-	-	59,006.25	59,006.25	(16,925.00)	42,081.25	84,162.50
08/01/2024	-	-	59,006.25	59,006.25	-	59,006.25	-
02/01/2025	125,000.00	2.000%	59,006.25	184,006.25	-	184,006.25	243,012.50
08/01/2025	-	-	57,756.25	57,756.25	-	57,756.25	-
02/01/2026	380,000.00	2.000%	57,756.25	437,756.25	-	437,756.25	495,512.50
08/01/2026	-	-	53,956.25	53,956.25	-	53,956.25	-
02/01/2027	350,000.00	2.000%	53,956.25	403,956.25	-	403,956.25	457,912.50
08/01/2027	-	-	50,456.25	50,456.25	-	50,456.25	-
02/01/2028	340,000.00	2.000%	50,456.25	390,456.25	-	390,456.25	440,912.50
08/01/2028	-	-	47,056.25	47,056.25	-	47,056.25	-
02/01/2029	335,000.00	2.000%	47,056.25	382,056.25	-	382,056.25	429,112.50
08/01/2029	-	-	43,706.25	43,706.25	-	43,706.25	-
02/01/2030	340,000.00	2.000%	43,706.25	383,706.25	-	383,706.25	427,412.50
08/01/2030	-	-	40,306.25	40,306.25	-	40,306.25	-
02/01/2031	345,000.00	2.000%	40,306.25	385,306.25	-	385,306.25	425,612.50
08/01/2031	-	-	36,856.25	36,856.25	-	36,856.25	-
02/01/2032	635,000.00	1.000%	36,856.25	671,856.25	-	671,856.25	708,712.50
08/01/2032	-	-	33,681.25	33,681.25	-	33,681.25	-
02/01/2033	650,000.00	1.125%	33,681.25	683,681.25	-	683,681.25	717,362.50
08/01/2033	-	-	30,025.01	30,025.01	-	30,025.01	-
02/01/2034	1,100,000.00	1.125%	30,025.01	1,130,025.01	-	1,130,025.01	1,160,050.02
08/01/2034	-	-	23,837.50	23,837.50	-	23,837.50	-
02/01/2035	1,180,000.00	1.250%	23,837.50	1,203,837.50	-	1,203,837.50	1,227,675.00
08/01/2035	-	-	16,462.50	16,462.50	-	16,462.50	-
02/01/2036	-	-	16,462.50	16,462.50	-	16,462.50	32,925.00
08/01/2036	-	-	16,462.50	16,462.50	-	16,462.50	-
02/01/2037	720,000.00	1.500%	16,462.50	736,462.50	-	736,462.50	752,925.00
08/01/2037	-	-	11,062.50	11,062.50	-	11,062.50	-
02/01/2038	735,000.00	1.500%	11,062.50	746,062.50	-	746,062.50	757,125.00
08/01/2038	-	-	5,550.00	5,550.00	-	5,550.00	-
02/01/2039	740,000.00	1.500%	5,550.00	745,550.00	-	745,550.00	751,100.00
<b>Total</b>	<b>\$7,975,000.00</b>	<b>-</b>	<b>\$1,400,827.21</b>	<b>\$9,375,827.21</b>	<b>(180,139.69)</b>	<b>\$9,195,687.52</b>	<b>-</b>

### Yield Statistics

Bond Year Dollars	\$98,633.40
Average Life	12.368 Years
Average Coupon	1.4202361%
Net Interest Cost (NIC)	1.3444694%
True Interest Cost (TIC)	1.3393303%
Bond Yield for Arbitrage Purposes	1.2216919%
All Inclusive Cost (AIC)	1.4188133%

### IRS Form 8038

Net Interest Cost	1.2307678%	
Weighted Average Maturity	11	12.225 Years



**SALE RESULTS**

**Big Lake School District No. 727**  
**Analysis of Possible Structure for Capital and Debt Levies**

**\$5,725,000 FM Bond Issue in 2021**  
**14 Year Bond Term, 13 Debt Service Levies**  
**Wrap-Around Debt Structure**

January 28, 2020

	Facilities Maintenance Bond Issue for Health & Safety/Indoor Air Quality Projects
Principal Amount:	\$5,725,000
Dated Date:	2/18/2021
True Interest Cost Rate:	1.17%

Levy Pay Year	Fiscal Year	Tax Capacity Value <sup>1</sup>		Existing Commitments								Proposed New Debt				Combined Totals					
				Building Bonds <sup>2</sup>	FM Bonds <sup>2</sup>	OPEB Bonds <sup>2</sup>	Abatement Bonds <sup>2</sup>	Est. Debt Excess <sup>3</sup>	State Debt Aid	LTFM Aid FM Bonds	Net Levy	Tax Rate	Principal	Interest	Est. Debt Excess <sup>3</sup>	Adjusted Debt Levy	Adjusted Debt Levy	State Aid	Net Levy	Tax Rate	
2018	2019	14,731	8.8%	4,936,658	-	407,342	-	(263,532)	(629,732)	-	-	4,450,737	30.21	-	-	-	-	5,080,468	(629,733)	4,450,736	30.21
2019	2020	16,200	10.0%	4,926,259	-	408,974	-	(259,687)	(223,811)	-	-	4,851,735	29.95	-	-	-	-	5,075,546	(223,810)	4,851,736	29.95
2020	2021	17,579	8.5%	4,933,520	-	-	218,400	(252,656)	-	-	4,899,264	27.87	-	-	-	-	4,899,264	-	4,899,264	27.87	
2021	2022	18,834	7.1%	5,047,232	-	-	218,400	(318,426)	-	-	4,947,206	26.27	-	80,188 <sup>4</sup>	-	-	4,947,206	-	4,947,206	26.27	
2022	2023	19,399	3.0%	3,836,844	-	-	218,190	(311,450)	-	(40,299)	3,703,286	19.09	-	84,163	-	88,371	3,831,955	(40,299)	3,791,657	19.55	
2023	2024	19,981	3.0%	3,679,344	141,800	-	217,770	(162,201)	-	(72,270)	3,804,443	19.04	-	84,163	-	88,371	3,965,084	(72,270)	3,892,813	19.48	
2024	2025	20,581	3.0%	3,238,344	551,800	-	222,390	(161,557)	-	(55,104)	3,795,874	18.44	120,000	84,163	-	214,371	4,065,348	(55,104)	4,010,244	19.49	
2025	2026	20,581	0.0%	1,325,769	570,400	-	221,340	(160,501)	-	(38,442)	1,918,566	9.32	375,000	81,763	(8,575)	471,026	2,428,034	(38,442)	2,389,592	11.61	
2026	2027	20,581	0.0%	1,355,484	502,600	-	220,080	(84,700)	-	(23,259)	1,970,205	9.57	345,000	74,263	(18,841)	421,385	2,414,849	(23,259)	2,391,590	11.62	
2027	2028	20,581	0.0%	1,339,761	521,800	-	213,360	(83,127)	-	(7,328)	1,984,466	9.64	335,000	67,363	(16,855)	405,625	2,397,419	(7,328)	2,390,091	11.61	
2028	2029	20,581	0.0%	1,318,498	549,600	-	213,570	(82,997)	-	-	1,998,671	9.71	330,000	60,663	(16,225)	393,971	2,392,642	-	2,392,642	11.63	
2029	2030	20,581	0.0%	1,323,302	545,100	-	213,623	(83,267)	-	-	1,998,758	9.71	335,000	54,063	(15,759)	392,757	2,391,514	-	2,391,514	11.62	
2030	2031	20,581	0.0%	1,316,871	550,500	-	213,518	(83,281)	-	-	1,997,607	9.71	340,000	47,363	(15,710)	391,020	2,388,628	-	2,388,628	11.61	
2031	2032	20,581	0.0%	1,313,865	250,600	-	218,505	(83,236)	-	-	1,699,734	8.26	630,000	40,563	(15,641)	688,450	2,388,184	-	2,388,184	11.60	
2032	2033	20,581	0.0%	1,303,628	251,500	-	217,928	(71,319)	-	-	1,701,736	8.27	645,000	34,263	(27,538)	685,688	2,387,424	-	2,387,424	11.60	
2033	2034	20,581	0.0%	-	997,300	-	217,193	(70,922)	-	-	1,143,570	5.56	1,095,000	27,006	(27,428)	1,150,679	2,294,249	-	2,294,249	11.15	
2034	2035	20,581	0.0%	-	923,100	-	216,300	(48,580)	-	-	1,090,820	5.30	1,175,000	14,688	(46,027)	1,203,145	2,293,965	-	2,293,965	11.15	
2035	2036	20,581	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2036	2037	20,581	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Totals</b>					41,195,380	6,356,100	816,316	3,260,565	(2,581,437)	(853,543)	(236,702)	47,956,678		5,725,000	834,669	(208,599)	6,594,857	55,641,780	(1,090,245)	54,551,535	

1 Tax capacity values for taxes payable in 2018, 2019 and 2020 are the actual final values. Tax capacity value for taxes payable 2021 is the preliminary value from MNDOR. Estimates for future years are based on the percentage changes as shown above.  
2 Initial debt service levies (prior to subtracting debt equalization aid) are set at 105 percent of the principal and interest payments during the next fiscal year.  
3 Debt excess adjustment for taxes payable in 2018, 2019, 2020, and 2021 are the actual amounts. Debt Excess adjustment for taxes payable 2022 is an estimate using the district's FY 2019-20 fund balance. Debt excess for future years is estimated at 4% of the prior year's initial debt service.  
4 The district would not be eligible to make a debt service levy for the payments on the new bonds due during fiscal year 2022, estimated at \$80,188. These payments would be made from bond proceeds.



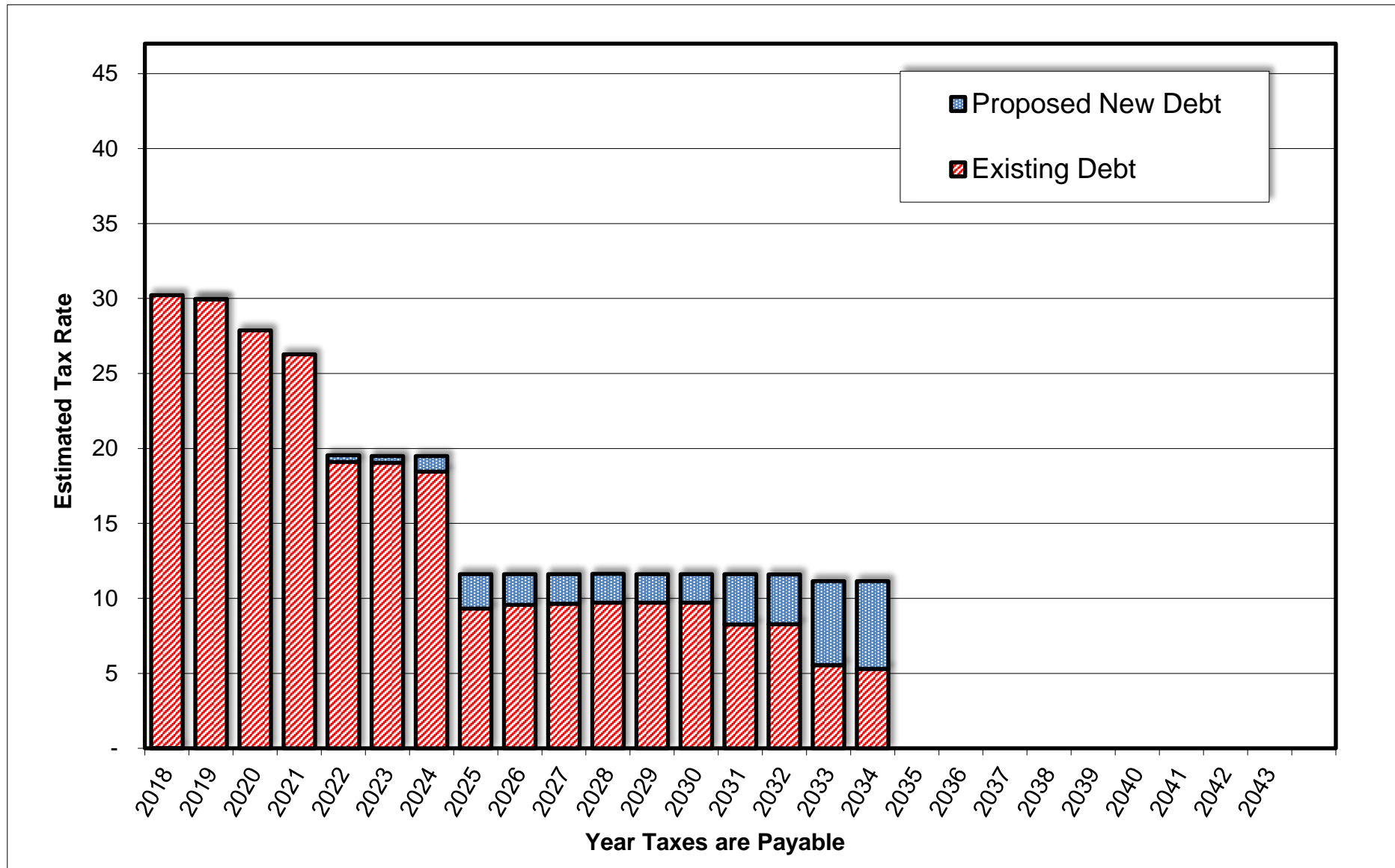
# SALE RESULTS

## Big Lake School District No. 727

Estimated Tax Rates for Capital and Debt Service Levies  
Existing Commitments and Proposed New Debt

**\$5,725,000 FM Bond Issue in 2021**  
**14 Year Bond Term, 13 Debt Service Levies**  
**Wrap-Around Debt Structure**

Date Prepared: January 28, 2020



**SALE RESULTS**

**Big Lake School District, No. 727**  
**Facilities Maintenance Bond Schedules**  
**Deferred Maintenance Projects**  
**January 28, 2021**

2016A, 2017B, 2019A, 2020A Bond Sale Results				
\$12,275,000 in Bond Issues 15, 15, 16, & 16 Years 75.4 % of Revenue Used After Bond Issues				
	2016A	2017B	2019A	2020A
Principal:	\$5,120,000	\$3,900,000	\$1,315,000	\$1,940,000
Dated Date:	2/18/2016	12/28/2017	2/14/2019	2/13/2020
Years:	15	15	16	16
TIC:	2.00%	2.59%	2.98%	2.02%

Year	Taxes Payable	Fiscal Year	LTFM Revenue	LTFM Levy	LTFM Aid	Principal	Interest	Total Payments	Initial Debt Service Levies (P&I at 105%)	Remaining LTFM Revenue
2018	2019		\$880,285	\$380,875	\$499,410	\$370,000	\$268,650	\$638,650	\$670,583	\$209,702
2019	2020		936,132	442,606	493,526	415,000	283,489	698,489	733,413	202,719
2020	2021		1,064,717	536,553	528,164	445,000	272,525	717,525	753,401	311,315
2021	2022		1,032,330	536,425	495,905	465,000	259,175	724,175	760,384	271,946
2022	2023		1,068,511	543,073	525,438	515,000	241,925	756,925	794,771	273,740
2023	2024		1,104,692	567,947	536,745	555,000	262,275	817,275	858,139	246,553
2024	2025		1,140,840	587,447	553,393	615,000	241,725	856,725	899,561	241,279
2025	2026		1,177,021	606,077	570,944	670,000	219,125	889,125	933,581	243,440
2026	2027		1,213,202	624,708	588,494	720,000	202,375	922,375	968,494	244,708
2027	2028		1,249,383	643,338	606,045	775,000	184,125	959,125	1,007,081	242,302
2028	2029		1,266,008	651,899	614,109	730,000	164,325	894,325	939,041	326,967
2029	2030		1,266,008	651,899	614,109	750,000	145,750	895,750	940,538	325,471
2030	2031		1,266,008	651,899	614,109	770,000	125,575	895,575	940,354	325,654
2031	2032		1,266,008	651,899	614,109	790,000	104,900	894,900	939,645	326,363
2032	2033		1,266,008	651,899	614,109	815,000	81,500	896,500	941,325	324,683
2033	2034		1,266,008	651,899	614,109	840,000	57,350	897,350	942,218	323,791
2034	2035		1,266,008	651,899	614,109	865,000	33,300	898,300	943,215	322,793
2035	2036		1,266,008	651,899	614,109	800,000	16,000	816,000	856,800	409,208
2036	2037		1,266,008	651,899	614,109	0	0	0	0	1,266,008
2037	2038		1,266,008	651,899	614,109	0	0	0	0	1,266,008
2038	2039		1,266,008	651,899	614,109	0	0	0	0	1,266,008
						\$11,905,000	\$3,164,089	\$15,069,089	\$15,822,543	

2021A Estimates				
\$2,250,000 Bond Issue 18 Years 85.2 % of Revenue Used After 2021A Issue				
Principal	Interest	Total Payments	Initial Debt Service Levies (P&I at 105%)	Remaining LTFM Revenue
\$0	\$0	\$0	\$0	\$209,702
0	0	0	0	202,719
0	0	0	0	311,315
0	32,252	0	0	271,946
0	33,850	0	0	273,740
0	33,850	0	0	246,553
5,000	33,850	38,850	40,793	200,486
5,000	33,750	38,750	40,688	202,752
5,000	33,650	38,650	40,583	204,126
5,000	33,550	38,550	40,478	201,825
5,000	33,450	38,450	40,373	286,594
5,000	33,350	38,350	40,268	285,203
5,000	33,250	38,250	40,163	285,492
5,000	33,150	38,150	40,058	286,306
5,000	33,100	38,100	40,005	284,678
5,000	33,044	38,044	39,946	283,845
5,000	32,988	37,988	39,887	282,906
0	32,925	32,925	34,571	374,637
720,000	32,925	752,925	790,571	475,437
735,000	22,125	757,125	794,981	471,027
740,000	11,100	751,100	788,655	477,353
\$2,250,000	\$566,158	\$2,716,206	\$2,852,017	

Assumes growth in adusted pupil units of 0% per year for future years.

Assumes no change in ANTC after payable 2021.

For 2021A bond issues, interest payments in first three years are made from bond proceeds.



**Rating Action: Moody's assigns A1 UND & Aa2 ENH to Big Lake ISD 727, MN's GO Bonds**

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21 Jan 2021

New York, January 21, 2021 -- Moody's Investors Service has assigned an A1 underlying and Aa2 enhanced ratings to Big Lake Independent School District 727, MN's \$7.7 million General Obligation Facilities Maintenance Bonds, Series 2021A. Moody's maintains an underlying A1 rating on the district's outstanding general obligation unlimited tax (GOULT) debt. Following the sale, the district will have about \$47 million in outstanding debt.

**RATINGS RATIONALE**

The A1 underlying rating reflects the district's moderately sized tax base, improved financial profile despite history of enrollment declines and somewhat elevated leverage.

The Aa2 enhanced rating on the current bonds reflects the additional security provided by the State of Minnesota's School District Credit Enhancement Program. The Aa2 enhanced programmatic rating is notched once from the State of Minnesota's Aa1 general obligation unlimited tax (GOULT) rating and the enhancement program carries a stable outlook, reflecting the stable outlook on the State of Minnesota. The enhanced rating reflects sound program mechanics and the State of Minnesota's pledge of an unlimited appropriation from its General Fund should the district be unable to meet debt service requirements. The program's mechanics include a provision for third party notification of pending deficiency. If the school district does not transfer funds necessary to pay debt to the paying agent at least three days prior to the payment due date, the state will appropriate the payment to the paying agent directly. Moody's has received a copy of the signed program applications.

**RATING OUTLOOK**

Outlooks are not usually assigned to underlying ratings of local governments with this amount of debt.

**FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING**

- Stabilization of enrollment trends coupled with continued improvement of financial operations
- Moderation of the debt and pension burdens
- Upward movement in State of Minnesota's underlying GOULT rating (enhanced)

**FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING**

- Deterioration of the tax base or demographic profile
- Material declines in reserves or liquidity
- Further increases in the debt or pension burdens
- Downward movement in the State of Minnesota's underlying GOULT rating (enhanced)
- Weakening of the credit enhancement program mechanics (enhanced)

**LEGAL SECURITY**

The district's GOULT bonds are secured by the district's full faith and credit pledge and the authority to levy a dedicated property tax unlimited as to rate and amount. The security benefits from a statutory lien.

The bonds are additionally secured by the State of Minnesota's School District Credit Enhancement Program which provides for an unlimited advance from the state's General Fund should the district be unable to meet debt service requirements.

## USE OF PROCEEDS

Proceeds of the Series 2021A will finance health and safety projects, indoor air quality projects and deferred maintenance projects included in the district's ten-year facility plan.

## PROFILE

Located approximately 40 miles northwest of the Minneapolis (Aa1 stable) and St. Paul (Aa1 stable), the district includes the City of Big Lake (A1) and surrounding unincorporated areas. As of 2019 the district's population was estimated at 18,463, serving approximately 3,000 students.

## METHODOLOGY

The principal methodology used in the underlying rating was US Local Government General Obligation Debt published in July 2020 and available at [https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBM\\_1230443](https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBM_1230443). The principal methodology used in the enhanced rating was State Aid Intercept Programs and Financings published in December 2017 and available at [https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBM\\_1067422](https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBM_1067422). Alternatively, please see the Rating Methodologies page on [www.moodys.com](http://www.moodys.com) for a copy of these methodologies.

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## CREDIT OPINION

21 January 2021

 Rate this Research

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# Big Lake Independent School District 727, MN

Update to credit analysis

## Summary

[Big Lake ISD No. 727](#) (A1) benefits from a growing tax base with above average resident income levels. Following a voter-approved operating levy in 2015, the district has been able to grow its reserves annually for the last several years. The district's credit attributes are balanced against a long-term trend of declining enrollment, that was exacerbated by the pandemic driving some students to seek alternate educational options. The district's direct leverage is above average considering debt and pensions and is likely to remain so given outstanding capital needs.

## Credit strengths

- » Growing tax base with above average resident income levels
- » Improved financial position

## Credit challenges

- » Long-term trend of declining enrollment, a key component of state aid
- » Above average leverage with outstanding capital needs

## Rating outlook

Outlooks are usually not assigned to underlying ratings of local governments with this amount of debt.

## Factors that could lead to an upgrade

- » Stabilization of enrollment coupled with continued improvement of financial operations
- » Moderation of the debt and pension burdens

## Factors that could lead to a downgrade

- » Deterioration of the tax base or demographic profile
- » Material declines in reserves or liquidity
- » Further increases in the debt or pension burdens

## Key indicators

Exhibit 1

Big Lake Independent School District 727, MN	2016	2017	2018	2019	2020
<b>Economy/Tax Base</b>					
Total Full Value (\$000)	\$1,401,610	\$1,494,704	\$1,643,734	\$1,789,243	\$1,912,997
Population	18,015	17,942	18,424	18,463	18,463
Full Value Per Capita	\$77,802	\$83,308	\$89,217	\$96,910	\$103,612
Median Family Income (% of US Median)	123.5%	131.9%	132.3%	128.1%	128.1%
<b>Finances</b>					
Operating Revenue (\$000)	\$36,766	\$38,425	\$38,964	\$39,954	\$41,021
Fund Balance (\$000)	\$6,164	\$7,273	\$8,525	\$9,571	\$10,789
Cash Balance (\$000)	\$10,240	\$11,776	\$13,264	\$14,416	\$16,826
Fund Balance as a % of Revenues	16.8%	18.9%	21.9%	24.0%	26.3%
Cash Balance as a % of Revenues	27.9%	30.6%	34.0%	36.1%	41.0%
<b>Debt/Pensions</b>					
Net Direct Debt (\$000)	\$36,600	\$42,105	\$42,208	\$41,671	\$44,572
3-Year Average of Moody's ANPL (\$000)	N/A	\$80,849	\$87,687	\$88,214	\$81,819
Net Direct Debt / Full Value (%)	2.6%	2.8%	2.6%	2.3%	2.3%
Net Direct Debt / Operating Revenues (x)	1.0x	1.1x	1.1x	1.0x	1.1x
Moody's - adjusted Net Pension Liability (3-yr average) to Full Value (%)	N/A	5.4%	5.3%	4.9%	4.3%
Moody's - adjusted Net Pension Liability (3-yr average) to Revenues (x)	N/A	2.1x	2.3x	2.2x	2.0x

Source: Audited financial statements, US Census, Moody's Investors Service

## Profile

Located approximately 40 miles northwest of the [Minneapolis](#) (Aa1 stable) and [St. Paul](#) (Aa1 negative), the district includes the [City of Big Lake](#) (A1) and surrounding unincorporated areas. The district has a population of about 18,463 and serves approximately 3,000 students. The district provides education for students in grades kindergarten through twelve.

## Detailed credit considerations

### Economy and tax base

The district's tax base will likely continue to benefit from its proximity to the Twin Cities and the [City of St. Cloud](#) (Aa2). The district's moderately sized \$1.8 billion tax base, as measured by total economic market value, has demonstrated strong annual growth for the last seven years. Preliminary figures from the county point to another year of moderate tax base growth. The district is largely a bedroom community with many residents commuting to either the Twin Cities or St. Cloud. While mostly residential, management notes a modest degree of ongoing economic development. The district's median family income is estimated at 132% of the national figure. As of November 2020, Sherburne County's unemployment rate (4%) was on par with the state's rate (3.9%) and below the national rate (6.4%).

The district's population grew rapidly in recent decades, increasing by 97% between 1990 and 2000 and by 46% between 2000 and 2010 and has since then remained stable. Similarly, district enrollment grew rapidly in the early 2000s, but has generally been declining since then. Enrollment decreased at an average annual rate of 1.8% through 2019. Fiscal 2020 saw a 2.2% increase in enrollment, the largest increase since the mid 2000s; however, fiscal 2021 enrollment experienced a sharp decline (2.3%), partially driven by the pandemic. Management expects a large portion of those students to return next year.

Open enrollment is a challenge as the district loses more students than it brings in. The net open enrollment loss is reportedly attributable to resident commuting patterns and competition from nearby schools. The district implemented a number of changes to help increase enrollment trends including expanding programming and investing in an online platform that is in the process of being certified. The program received a waiver in 2020, given the unique circumstances surrounding the pandemic. The district also maintains

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an off-site apprenticeship program, which may draw students that would prefer to engage in trades after school instead of seeking tertiary education.

### Financial operations and reserves

The district's financial profile is a credit strength and is supported by a sound operating history and improved reserves. For fiscal 2020, the district closed the year better than anticipated due to the pandemic forcing students to engage in remote learning, which eliminated certain expenditures and drove a \$1.4 million improvement in fund balance. For fiscal 2021, the district budgeted for a \$1.7 million deficit, due to overstaffing and enrollment loss. However, the district expects the actual reserve draw to be closer to \$1 million due to recent news of additional \$800,000 in federal coronavirus relief funding. The district had also previously received additional aid from Sherburne County and Big Lake Township totaling approximately \$450,000.

In 2015, district voters approved a \$475 per pupil increase in the district's operating levy, which is generating an additional \$1.6 million annually. The total operating levy now includes a \$140 per pupil board approved levy and a \$699 per pupil voter approved levy, which combined generate approximately \$2.8 million annually. District voters also approved a capital levy in 2015 that generates nearly \$500,000 annually, which is largely dedicated to technology improvements. Both levies were approved in 2015 are valid for 10 years.

### Liquidity

District liquidity is sound and totaled \$16.8 million in fiscal 2020 and 41% of operating revenue.

### Debt and pensions

The district's debt and pension burdens are expected to remain somewhat elevated. Inclusive of the 2021 bonds, the district's debt burden totals about \$47.9 million, equal to 2.3% of full value and 1.1x fiscal 2020 operating revenue. The district has noted outstanding capital needs of approximately \$20-\$30 million. It is currently considering several options on how to fund those improvements. However, the district expects to continue to leverage its long term facility maintenance revenue, which will generate about \$1 million annually over the next few years, to finance certain portions of its capital needs.

The district's adjusted net pension liability (ANPL), totals \$83 million using a 3.5% discount rate while the three-year average totals \$82 million, equal to 4.3% of full value and 2.0x operating revenue. In comparison, the district's reported GASB net pension liability, based on a 7.5% discount rate, totals \$23 million.

The district's fixed costs, inclusive of debt service, pension contributions and other post-employment benefit (OPEB) costs typically hover around 18% of revenue.

### Legal security

The district's GOULT bonds are ultimately secured by the district's full faith and credit pledge and the authority to levy a dedicated property tax unlimited as to rate and amount. The security benefits from a statutory lien.

The bonds are additionally secured by the State of Minnesota's School District Credit Enhancement Program which provides for an unlimited advance from the state's General Fund should the district be unable to meet debt service requirements.

### Debt structure

All of the district's debt is fixed rate and amortizes over the long term, with more than 75% of debt retired in 10 years.

### Debt-related derivatives

The district maintains no derivative exposure.

## ESG considerations

### Environmental

Based on data from Moody's affiliate Four Twenty Seven, Sherburne County has high exposure to water stress. It also maintains low to no risk for sea level rise, heat stress and extreme rainfall. We do not view environmental risks as material for the school district's credit profile.

### Social

The coronavirus pandemic is a major social consideration. In aggregate, the district expects to receive approximately \$2 million in various state and federal support coronavirus related support. District enrollment has fallen about 2% in fiscal 2021 as a result of the pandemic but is expected to recover to some extent in the following year. Still the district's longer-term enrollment trend is negative.

### Governance

Similar to many Minnesota school districts, state aid is the district's main revenue source, making up 72% operating revenue, while property taxes comprised 23% of operating revenue. Officials recently increased the General fund balance policy to 8% from 5% of expenditures.

Minnesota school districts have an institutional framework score<sup>1</sup> of "A," which is moderate. Schools are highly dependent on state aid, averaging about 70% of General Fund revenue. State aid is moderately predictable and is based on a per pupil funding formula, with some adjustments for wealth and need. Schools have moderate revenue raising ability and can increase revenue up to \$724 per pupil through their authority to collect Local Optional Revenue (LOR). The standard referendum cap for voter approved operating levies increases annually with inflation and currently totals just under \$1,800 per pupil. Unpredictable revenue fluctuations tend to be moderate. Across the sector, fixed and mandated costs are generally moderate. Expenditures are highly predictable with personnel and benefits representing the largest costs.

## Rating methodology and scorecard factors

The US Local Government General Obligation Debt methodology includes a scorecard, a tool providing a composite score of a local government's credit profile based on the weighted factors we consider most important, universal and measurable, as well as possible notching factors dependent on individual credit strengths and weaknesses. Its purpose is not to determine the final rating, but rather to provide a standard platform from which to analyze and compare local government credits.

Exhibit 2

### Big Lake Independent School District 727, MN

Scorecard Factors and Subfactors	Measure	Score
<b>Economy/Tax Base (30%)<sup>[1]</sup></b>		
Tax Base Size: Full Value (in 000s)	\$1,912,997	Aa
Full Value Per Capita	\$103,612	Aa
Median Family Income (% of US Median)	128.1%	Aa
<b>Finances (30%)</b>		
Fund Balance as a % of Revenues	26.3%	Aaa
5-Year Dollar Change in Fund Balance as % of Revenues	12.6%	Aa
Cash Balance as a % of Revenues	41.0%	Aaa
5-Year Dollar Change in Cash Balance as % of Revenues	18.9%	Aa
Notching Factors: <sup>[2]</sup>		
Other Scorecard Adjustment Related to Finances: trend of declining enrollment		Down
<b>Management (20%)</b>		
Institutional Framework	A	A
Operating History: 5-Year Average of Operating Revenues / Operating Expenditures	1.0x	Aa
<b>Debt and Pensions (20%)</b>		
Net Direct Debt / Full Value (%)	2.3%	A
Net Direct Debt / Operating Revenues (x)	1.1x	A
3-Year Average of Moody's Adjusted Net Pension Liability / Full Value (%)	4.3%	A
3-Year Average of Moody's Adjusted Net Pension Liability / Operating Revenues (x)	2.0x	A
Notching Factors: <sup>[2]</sup>		
Unusually Strong or Weak Security Features		Up
	Scorecard-Indicated Outcome	Aa3
	Assigned Rating	A1

[1] Economy measures are based on data from the most recent year available.

[2] Notching Factors are specifically defined in the US Local Government General Obligation Debt methodology.

[3] Standardized adjustments are outlined in the GO Methodology Scorecard Inputs publication.

Sources: US Census Bureau, Moody's Investors Service

Source: Audited financial statements, US Census, Moody's Investors Service

## Endnotes

<sup>1</sup> The institutional framework score assesses a municipality's legal ability to match revenues with expenditures based on its constitutionally and legislatively conferred powers and responsibilities. See [US Local Government General Obligation Debt \(July 2020\)](#) methodology report for more details.

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## CLIENT SERVICES

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Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

CERTIFICATION OF MINUTES RELATING TO  
\$7,975,000 GENERAL OBLIGATION FACILITIES MAINTENANCE BONDS,  
SERIES 2021A

Issuer: Independent School District No. 727 (Big Lake), Minnesota

Governing Body: School Board

Kind, date, time and place of meeting: A regular meeting held on January 28, 2021 at 6:30 p.m. 6:30 p.m. in the Middle School Student Center.

Members present:

Members absent:

Documents attached:

Minutes of said meeting (including):

RESOLUTION RELATING TO \$7,975,000 GENERAL OBLIGATION  
FACILITIES MAINTENANCE BONDS, SERIES 2021A; AUTHORIZING  
ISSUANCE, AWARDED SALE, PRESCRIBING THE FORM AND DETAILS  
AND PROVIDING FOR THE PAYMENT THEREOF

I, the undersigned, being the duly qualified and acting recording officer of the public corporation issuing the bonds 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, so far as they relate to said bonds; 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 this \_\_\_\_ day of \_\_\_\_\_,  
2021.

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School District Clerk

It was reported that six (6) proposals for the purchase of the District's \$7,975,000 General Obligation Facilities Maintenance Bonds, Series 2021A, were received prior to 10:30 A.M., Central Time, on Thursday, January 28, 2021, pursuant to the Preliminary Official Statement distributed to potential purchasers of the Bonds by Ehlers & Associates, Inc., independent municipal advisor to the District. The proposals have been publicly opened, read, and tabulated and were found to be as follows:

(See Attached)



## BID TABULATION

\$7,740,000\* General Obligation Facilities Maintenance Bonds, Series 2021A

Independent School District No. 727 (Big Lake), Minnesota

SALE: January 28, 2021

AWARD: BAIRD

MN Credit Enhancement Rating: Moody's Investor's Service "Aa2"

Underlying Rating: Moody's Investor's Service "A1"

Tax Exempt - Non-Bank Qualified

NAME OF BIDDER	MATURITY (February 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
BAIRD				\$7,803,305.05	\$1,303,335.69	1.3456%
Red Bank, New Jersey	2025	2.000%	0.250%			
C.L. King	2026	2.000%	0.300%			
Collier Securities	2027	2.000%	0.400%			
Edward Jones	2028	2.000%	0.500%			
Fidelity Capital	2029	2.000%	0.600%			
Davenport & Co. L.L.	2030	2.000%	0.750%			
Loop Capital	2031	2.000%	0.800%			
Country Club Bank	2032	1.000%	1.000%			
Crews & Associates,	2033	1.125%	1.125%			
Sierra Pacific Sec.	2034	1.125%	1.200%			
BNYMellon Cap Mar	2035	1.250%	1.300%			
Isaak Bond Investments	2037	1.500%	1.500%			
Wayne Hummer & Co.	2038	1.500%	1.550%			
SumRidge Partners	2039	1.500%	1.600%			
RBC Capital Markets						
Oppenheimer & Co.						
BOK Fin Sec, WI						
Midland Securities						
FMS Bonds Inc.						
First Kentucky Securities						
MULTI-BANK SECURITIE						
First Southern LLC						
Commerce Bank, N.A.						
280 Sec						
Dinosaur Sec						
First Bankers' Banc						
Mountainside Sec						
StoneX Financial Inc						

\* Subsequent to bid opening the issue size was increased to \$7,975,000.

Adjusted Price - \$8,049,731.28

Adjusted Net Interest Cost - \$1,326,095.93

Adjusted TIC - 1.3393%

NAME OF BIDDER	MATURITY (February 1)	RATE	REOFFERING YIELD	PRICE	NET INTEREST COST	TRUE INTEREST RATE
NORTHLAND SECURITIES, INC. Minneapolis, Minnesota				\$7,799,691.60	\$1,421,670.73	1.4698%
UBS FINANCIAL SERVICES INC. New York, New York				\$8,332,026.79	\$1,542,137.52	1.5396%
HILLTOP SECURITIES Dallas, Texas				\$8,281,168.30	\$1,538,848.23	1.5399%
KEYBANC CAPITAL MARKETS INCORPORATED Cleveland, Ohio				\$8,354,081.80	\$1,582,023.20	1.5788%
J.P. MORGAN SECURITIES LLC New York, New York				\$8,440,286.90	\$1,674,212.54	1.6637%

Bid Tabulation  
Independent School District No. 727 (Big Lake), Minnesota  
\$7,740,000\* General Obligation Facilities Maintenance Bonds, Series 2021A

January 28, 2021

Page 2

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

RESOLUTION RELATING TO \$7,975,000 GENERAL OBLIGATION FACILITIES MAINTENANCE BONDS, SERIES 2021A; AUTHORIZING ISSUANCE, AWARDED SALE, PRESCRIBING THE FORM AND DETAILS AND PROVIDING FOR THE PAYMENT THEREOF

BE IT RESOLVED by the School Board (the Board) of Independent School District No. 727 (Big Lake), Minnesota (the District), as follows:

SECTION 1. AUTHORIZATION AND SALE.

1.01. Authorization. Pursuant to a resolution adopted on December 17, 2020, this Board determined it is in the best interests of the District to authorize the issuance and sale of its General Obligation Facilities Maintenance Bonds, Series 2021A in the approximate principal amount of \$8,250,000 (the Bonds) pursuant to Minnesota Statutes, Section 123B.595 and Chapter 475. The proceeds of the Bonds will be used, together with any funds of the District which might be required, to finance indoor air quality projects and various deferred capital maintenance projects (collectively, the Projects), as described in the District's ten-year facility plan (the Facility Plan) approved by both the Board and the Commissioner of the Department of Education of the State of Minnesota. The District has published a notice in its official newspaper describing the Projects, the amount of such Bonds, and the total amount of District indebtedness.

1.02. Sale. The District has retained Ehlers and Associates, Inc., in Roseville, Minnesota (Ehlers) as independent municipal advisor in connection with the sale of the Bonds. Pursuant to Minnesota Statutes, Section 475.60, subdivision 2, paragraph 9, the requirements as to a public sale do not apply to the issuance of the Bonds. Pursuant to the Preliminary Official Statement prepared on behalf of the District by Ehlers, proposals for the purchase of the Bonds were received at or before the time specified for receipt of proposals. The proposals have been opened, publicly read and considered, and the purchase price, interest rates and net interest cost under the terms of each proposal have been determined. The most favorable proposal received is that of Robert W. Baird & Co. Incorporated, in Red Bank, New Jersey, and associates (the Purchaser). It is hereby determined to issue the Bonds at a purchase price of \$8,049,731.28 (representing the principal amount of \$7,975,000, plus an original issue premium of \$188,450.05, less an original issue discount of \$13,830.35, and less an underwriter's discount of \$99,888.42) plus accrued interest, if any, and upon the further terms and conditions set forth herein.

1.03. Award. The sale of the Bonds is hereby awarded to the Purchaser, and the Chairperson and Clerk are hereby authorized and directed on behalf of the District to execute a contract for the sale of the Bonds with the Purchaser in accordance with the terms of the proposal. The good faith deposit of the Purchaser shall be retained and deposited by the District until the Bonds have been delivered, and shall be deducted from the purchase price paid at settlement. Any good faith deposit of other bidders shall be returned to them forthwith.

SECTION 2. BOND TERMS; REGISTRATION; EXECUTION AND DELIVERY.

2.01. Issuance of Bonds. All acts, conditions and things which are required by the Constitution and laws of the State of Minnesota to be done prior to the issuance of the Bonds having been done, existing and having happened, it is necessary for this Board to establish the form and terms of the Bonds, to provide for the security thereof, and to issue the Bonds forthwith.

2.02. Maturities, Interest Rates and Denominations. The Bonds shall be originally dated as of February 18, 2021, shall be in denominations of \$5,000 or any integral multiple thereof of single maturities, shall mature on February 1 in the years and amounts stated below and shall bear interest from date of issue until paid or duly called for redemption at the annual rates set forth opposite such years and amounts, as follows:

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>
2025	\$125,000	2.000%	2032	\$ 635,000	1.000%
2026	380,000	2.000	2033	650,000	1.125
2027	350,000	2.000	2034	1,100,000	1.125
2028	340,000	2.000	2035	1,180,000	1.250
2029	335,000	2.000	2037	720,000	1.500
2030	340,000	2.000	2038	735,000	1.500
2031	345,000	2.000	2039	740,000	1.500

For purposes of complying with the maturity provisions of Minnesota Statutes, Section 475.54, subdivision 1, the maturity schedule for the Bonds is being combined with the maturity schedules for all of the District's outstanding general obligation bonds.

The Bonds shall be issuable only in fully registered form. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months. The interest thereon and, upon surrender of each Bond, the principal amount thereof, shall be payable by check or draft issued by the Registrar described herein; provided that, so long as the Bonds are registered in the name of a securities depository, or a nominee thereof, in accordance with Section 2.08 hereof, principal and interest shall be payable in accordance with the operational arrangements of the securities depository.

2.03. Dates and Interest Payment Dates. Upon initial delivery of the Bonds pursuant to Section 2.07 and upon any subsequent transfer or exchange pursuant to Section 2.06, the date of authentication shall be noted on each Bond so delivered, exchanged or transferred. The interest on the Bonds shall be payable on February 1 and August 1, commencing August 1, 2021, to the owners of record thereof as of the close of business on the fifteenth day of the immediately preceding month, whether or not such day is a business day.

2.04. Redemption. The Bonds maturing on and after February 1, 2030 shall be subject to redemption and prepayment at the option of the District, in whole or in part, in such order as the District shall determine and within a maturity by lot as selected by the Registrar in multiples of \$5,000, on February 1, 2029, and on any date thereafter, at a price equal to the principal amount

thereof and accrued interest to the date of redemption. The Clerk shall cause notice of the call for redemption thereof to be published as required by law and, at least thirty (30) days prior to the designated redemption date, shall cause notice of the call for redemption to be mailed, by first class mail, to the registered owners of any Bonds to be redeemed at their addresses as they appear on the bond register described in Section 2.06 hereof but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

2.05. Appointment of Initial Registrar. The District hereby appoints Bond Trust Services Corporation, in Roseville, Minnesota, as the initial bond registrar, transfer agent and paying agent (the Registrar). The Chairperson and the Clerk are authorized to execute and deliver, on behalf of the District, a contract with the Registrar. Upon merger or consolidation of the Registrar with another corporation, if the resulting corporation is a bank or trust company organized under the laws of the United States or one of the states of the United States and authorized by law to conduct such business, such corporation shall be authorized to act as successor Registrar. The District agrees to pay the reasonable and customary charges of the Registrar for the services performed. The District reserves the right to remove the Registrar upon thirty (30) days' notice and upon the appointment and acceptance of a successor Registrar, in which event the predecessor Registrar shall deliver all cash and Bonds in its possession to the successor Registrar and shall deliver the bond register to the successor Registrar.

2.06. Registration. The effect of registration and the rights and duties of the District and the Registrar with respect thereto shall be as follows:

(a) Register. The Registrar shall keep at its principal corporate trust office a bond register in which the Registrar shall provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until such interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar shall authenticate and deliver one or more

new Bonds of a like aggregate principal amount and maturity, as requested by the registered owner or the owner's attorney in writing.

(d) Cancellation. All Bonds surrendered upon any transfer or exchange shall be promptly canceled by the Registrar and thereafter disposed of as directed by the District.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar shall incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The District and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(g) Taxes, Fees and Charges. For every transfer or exchange of Bonds, the Registrar may impose a charge upon the owner thereof sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, stolen or lost, the Registrar shall deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar of an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the District and the Registrar shall be named as obligees. All Bonds so surrendered to the Registrar shall be canceled by it and evidence of such cancellation shall be given to the District. If the mutilated, destroyed, stolen or lost Bond has already matured or been called for redemption in accordance with its terms it shall not be necessary to issue a new Bond prior to payment.

(i) Authenticating Agent. The Registrar is hereby designated authenticating agent for the Bonds, within the meaning of Minnesota Statutes, Section 475.55, subdivision 1, as amended.

(j) Valid Obligations. All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the District, evidencing the same debt, and entitled to the same benefits under this resolution as the Bonds surrendered upon such transfer or exchange.

2.07. Execution; Authentication and Delivery. The Bonds shall be prepared under the direction of the Clerk and shall be executed on behalf of the District by the signatures of the Chairperson and the Clerk, provided that all signatures may be printed, engraved, or lithographed facsimiles of the originals. In case any officer whose signature, or a facsimile of whose signature, shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. Notwithstanding such execution, no Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this resolution unless and until a certificate of authentication on such Bond has been duly executed by the manual signature of the Registrar. The executed certificate of authentication on each Bond shall be conclusive evidence that it has been authenticated and delivered under this resolution. When the Bonds have been so delivered and authenticated, they shall be delivered by the Clerk to the Purchaser upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser shall not be obligated to see to the application of the purchase price.

2.08. Securities Depository. (a) For purposes of this section the following terms shall have the following meanings:

“Beneficial Owner” shall mean, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant, or such person’s subrogee.

“Cede & Co.” shall mean Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Bonds.

“DTC” shall mean The Depository Trust Company of New York, New York.

“Participant” shall mean any broker-dealer, bank or other financial institution for which DTC holds Bonds as securities depository.

“Representation Letter” shall mean the Representation Letter pursuant to which the District agrees to comply with DTC’s Operational Arrangements.

(b) The Bonds shall be initially issued as separately authenticated fully registered bonds, and one Bond shall be issued in the principal amount of each stated maturity of the Bonds. Upon initial issuance, the ownership of such Bonds shall be registered in the bond register in the name of Cede & Co., as nominee of DTC. The Registrar and the District may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purposes of payment of the principal of or interest on the Bonds, selecting the Bonds or portions thereof to be redeemed, if any, giving any notice permitted or required to be given to registered owners of Bonds under this resolution, registering the transfer of Bonds, and for all other

purposes whatsoever; and neither the Registrar nor the District shall be affected by any notice to the contrary. Neither the Registrar nor the District shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or any Participant, or any other person which is not shown on the bond register as being a registered owner of any Bonds, with respect to the accuracy of any records maintained by DTC or any Participant, with respect to the payment by DTC or any Participant of any amount with respect to the principal of or interest on the Bonds, with respect to any notice which is permitted or required to be given to owners of Bonds under this resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Bonds, or with respect to any consent given or other action taken by DTC as registered owner of the Bonds. So long as any Bond is registered in the name of Cede & Co., as nominee of DTC, the Registrar shall pay all principal of and interest on such Bond, and shall give all notices with respect to such Bond, only to Cede & Co. in accordance with DTC's Operational Arrangements, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Bond for each separate stated maturity evidencing the obligation of the District to make payments of principal and interest. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Bonds will be transferable to such new nominee in accordance with paragraph (e) hereof.

(c) In the event the District determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bonds in the form of bond certificates, the District may notify DTC and the Registrar, whereupon DTC shall notify the Participants of the availability through DTC of Bonds in the form of certificates. In such event, the Bonds will be transferable in accordance with paragraph (e) hereof. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the District and the Registrar and discharging its responsibilities with respect thereto under applicable law. In such event the Bonds will be transferable in accordance with paragraph (e) hereof.

(d) The execution and delivery of the Representation Letter to DTC by the Chairperson or Clerk, if not previously filed or if required to be re-filed with DTC, is hereby authorized and directed.

(e) In the event that any transfer or exchange of Bonds is permitted under paragraph (b) or (c) hereof, such transfer or exchange shall be accomplished upon receipt by the Registrar of the Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee in accordance with the provisions of this resolution. In the event Bonds in the form of certificates are issued to owners other than Cede & Co., its successor as nominee for DTC as owner of all the Bonds, or another securities depository as owner of all the Bonds, the provisions of this resolution shall also apply to all matters relating thereto, including, without limitation, the printing of such Bonds in the form of bond certificates and the method of payment of principal of and interest on such Bonds in the form of bond certificates.

**SECTION 3. FORM OF BONDS.** The Bonds shall be prepared in substantially the form found at EXHIBIT A hereto.

#### SECTION 4. USE OF PROCEEDS.

4.01. General Obligation Facilities Maintenance Bonds, Series 2021A Construction Fund. There is hereby established on the official books and records of the District a General Obligation Facilities Maintenance Bonds, Series 2021A Construction Fund (the Construction Fund), and the District shall continue to maintain the Construction Fund until payment of all costs and expenses incurred in connection with the Projects financed by the Bonds have been paid. To the Construction Fund there shall be credited from the proceeds of the Bonds an amount equal to the estimated construction costs and expenses of the Projects and from the Construction Fund there shall be paid all such construction costs and expenses. After payment of all such construction costs and expenses, the Construction Fund shall be discontinued and any Bond proceeds remaining therein shall be credited to the Debt Service Fund established by Section 4.02 hereof.

4.02. General Obligation Facilities Maintenance Bonds, Series 2021A Debt Service Fund. So long as any of the Bonds are outstanding and any principal of or interest thereon unpaid, the District shall maintain a separate debt service fund on the official books and records of the District to be known as the General Obligation Facilities Maintenance Bonds, Series 2021A Debt Service Fund (the Debt Service Fund), which the District agrees to maintain until the Bonds have been paid in full, and the principal of and interest on the Bonds shall be payable from the Debt Service Fund. Pursuant to Minnesota Statutes, Section 123B.595, subdivision 5(c), the portion of long-term facilities maintenance revenue for bonded debt must be recognized in the Debt Service Fund. The moneys on hand in the Debt Service Fund from time to time shall be used only to pay the principal of and interest on the Bonds. The District irrevocably appropriates to the Debt Service Fund: (a) any funds received from the Purchaser upon delivery of the Bonds in excess of (i) the amount required by Section 4.01 above to be credited to the Construction Fund and (ii) the amount required by Section 7.04 hereof to be set aside for payment of the costs of issuance of the Bonds; (b) the amounts specified in Section 4.01 above, after payment of all costs and expenses of the Projects; (c) all taxes levied and collected in accordance with this resolution or any additional resolutions of the Board; (d) amounts, if any, transferred from the general fund account for long-term facilities maintenance to the Debt Service Fund, pursuant to Minnesota Statutes, Section 123B.595, subdivision 10(a)(4); (e) any long-term facilities maintenance equalized aid receivable under Minnesota Statutes, Section 123B.595, subdivision 9; and (f) all other moneys as shall be appropriated by the Board to the Debt Service Fund from time to time. If any payment of principal of and interest on the Bonds shall become due when there is not sufficient money in the Debt Service Fund to make such payment, the Clerk shall pay the same from any other available fund of the District, and such other fund shall be reimbursed for such advances out of the proceeds of the taxes levied for the payment of the Bonds when available. Pursuant to Minnesota Statutes, Section 123B.595, subdivision 12, the portion, if any, of long-term facilities maintenance revenue not recognized in the Debt Service Fund shall be maintained with the general fund of the District in a reserve account pledged to the payment of Facility Plan costs not financed by the Bonds.

4.03. Tax Levies. For the prompt and full payment of the principal of and interest on the Bonds as the same respectively become due, the full faith, credit and taxing power of the District shall be and are hereby irrevocably pledged. To provide moneys for the payment of principal of and interest on the Bonds as required by Minnesota Statutes, Section 475.61, subdivision 1, there

is hereby levied on all taxable property in the District a direct, annual ad valorem tax which shall be spread upon the tax rolls for collection in the years and amounts as follows, as a part of other general taxes of the District, as follows:

<u>Levy Years</u>	<u>Collection Years</u>	<u>Amount</u>
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(See attached levy computation)

The taxes shall be irrepealable as long as any of the Bonds are outstanding and unpaid; provided that the District reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61. It is estimated that the ad valorem taxes will be collected in amounts not less than five percent in excess of the annual principal and interest requirements of the Bonds. If, as of the date tax levies are certified in any year, the sum of the balance in the Debt Service Fund plus any ad valorem taxes theretofore levied for the payment of Bonds payable therefrom and collectible through the end of the following calendar year is not sufficient to pay when due all principal and interest to become due on all Bonds payable therefrom in said following calendar year, or the Debt Service Fund has incurred a deficiency in the manner provided in Section 4.02, an additional direct, irrepealable, ad valorem tax shall be levied on all taxable property within the corporate limits of the District for the purpose of restoring such accumulated or anticipated deficiency in accordance with the provisions of this resolution. Pursuant to Minnesota Statutes, Section 123B.595, subdivision 6, if the debt service revenue required to pay the principal and interest on the Bonds exceeds the District's long-term facilities maintenance revenue for the same fiscal year, the District's general fund levy must be reduced by the amount of the excess.

4.04. Debt Service Fund Balance Restriction. In order to ensure compliance with the Internal Revenue Code of 1986 (the Code), and applicable Treasury Regulations (the Regulations), upon allocation of any funds to the Debt Service Fund, the balance then on hand in the Fund shall be ascertained. If it exceeds the amount of principal and interest on the Bonds to become due and payable through February 1 next following, plus a reasonable carryover equal to 1/12th of the debt service due in the following bond year, the excess shall (unless an opinion is otherwise received from bond counsel) be used to prepay or purchase Bonds, or invested at a yield which does not exceed the yield on the Bonds calculated in accordance with Section 148 of the Code.

SECTION 5. DEFEASANCE. When all of the Bonds have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution to the registered owners of the Bonds shall cease. The District may discharge its obligations with respect to any Bonds which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full; or, if any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued from the due date to the date of such deposit. The District may also discharge its obligations with respect to any prepayable Bonds called for redemption on any date when they are prepayable according to their terms, by depositing with the Registrar on or before that date an amount equal to the principal, interest and redemption premium, if any, which are then due, provided that notice of such redemption has been duly given as provided herein. The District may also at any time discharge its obligations with respect to any Bonds, subject to the

provisions of law now or hereafter authorizing and regulating such action, by depositing irrevocably in escrow, with a bank or trust company qualified by law as an escrow agent for this purpose, cash or securities which are authorized by law to be so deposited, bearing interest payable at such time and at such rates and maturing or callable at the holder's option on such dates as shall be required to pay all principal and interest to become due thereon to maturity or earlier designated redemption date. Provided, however, that if such deposit is made more than ninety days before the maturity date or specified redemption date of the Bonds to be discharged, the District shall have received a written opinion of Bond Counsel to the effect that such deposit does not adversely affect the exemption of interest on any Bonds from federal income taxation and a written report of an accountant or investment banking firm verifying that the deposit is sufficient to pay when due all of the principal and interest on the Bonds to be discharged on and before their maturity dates or earlier designated redemption date.

#### SECTION 6. TAX COVENANTS, ARBITRAGE MATTERS, REIMBURSEMENT AND CONTINUING DISCLOSURE.

6.01. Restrictive Action. The Projects will be owned and maintained by the District and used to carry out its program of public education. The District shall not enter into any lease, management agreement, use agreement or other contract with any nongovernmental entity relating to the Projects or a portion thereof which would cause the Bonds to be considered "private activity bonds" or "private loan bonds" pursuant to the provisions of Section 141 of the Code. The District covenants and agrees with the registered owners of the Bonds that it will not take or permit to be taken by any of its officers, employees or agents any actions that would cause interest on the Bonds to become includable in gross income of the recipient under the Code and applicable Regulations and covenants to take any and all actions within its powers to ensure that the interest on the Bonds will not become includable in gross income of the recipient under the Code and the Regulations.

6.02. Arbitrage Certification. The Chairperson and Clerk being the officers of the District charged with the responsibility for issuing the Bonds pursuant to this resolution, are authorized and directed to execute and deliver to the Purchaser a certificate in accordance with the provisions of Section 148 of the Code and applicable Regulations stating the facts, estimates and circumstances in existence on the date of issue and delivery of the Bonds which make it reasonable to expect that the proceeds of the Bonds will not be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and the Regulations.

6.03. Arbitrage Rebate. The District acknowledges that the Bonds are subject to the rebate requirements of Section 148(f) of the Code. The District covenants and agrees to retain such records, make such determinations, file such reports and documents and pay such amounts at such times as are required under Section 148(f) and applicable Regulations to preserve the exclusion of interest on the Bonds from gross income for federal income tax purposes, unless the Bonds qualify for an exception from the rebate requirement pursuant to one of the spending exceptions set forth in Section 1.148-7 of the Regulations and no "gross proceeds" of the Bonds (other than amounts constituting a "bona fide debt service fund") arise during or after the expenditure of the original proceeds thereof.

6.04. Not Qualified Tax-Exempt Obligations. The Bonds are not designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code relating to the disallowance of interest expense for financial institutions.

6.05. Reimbursement. The District certifies that the proceeds of the Bonds will not be used by the District to reimburse itself for any expenditure with respect to the Projects which the District paid or will have paid more than 60 days prior to the issuance of the Bonds unless, with respect to such prior expenditures, the District shall have made a declaration of official intent which complies with the provisions of Section 1.150-2 of the Regulations; provided that this certification shall not apply (i) with respect to certain de minimis expenditures, if any, with respect to the Projects meeting the requirements of Section 1.150-2(f)(1) of the Regulations, or (ii) with respect to “preliminary expenditures” for the Projects as defined in Section 1.150-2(f)(2) of the Regulations, including engineering or architectural expenses and similar preparatory expenses, which in the aggregate do not exceed 20% of the “issue price” of the Bonds.

6.06. Continuing Disclosure. (a) Purpose and Beneficiaries. To provide for the public availability of certain information relating to the Bonds and the security therefor and to permit the Purchaser and other participating underwriters in the primary offering of the Bonds to comply with amendments to Rule 15c2-12 promulgated by the SEC under the Securities Exchange Act of 1934 (17 C.F.R. § 240.15c2-12), relating to continuing disclosure (as in effect and interpreted from time to time, the Rule), which will enhance the marketability of the Bonds, the District hereby makes the following covenants and agreements for the benefit of the Owners (as hereinafter defined) from time to time of the outstanding Bonds. The District is the only obligated person in respect of the Bonds within the meaning of the Rule for purposes of identifying the entities in respect of which continuing disclosure must be made. If the District fails to comply with any provisions of this section, any person aggrieved thereby, including the Owners of any outstanding Bonds, may take whatever action at law or in equity may appear necessary or appropriate to enforce performance and observance of any agreement or covenant contained in this section, including an action for a writ of mandamus or specific performance. Direct, indirect, consequential and punitive damages shall not be recoverable for any default hereunder to the extent permitted by law. Notwithstanding anything to the contrary contained herein, in no event shall a default under this section constitute a default under the Bonds or under any other provision of this resolution. As used in this section, Owner or Bondowner means, in respect of a Bond, the registered owner or owners thereof appearing in the bond register maintained by the Registrar or any Beneficial Owner (as hereinafter defined) thereof, if such Beneficial Owner provides to the Registrar evidence of such beneficial ownership in form and substance reasonably satisfactory to the Registrar. As used herein, Beneficial Owner means, in respect of a Bond, any person or entity which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, such Bond (including persons or entities holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of the Bond for federal income tax purposes.

(b) Information To Be Disclosed. The District will provide, in the manner set forth in subsection (c) hereof, either directly or indirectly through an agent designated by the District, the following information at the following times:

- (1) on or before twelve (12) months after the end of each fiscal year of the District, commencing with the fiscal year ending June 30, 2021, the following financial information and operating data in respect of the District (the Disclosure Information):
  - (A) the audited financial statements of the District for such fiscal year, prepared in accordance with generally accepted accounting principles in accordance with the governmental accounting standards promulgated by the Governmental Accounting Standards Board or as otherwise provided under Minnesota law, as in effect from time to time, or, if and to the extent such financial statements have not been prepared in accordance with such generally accepted accounting principles for reasons beyond the reasonable control of the District, noting the discrepancies therefrom and the effect thereof, and certified as to accuracy and completeness in all material respects by the fiscal officer of the District; and
  - (B) to the extent not included in the financial statements referred to in paragraph (A) hereof, the information for such fiscal year or for the period most recently available of the type contained in the Official Statement under the headings: Current Property Valuations; Direct Debt; Tax Levies and Collections; Student Body; and Employment/ Unemployment Data, which information may be unaudited.

Notwithstanding the foregoing paragraph, if the audited financial statements are not available by the date specified, the District shall provide on or before such date unaudited financial statements in the format required for the audited financial statements as part of the Disclosure Information and, within 10 days after the receipt thereof, the District shall provide the audited financial statements. Any or all of the Disclosure Information may be incorporated by reference, if it is updated as required hereby, from other documents, including official statements, which have been submitted to the Municipal Securities Rulemaking Board (the MSRB) through its Electronic Municipal Market Access System (EMMA) or the SEC. The District shall clearly identify in the Disclosure Information each document so incorporated by reference. If any part of the Disclosure Information can no longer be generated because the operations of the District have materially changed or been discontinued, such Disclosure Information need no longer be provided if the District includes in the Disclosure Information a statement to such effect; provided, however, if such operations have been replaced by other District operations in respect of which data is not included in the Disclosure Information and the District determines that certain specified data regarding such replacement operations would be a Material Fact (as defined in paragraph (2) hereof), then, from and after such determination, the Disclosure Information shall include such additional specified data regarding the replacement operations. If the Disclosure Information is changed or this section is amended as permitted by this paragraph (b)(1) or subsection (d), then the District shall include in the next Disclosure Information to be delivered hereunder, to the extent necessary, an explanation of the reasons for the amendment and the effect of any change in the type of financial information or operating data provided.

- (2) In a timely manner, not in excess of 10 business days, to the MSRB through EMMA, notice of the occurrence of any of the following events (each a “Material Fact,” as hereinafter defined):
- (A) principal and interest payment delinquencies;
  - (B) non-payment related defaults, if material;
  - (C) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (D) unscheduled draws on credit enhancements reflecting financial difficulties;
  - (E) substitution of credit or liquidity providers, or their failure to perform;
  - (F) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax status of the Bonds;
  - (G) modifications to rights of Bond holders, if material;
  - (H) Bond calls, if material and tender offers;
  - (I) defeasances;
  - (J) release, substitution, or sale of property securing repayment of the Bonds if material;
  - (K) rating changes;
  - (L) bankruptcy, insolvency, receivership, or similar event of the obligated person;
  - (M) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
  - (N) appointment of a successor or additional trustee or the change of name of a trustee, if material;
  - (O) incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; “financial obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule; and
  - (P) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

As used herein, for those events that must be reported if material, a “Material Fact” is a fact as to which a substantial likelihood exists that a reasonably prudent investor would attach importance thereto in deciding to buy, hold or sell a Bond or, if not disclosed, would significantly alter the total information otherwise available to an investor from the Official Statement, information disclosed hereunder or information generally available to the public. Notwithstanding the foregoing sentence, a Material Fact is also a fact that would be deemed material for purposes of the purchase, holding or sale of a Bond within the meaning of applicable federal securities laws, as interpreted at the time of discovery of the occurrence of the event.

For the purposes of the event identified in (L) hereinabove, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

For purposes of the events identified in paragraphs (O) and (P) above, the term “financial obligation” means (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

- (3) In a timely manner, to the MSRB through EMMA, notice of the occurrence of any of the following events or conditions:
  - (A) the failure of the District to provide the Disclosure Information required under paragraph (b)(1) at the time specified thereunder;
  - (B) the amendment or supplementing of this section pursuant to subsection (d), together with a copy of such amendment or supplement and any explanation provided by the District under subsection (d)(2);
  - (C) the termination of the obligations of the District under this section pursuant to subsection (d);
  - (D) any change in the accounting principles pursuant to which the financial statements constituting a portion of the Disclosure Information are prepared; and
  - (E) any change in the fiscal year of the District.

(c) Manner of Disclosure.

- (1) The District agrees to make available to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, the information described in subsection (b).
- (2) All documents provided to the MSRB pursuant to this subsection (c) shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(d) Term; Amendments; Interpretation.

- (1) The covenants of the District in this section shall remain in effect so long as any Bonds are outstanding. Notwithstanding the preceding sentence, however, the obligations of the District under this section shall terminate and be without further effect as of any date on which the District delivers to the Registrar an opinion of Bond Counsel to the effect that, because of legislative action or final judicial or administrative actions or proceedings, the failure of the District to comply with the requirements of this section will not cause participating underwriters in the primary offering of the Bonds to be in violation of the Rule or other applicable requirements of the Securities Exchange Act of 1934, as amended, or any statutes or laws successory thereto or amendatory thereof.
- (2) This section (and the form and requirements of the Disclosure Information) may be amended or supplemented by the District from time to time, without notice to (except as provided in paragraph (c)(2) hereof) or the consent of the Owners of any Bonds, by a resolution of this Board filed in the office of the recording officer of the District accompanied by an opinion of Bond Counsel, who may rely on certificates of the District and others and the opinion may be subject to customary qualifications, to the effect that: (i) such amendment or supplement (a) is made in connection with a change in circumstances that arises from a change in law or regulation or a change in the identity, nature or status of the District or the type of operations conducted by the District, or (b) is required by, or better complies with, the provisions of paragraph (b)(5) of the Rule; (ii) this section as so amended or supplemented would have complied with the requirements of paragraph (b)(5) of the Rule at the time of the primary offering of the Bonds, giving effect to any change in circumstances applicable under clause (i)(a) and assuming that the Rule as in effect and interpreted at the time of the amendment or supplement was in effect at the time of the primary offering; and (iii) such amendment or supplement does not materially impair the interests of the Bondowners under the Rule.

If the Disclosure Information is so amended, the District agrees to provide, contemporaneously with the effectiveness of such amendment, an explanation of the reasons for the amendment and the effect, if any, of the change in the type of financial information or operating data being provided hereunder.

- (3) This section is entered into to comply with the continuing disclosure provisions of the Rule and should be construed so as to satisfy the requirements of paragraph (b)(5) of the Rule.

#### SECTION 7. CERTIFICATION OF PROCEEDINGS.

7.01. Filing with County Auditor. The Clerk is hereby authorized and directed to file with the County Auditor of Sherburne County a certified copy of this resolution together with such other information as the County Auditor shall require and to obtain from the County Auditor a certificate that the Bonds have been entered upon the bond register and that the tax for the payment of the Bonds has been levied as required by law.

7.02. Certification of Proceedings. The officers of the District and the County Auditor are hereby authorized and directed to prepare and furnish to the Purchaser and to Dorsey & Whitney LLP, Bond Counsel, certified copies of all proceedings and records of the District relating to the Bonds and to the financial condition and affairs of the District, and such other affidavits, certificates and information as may be required to show the facts relating to the legality and marketability of the Bonds as they appear from the books and records under the officer's custody and control or as otherwise known to the them. All such certified copies, certificates and affidavits, including any heretofore furnished, shall be deemed representations of the District to the correctness of all statements contained herein.

7.03. Official Statement. The Preliminary Official Statement relating to the Bonds prepared and distributed by Ehlers, is hereby approved. Ehlers, is hereby authorized on behalf of the District to prepare and distribute to the Purchaser within seven business days from the date hereof, a Final Official Statement listing the offering price, the interest rates, selling compensation, delivery date, the underwriters and such other information relating to the Bonds required to be included in the Official Statement by Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The officers of the District are hereby authorized and directed to execute such certificates as may be appropriate concerning the accuracy, completeness and sufficiency of the Official Statement.

7.04. Authorization of Payment of Certain Costs of Issuance of the Bonds. The District authorizes the Purchaser to forward the amount of Bond proceeds allocable to the payment of issuance expenses to Old National Bank, in Chaska, Minnesota, on the closing date for further distribution as directed by Ehlers.

SECTION 8. STATE PAYMENT; DISTRICT AND REGISTRAR OBLIGATIONS. The District hereby covenants and obligates itself to notify the Commissioner of Education (the Commissioner) of any potential default in the payment of the principal of or interest on the Bonds and to use the provisions of Minnesota Statutes, Section 126C.55 (the State Payment Law), to guarantee, to the extent permitted by law, payment of the principal of and interest on the Bonds when due. The District further covenants to deposit with the Registrar not less than three business days prior to each February 1 and August 1 as set forth in Section 2.03 hereof, an amount sufficient to make that payment or to notify the Commissioner as provided in the State Payment Law that it will be unable to make all or a portion of such payment. The Registrar will notify the Commissioner if it becomes aware of a potential default in the payment of principal of

and interest on the Bonds on any payment date or if, on the date two business days prior to the date on which a payment is due, there are insufficient funds on deposit with the Registrar to make the required payment on such date. The Registrar will cooperate with the District, the Commissioner and the Commissioner of Management and Budget in implementing the provisions of the State Payment Law. In the event that amounts sufficient to make any such interest or principal payment are held by an escrow or paying agent and invested as authorized by Minnesota Statutes, Chapter 475 and such escrow or paying agent is required to use proceeds from such investment to pay to the Registrar the amount necessary to pay such interest or principal on such payment date, then the requirements of the State Payment Law relating to the deposit of such amounts with the Registrar prior to the payment date of such interest or principal shall be deemed satisfied and neither the District nor the Registrar shall be required to notify the Commissioner that insufficient funds are available to pay such interest or principal on such payment date. The District shall do all other things which may be necessary to perform the Bonds hereby undertaken under the State Payment Law, including any requirements hereafter adopted by the Commissioner of Management and Budget or the Commissioner.

Upon vote being taken on the foregoing resolution, the following voted in favor thereof:

and the following voted against the same:

whereupon the resolution was declared duly passed and adopted

## TAX LEVIES

Independent School District No. 727 (Big Lake), MN Dated Date: 2/18/2021  
 \$7,975,000 General Obligation Facilities Maintenance Bonds, Series 2021A Call Date: 2/1/2029

\$5,725,000 Health & Safety Portion

Tax Levy Year	Tax Collect Year	Bond Pay Year	Funds			Net Levy		
			Total P & I	Available (1)	P & I @ 105%			
2020	/	2021	/	2022	80,188.16	(80,188.16)	0.00	0.00
2021	/	2022	/	2023	84,162.50		88,370.63	88,370.63
2022	/	2023	/	2024	84,162.50		88,370.63	88,370.63
2023	/	2024	/	2025	204,162.50		214,370.63	214,370.63
2024	/	2025	/	2026	456,762.50		479,600.63	479,600.63
2025	/	2026	/	2027	419,262.50		440,225.63	440,225.63
2026	/	2027	/	2028	402,362.50		422,480.63	422,480.63
2027	/	2028	/	2029	390,662.50		410,195.63	410,195.63
2028	/	2029	/	2030	389,062.50		408,515.63	408,515.63
2029	/	2030	/	2031	387,362.50		406,730.63	406,730.63
2030	/	2031	/	2032	670,562.50		704,090.63	704,090.63
2031	/	2032	/	2033	679,262.50		713,225.63	713,225.63
2032	/	2033	/	2034	1,122,006.26		1,178,106.57	1,178,106.57
2033	/	2034	/	2035	1,189,687.50		1,249,171.88	1,249,171.88
<b>Totals</b>					<b>6,559,669.42</b>	<b>(80,188.16)</b>	<b>6,803,455.32</b>	<b>6,803,455.32</b>

(1) The following funds are available to pay the interest payments due 08/01/2021 to 02/01/2022  
 Deposit to Capitalized Interest Fund: 80,188.16



\$2,250,000 Deferred Maintenance Portion

Tax Levy Year	Tax Collect Year	Bond Pay Year	Total P & I	Funds Available (1)	P & I @ 105%	Net Levy
2020 /	2021 /	2022	32,251.53	(32,251.53)	0.00	0.00
2021 /	2022 /	2023	33,850.00	(33,850.00)	0.00	0.00
2022 /	2023 /	2024	33,850.00	(33,850.00)	0.00	0.00
2023 /	2024 /	2025	38,850.00		40,792.50	40,792.50
2024 /	2025 /	2026	38,750.00		40,687.50	40,687.50
2025 /	2026 /	2027	38,650.00		40,582.50	40,582.50
2026 /	2027 /	2028	38,550.00		40,477.50	40,477.50
2027 /	2028 /	2029	38,450.00		40,372.50	40,372.50
2028 /	2029 /	2030	38,350.00		40,267.50	40,267.50
2029 /	2030 /	2031	38,250.00		40,162.50	40,162.50
2030 /	2031 /	2032	38,150.00		40,057.50	40,057.50
2031 /	2032 /	2033	38,100.00		40,005.00	40,005.00
2032 /	2033 /	2034	38,043.76		39,945.95	39,945.95
2033 /	2034 /	2035	37,987.50		39,886.88	39,886.88
2034 /	2035 /	2036	32,925.00		34,571.25	34,571.25
2035 /	2036 /	2037	752,925.00		790,571.25	790,571.25
2036 /	2037 /	2038	757,125.00		794,981.25	794,981.25
2037 /	2038 /	2039	751,100.00		788,655.00	788,655.00
<b>Totals</b>			<b>2,816,157.79</b>	<b>(99,951.53)</b>	<b>2,852,016.57</b>	<b>2,852,016.57</b>

(1) The following funds are available to pay the interest payments due 08/01/2021 to 02/01/2024  
 Deposit to Capitalized Interest Fund: 99,951.53



**EXHIBIT A**

UNITED STATES OF AMERICA

STATE OF MINNESOTA  
SHERBURNE COUNTY

INDEPENDENT SCHOOL DISTRICT NO. 727 (BIG LAKE)

GENERAL OBLIGATION FACILITIES MAINTENANCE BOND, SERIES 2021A

R-1 \$ \_\_\_\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP No.</u>
__%	February 1, 20__	February 18, 2021	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: THOUSAND DOLLARS

INDEPENDENT SCHOOL DISTRICT NO. 727 (BIG LAKE), SHERBURNE COUNTY, STATE OF MINNESOTA (the District), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above, or registered assigns, the principal sum specified above on the maturity date specified above, and to pay interest thereon from the date of original issue specified above, or from the most recent interest payment date to which interest has been paid or duly provided for, at the annual rate specified above, payable on February 1 and August 1 in each year, commencing August 1, 2021, to the person in whose name this Bond is registered at the close of business on the fifteenth day (whether or not a business day) of the immediately preceding month, all subject to the provisions referred to herein with respect to the redemption of the principal of this Bond prior to its stated maturity. The interest hereon and, upon presentation and surrender hereof at the principal office of the Registrar described below, the principal hereof, are payable in lawful money of the United States of America by check or draft drawn on Bond Trust Services Corporation, in Roseville, Minnesota, as bond registrar, transfer agent and paying agent, or its successor designated under the resolution described herein (the Registrar). For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the District have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$7,975,000 (the Bonds), issued by the District to finance indoor air quality projects and various deferred capital maintenance projects and is issued pursuant to and in full conformity with a resolution adopted by the School Board on January 28, 2021 (the Bond Resolution), pursuant to and in full conformity with the Constitution and laws of the State of Minnesota thereunto enabling, including Minnesota Statutes, Chapter 475 and Section 123B.595. The Bonds are issuable only in fully registered form, in denominations of \$5,000 or any integral multiple thereof, of single maturities.

The Bonds maturing on and after February 1, 2030 are each subject to redemption and prepayment at the option of the District, in whole or in part, in such order as the District shall determine and, within a maturity, by lot as selected by the Registrar in multiples of \$5,000, on February 1, 2029, and

on any date thereafter, at a price equal to the principal amount thereof plus interest accrued to the date of redemption. The District will cause notice of the call for redemption to be published as required by law and, at least thirty (30) days prior to the designated redemption date, will cause notice of the call thereof to be mailed by first class mail to the registered owner of any Bond to be redeemed at the owner's address as it appears on the bond register maintained by the Registrar, but no defect in or failure to give such mailed notice of redemption shall affect the validity of proceedings for the redemption of any Bond not affected by such defect or failure. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon partial redemption of any Bond, a new Bond or Bonds will be delivered to the registered owner without charge, representing the remaining principal amount outstanding.

As provided in the Bond Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the District at the principal office of the Registrar, by the registered owner hereof in person or by the owner's attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered owner or the owner's attorney, and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange, the District will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental charge required to be paid with respect to such transfer or exchange.

The District and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the District nor the Registrar shall be affected by any notice to the contrary.

Notwithstanding any other provisions of this Bond, so long as this Bond is registered in the name of Cede & Co., as nominee of The Depository Trust Company, or in the name of any other nominee of The Depository Trust Company or other securities depository, the Registrar shall pay all principal of and interest on this Bond, and shall give all notices with respect to this Bond, only to Cede & Co. or other nominee in accordance with the operational arrangements of The Depository Trust Company or other securities depository as agreed to by the District.

IT IS HEREBY CERTIFIED, RECITED, COVENANTED AND AGREED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen, to exist and to be performed precedent to and in the issuance of this Bond in order to make it a valid and binding general obligation of the District according to its terms have been done, have happened, do exist and have been performed in regular and due form, time and manner as so required; that, prior to the issuance hereof, a direct, annual, ad valorem tax has been duly levied upon all taxable property in the District for the years and in amounts not less than five percent in excess of sums sufficient to pay the interest hereon and the principal hereof as the same respectively become due; that additional taxes, if needed to meet the principal and interest requirements of the Bonds, shall be levied upon all such property without limitation as to rate or amount; and that the issuance of the Bonds does not cause the indebtedness of the District to exceed any constitutional or statutory limitation of indebtedness.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been executed by the Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, Independent School District No. 727 (Big Lake), Sherburne County, State of Minnesota, by its School Board, has caused this Bond to be executed on its behalf by the facsimile signatures of the Chairperson and Clerk.

INDEPENDENT SCHOOL DISTRICT NO. 727  
(BIG LAKE), MINNESOTA

\_\_\_\_\_  
(Facsimile Signature – Chairperson)

\_\_\_\_\_  
(Facsimile Signature - Clerk)

\_\_\_\_\_  
CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Bond Resolution mentioned within.

Date of Authentication: \_\_\_\_\_

BOND TRUST SERVICES CORPORATION, as  
Registrar

By \_\_\_\_\_  
Authorized Representative

\_\_\_\_\_



CERTIFICATE OF SHERBURNE COUNTY AUDITOR  
AS TO REGISTRATION OF BONDS AND TAX LEVY

The undersigned, being the duly qualified and acting County Auditor of Sherburne County, hereby certifies that there has been filed in my office a certified copy of a resolution duly adopted on January 28, 2021, by the School Board of Independent School District No. 727 (Big Lake), Minnesota, setting forth the form and details of an issue of \$7,975,000 General Obligation Facilities Maintenance Bonds, Series 2021A, dated as of February 18, 2021, and levying taxes for their payment.

I further certify that the issue has been entered on my bond register and the tax required by law for their payment has been levied and filed as required by Minnesota Statutes, Sections 475.61 to 475.63.

WITNESS my hand and official seal this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Sherburne County Auditor

(SEAL)



**BIG LAKE PUBLIC SCHOOLS ISD #727**  
**Investment Transactions 20-21**  
**December 31, 2020**

	Yield	Purchased	Maturity Date	Balance 07/01/20	Purchased	Premium/Interest Paid	Interest Rec'd	Realized Gain/Loss	Matured	Balance 12/31/20
<b>PMA (Operating Investments):</b>										
Associated Bank NA CD	2.451%	3/15/2019	3/25/2021	237,600.00						237,600.00
Ally Bank CD	2.455%	3/21/2019	3/22/2021	246,456.06						246,456.06
Eaglebank CD	2.284%	5/24/2019	12/28/2020	241,000.00					241,000.00	0.00
Bank OZK CD	2.204%	5/28/2019	1/26/2021	240,800.00						240,800.00
Bank 7 CD	2.227%	5/28/2019	1/26/2021	240,700.00						240,700.00
First Capital Bank CD	2.200%	5/28/2019	1/26/2021	240,800.00						240,800.00
Orstown Bank CD	2.206%	5/28/2019	1/26/2021	241,000.00						241,000.00
Premier Bank CD	2.218%	5/28/2019	1/26/2021	240,800.00						240,800.00
Modern Bank, CD	2.248%	5/28/2019	1/26/2021	240,600.00						240,600.00
Latino Community Credi Union CD	2.395%	5/28/2019	1/26/2021	240,000.00						240,000.00
First Bank Ohio CD	1.793%	8/21/2019	9/10/2020	245,300.00					245,300.00	0.00
New Omni Bank NA CD	1.746%	8/21/2019	9/10/2020	245,400.00					245,400.00	0.00
T Bank NA CD	1.530%	10/30/2019	2/11/2021	245,100.00						245,100.00
First National Bank/The First NA CD	1.500%	10/31/2019	10/22/2020	246,300.00					246,300.00	0.00
Morgan Stanley Bank, National Association CD	1.550%	11/7/2019	11/6/2020	245,361.89				(361.89)	245,000.00	0.00
Royal Business Bank CD	1.538%	1/28/2020	1/27/2021	246,200.00						246,200.00
Landmark Community Bank CD	1.538%	1/28/2020	1/27/2021	246,200.00						246,200.00
Texas Capital Bank CD	1.537%	1/28/2020	1/27/2021	246,200.00						246,200.00
Broadway Federal Bank F.S.B CD	1.496%	1/28/2020	1/27/2021	246,300.00						246,300.00
BMO Harris Bank, NA	0.200%	6/26/2020	1/26/2022	2,000,000.00						2,000,000.00
Bank Rhode Island	0.112%	6/26/2020	5/6/2021	249,700.00						249,700.00
Customers Bank	0.158%	6/26/2020	5/6/2021	249,500.00						249,500.00
CIBM Bank	0.100%	6/26/2020	7/27/2021	249,700.00						249,700.00
Western Alliance Bank/Torry Pines Bank CD	0.154%	6/26/2020	7/27/2021	249,500.00						249,500.00
Bank of China	0.241%	6/26/2020	7/27/2021	249,300.00						249,300.00
Servisfirst Bank CD	0.601%	6/26/2020	7/27/2021	248,300.00						248,300.00
CIBC Bank USA/Private Bank-MI	0.100%	8/27/2020	8/27/2021		\$249,600.00					249,600.00
Preferred Bank	0.101%	8/27/2020	8/27/2021		\$249,600.00					249,600.00
First Community Bank of Tennessee	0.100%	8/27/2020	8/27/2021		\$249,600.00					249,600.00
Veritex Community Bank	0.101%	8/27/2020	8/27/2021		\$249,600.00					249,600.00
MN Trust Term Series- 20200724AB09	0.200%	6/25/2020	7/24/2020	2,000,000.00					2,000,000.00	0.00
MN Trust Term Series		7/24/2020	8/25/2020		800,000.00				800,000.00	0.00
MN Trust Term Series		8/25/2020	9/25/2020		1,000,000.00				1,000,000.00	0.00
MN Trust Term Series- 20201023AA09	0.110%	9/25/2020	10/23/2020		1,000,000.00				1,000,000.00	0.00
MN Trust Term Series- 20201125AA09	0.090%	10/23/2020	11/25/2020		2,000,000.00				2,000,000.00	0.00
MN Trust Term Series- 20201228AA09	0.070%	11/25/2020	12/28/2020		2,000,000.00				2,000,000.00	0.00
MN Trust Term Series- 20200125AA09	0.070%	12/28/2020	1/25/2021		2,000,000.00				2,000,000.00	0.00
Mn Trust Limited Term Duration		6/11/2017		1,065,700.00				1,000.00		1,066,700.00
MN Trust Investment Shares Portfolio	0.030%			5,460,908.90	29,789,763.18		30,765.64		28,994,924.06	6,286,513.66
<b>Subtotal - General Fund</b>				<b>16,644,726.85</b>	<b>39,588,163.18</b>	<b>0.00</b>	<b>30,765.64</b>	<b>638.11</b>	<b>39,017,924.06</b>	<b>17,246,369.72</b>
<b>Fund 6</b>										
<b>PMA (2017A Bond Investments):</b>										
MN Trust Investment Shares Portfolio	0.030%			61,972.19			16.41			61,988.60
<b>PMA (2017B Bond LTFM Investments):</b>										
<b>PMA (2019A Bond LTFM Investments):</b>										
MN Trust Investment Shares Portfolio	0.030%			468,922.29			126.06		17581.27	451,467.08
<b>Subtotal - Building Fund 6</b>				<b>530,894.48</b>	<b>0.00</b>	<b>0.00</b>	<b>142.47</b>	<b>0.00</b>	<b>17,581.27</b>	<b>513,455.68</b>
<b>Fund 14</b>										
<b>PMA (2019A Tax Abatement Bond Parking Lot Investments):</b>										
MN Trust Investment Shares Portfolio	0.030%			39,674.11			8.82		39,682.93	(0.00)
<b>Subtotal - Parking Lot Fund 14</b>				<b>39,674.11</b>	<b>0.00</b>	<b>0.00</b>	<b>8.82</b>	<b>0.00</b>	<b>39,682.93</b>	<b>(0.00)</b>
<b>Fund 15</b>										
<b>PMA (2020A Facility Maintenance Bonds Investments):</b>										
Bank Leumi USA CD	1.381%	02/18/20	08/28/20	248,100.00					248,100.00	0.00
Brookline Bank CD	1.386%	02/18/20	08/28/20	248,100.00					248,100.00	0.00
Prospect Bank/Edgar County B&TC CD	1.400%	02/18/20	08/28/20	248,100.00					248,100.00	0.00
Corporate One Federal Credit Union CD	1.406%	02/18/20	08/28/20	127,000.00					127,000.00	0.00
First National Bank & Trust Company of Okmulgee	1.388%	02/18/20	08/28/20	248,100.00					248,100.00	0.00
Elga Credi Union CD	1.387%	02/18/20	08/28/20	248,100.00					248,100.00	0.00
Pacific Western Bank CD	1.381%	02/18/20	08/28/20	248,100.00					248,100.00	0.00
Mission National Bank CD	1.396%	02/18/20	08/28/20	248,100.00					248,100.00	0.00
SonaBank CD	1.490%	02/18/20	10/23/20	247,400.00					247,400.00	0.00
Fieldpoint Private Bank & Trust CD	1.384%	02/18/20	01/26/21	100,000.00						100,000.00
Citadel FCU CD	1.520%	02/18/20	07/27/21	180,000.00						180,000.00
Finanacial Federal Bank CD	1.500%	02/18/20	07/26/22	180,000.00						180,000.00
MN Trust Term Series- 20200324AA09	1.540%	02/25/20	07/24/20	2,000,000.00					2,000,000.00	0.00
MN Trust Investment Shares Portfolio	0.030%	02/29/20		1,700,791.64	4,111,100.00		29,189.91		5,697,603.49	143,478.06
<b>Subtotal - OPEB Fund 45</b>				<b>6,271,891.64</b>	<b>4,111,100.00</b>	<b>0.00</b>	<b>29,189.91</b>	<b>0.00</b>	<b>9,808,703.49</b>	<b>603,478.06</b>
<b>PMA (OPEB Trust Investments):</b>										
KS Statebank CD	1.762%	8/29/2019	8/31/2020	245,600.00					245,600.00	0.00
Third Coast Bank SSB CD	1.720%	8/29/2019	8/30/2021	241,400.00						241,400.00
Corporate One Federal Credit Union	1.613%	10/15/2019	10/14/2020	120,000.00					120,000.00	0.00
East Boston Savings Bank CD	1.481%	12/5/2019	8/31/2020	215,000.00					215,000.00	0.00
TBK Bank DDB CD	0.010%	11/3/2020	11/3/2021		249,700.00					249,700.00
KS Statebank CD	0.100%	12/15/2020	12/15/2021		155,000.00					155,000.00
Mn Trust Limited Term Duration		8/25/2017		483,064.48				453.29		483,517.77
MN Trust Investment Shares Portfolio	0.030%			9,776.05	580,600.00		8,691.81		598,723.19	344.67
<b>Subtotal - OPEB Fund 45</b>				<b>1,314,840.53</b>	<b>985,300.00</b>	<b>0.00</b>	<b>8,691.81</b>	<b>453.29</b>	<b>1,179,323.19</b>	<b>1,129,962.44</b>
<b>PMA (OPEB Equity Investments):</b>										
Equity Investments				475,590.84				87,412.33		563,003.17
<b>Total OPEB Fund 45</b>				<b>1,790,431.37</b>	<b>985,300.00</b>	<b>0.00</b>	<b>8,691.81</b>	<b>87,865.62</b>	<b>1,179,323.19</b>	<b>1,692,965.61</b>
<b>TOTAL</b>				<b>25,277,618.45</b>	<b>44,684,563.18</b>	<b>0.00</b>	<b>68,798.65</b>	<b>88,503.73</b>	<b>50,063,214.94</b>	<b>20,056,269.07</b>
Percentage of Portfolio - CD's	44.870%									
Percentage of Portfolio - Bonds	0.000%									
Percentage of Portfolio - Equities	2.807%									
Percentage of Portfolio - US Treasury	0.000%									
Percentage of Portfolio - MN Trust Term Series M	9.972%									
Percentage of Portfolio - MN Trust Limited Term I	7.729%									
Percentage of Portfolio - MN Trust Money Market	34.622%									
	100.000%									

**CASH REPORT FOR SCHOOL BOARD**

**BIG LAKE PUBLIC SCHOOLS**

Independent School District # 727

for month: December 2020

<b>101 - CASH ACCOUNTS</b>					
	<b>Beg Balance</b>	<b>Receipts</b>	<b>Checks</b>	<b>Adjustments</b>	<b>End Balance</b>
General Fund	4,903,530	4,447,304	(4,615,791)		\$4,735,043
Food Service	(\$810,089)	1,957	(105,239)		(\$913,371)
Community Service	(\$689,907)	96,607	(338,804)		(\$932,104)
Building Fund	\$0	17,581	(17,581)		\$0
Debt Service	(\$2,188,197)	-	(49,181)		(\$2,237,378)
Parking Lot Construction (Fund 14)	\$0	57,264	(57,264)		\$0
Project fund- HVAC (Fund 15)	\$0	50,704	(50,704)		\$0
Custodial Fund (Fund 18)	\$1,496	57	-		\$1,553
OPEB Trust Fund	(\$211,038)	193,898	(408)		(\$17,548)
OPEB Debt Service Fund	(\$49,181)	49,181			\$0
<b>TOTAL PER BOOKS</b>	<b>956,614</b>	<b>4,914,553.00</b>	<b>(\$5,234,972)</b>	<b>\$0</b>	<b>636,195</b>
				General Checking Account	\$636,195
				<b>TOTAL PER BANK</b>	<b>\$636,195</b>

<b>102 - PETTY CASH ACCOUNT</b>					
	<b>Beg Balance</b>	<b>Receipts</b>	<b>Checks</b>	<b>Adjustments</b>	<b>End Balance</b>
General Fund	\$1,592	768	(\$361)	-	\$1,999
				Petty Cash Checking Account	\$1,999
				<b>TOTAL PER BANK</b>	<b>\$1,999</b>

<b>104 - INVESTMENT ACCOUNTS</b>					
	<b>Beg Balance</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Adjustments</b>	<b>End Balance</b>
General Fund	(\$4,752,665)	\$5,149,317	(\$5,400,000)		(\$5,003,348)
General Fd Operating Investments	\$11,200,756	\$2,000,100	(\$2,241,000)		\$10,959,856
Food Service	\$1,022,759	\$247,247	\$0		\$1,270,006
Community Service	\$1,548,706	\$75,931	\$0		\$1,624,637
Debt Service	\$8,156,480	\$238,741	\$0		\$8,395,221
Facilities Investments 2017A	\$61,987	\$2	\$0		\$61,989
Facilities Investments 2019A (Fd 06)	\$469,034	\$13	(\$17,581)		\$451,466
Tax Abatement Invest. 2019A (Fd 14)	\$39,683	\$0	(\$39,683)		\$0
Facility Maintenance Invest. 2020A (Fc)	\$452,500	\$0	\$0		\$452,500
Facility Maintenance Invest. 2020A (Fc)	\$201,677	\$4	(\$50,704)		\$150,977
OPEB Trust Fund	\$1,323,832	\$45	(\$193,915)		\$1,129,962
OPEB Trust Equities	\$544,943	\$18,061	\$0		\$563,004
OPEB Debt Service	\$150,000	\$0	(\$150,000)		\$0
<b>TOTAL PER BOOKS</b>	<b>\$20,419,692</b>	<b>\$7,729,461</b>	<b>(\$8,092,883)</b>	<b>\$0</b>	<b>\$20,056,270</b>
				MN Trust	\$6,286,514
				Operating Investments	\$10,959,856
				Building Fund Investments	\$1,116,934
				OPEB Trust	\$1,692,966
				<b>TOTAL PER BANK</b>	<b>\$20,056,270</b>

<b>CASH AND INVESTMENT BALANCE SUMMARY BY FUND</b>					
	<b>Beg Balance</b>	<b>Deposits</b>	<b>Withdrawals</b>	<b>Adjustments</b>	<b>End Balance</b>
General Fund	\$11,353,213.00	11,597,489	(12,257,152)	-	\$10,693,550
Food Service	\$212,670	249,204	(105,239)	-	\$356,635
Community Service	\$858,799	172,538	(338,804)	-	\$692,533
Debt Service	\$6,420,783	\$238,741	(\$49,181)	-	\$6,610,343
Parking Lot Construction (Fund 14)	\$39,683	57,264	(\$96,947)	-	\$0
Project Fund HVAC- Fund 15	\$201,677	\$50,708	(\$101,408)	-	\$150,977
Custodial Fund (Fund 18)	\$1,496	\$57	\$0	-	\$1,553
Bond Account Investments (fund 06)	\$531,021	\$17,596	(\$35,162)	-	\$513,455
OPEB Trust Fund	\$1,112,794	193,943	(194,323)	-	\$1,112,414
OPEB Trust Equities	\$544,943	18,061	-	-	\$563,004
OPEB Debt Service	\$100,819	49,181	(150,000)	-	\$0
<b>TOTAL PER BOOKS</b>	<b>21,377,898</b>	<b>\$12,644,782</b>	<b>(\$13,328,216)</b>	<b>\$0</b>	<b>20,694,464</b>
				Cash	\$636,195
				Petty Cash	\$1,999
				Investments	\$20,056,270
				<b>TOTAL PER BANK</b>	<b>\$20,694,464</b>

**WIRE TRANSFER SUMMARY**  
**Big Lake Public Schools**  
**Independent School District #727**  
**December 31, 2020**

<b>DATE</b>	<b>FROM</b>	<b>TO</b>	<b>AMOUNT</b>	<b>PURPOSE</b>
12/1/2020	Old National-Checking	Heartland Pmt System	\$ 26.05	Nutri Kids Credit Card Fees
12/2/2020	Old National-Checking	Neopost	\$ 50.00	Postage Fee
12/2/2020	Old National-Checking	Further	\$ 1,448.17	Flex Claim Pymts
12/3/2020	Old National-Checking	Neopost	\$ 201.00	DO Postage
12/3/2020	MN Trust-PMA	Old National-Checking	\$ 1,600,000.00	Payroll and Payroll AP
12/8/2020	Old National-Checking	ELEYOmonthlysoft	\$ 1,250.00	ELEYO User Fees
12/8/2020	Old National-Checking	Bankcard Service	\$ 2,149.68	ELEYO Credit Card Fees
12/8/2020	Old National-Checking	BLEM	\$ 8,213.01	Teacher Unions Dues
12/8/2020	Old National-Checking	Delta Dental	\$ 27,210.26	Dental Insurance
12/8/2020	Old National-Checking	EBC	\$ 58,780.69	403b & 457 contributions
12/9/2020	Old National-Checking	Further	\$ 6,197.00	Flex Claim Pymts
12/9/2020	Old National-Checking	Further	\$ 27,610.28	H.S.A Contributions
12/10/2020	Old National-Checking	Transfirst/TSYS	\$ 497.69	Affinity Credit Card fees
12/14/2020	Old National-Checking	Neopost	\$ 201.00	DO Postage
12/14/2020	Old National-Checking	CIGNA	\$ 9,483.24	Life & LTD Insurance
12/16/2020	Old National-Checking	Further	\$ 284.11	Flex Claim Pymts
12/17/2020	MN Trust-PMA OPEB	Old National-Checking	\$ 193,898.21	OPEB Draw
12/17/2020	MN Trust-PMA	Old National-Checking	\$ 700,000.00	Payroll and Payroll AP
12/18/2020	MN Trust-PMA BONDS	Old National-Checking	\$ 50,703.73	HVAC Draw 2020A
12/18/2020	MN Trust-PMA BONDS	Old National-Checking	\$ 57,264.20	Parking lots 2019A Draw
12/21/2020	Old National-Checking	Neopost	\$ 30.00	Liberty Postage
12/22/2020	Old National-Checking	Further	\$ 28,424.28	H.S.A Contributions
12/22/2020	Old National-Checking	EBC	\$ 58,327.82	403b & 457 contributions
12/23/2020	Old National-Checking	Further	\$ 378.35	Further Fee
12/23/2020	Old National-Checking	Further	\$ 2,282.39	Flex Claim Pymts
12/23/2020	Old National-Checking	BLEM	\$ 8,213.01	Teacher Unions Dues
12/24/2020	Old National-Checking	Neopost	\$ 201.00	DO Postage
12/24/2020	CC Choices ACH	Old National-Checking	\$ 3,287.28	Pathway I
12/28/2020	Retiree Accounts	Old National-Checking	\$ 12,685.78	Auto Transfers for COBRA/Retiree Ins
12/29/2020	Old National-Checking	Old National-Petty Cash	\$ 768.29	Gen Fund Transfer to Petty Cash
12/30/2020	Old National-Checking	Further	\$ 1,261.55	Flex Claim Pymts
12/31/2020	Old National-Checking	Old National Bank	\$ 17.18	Old National Service Charge
12/31/2020	Old National-Checking	Bremer Bank	\$ 175.60	ACH Charge
12/31/2020	MN Trust-PMA	Old National-Checking	\$ 1,100,000.00	Payroll and Payroll AP



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# School Board Financial Report

January 28<sup>th</sup>, 2021

Presented by Angie Manuel, Director of Business Services

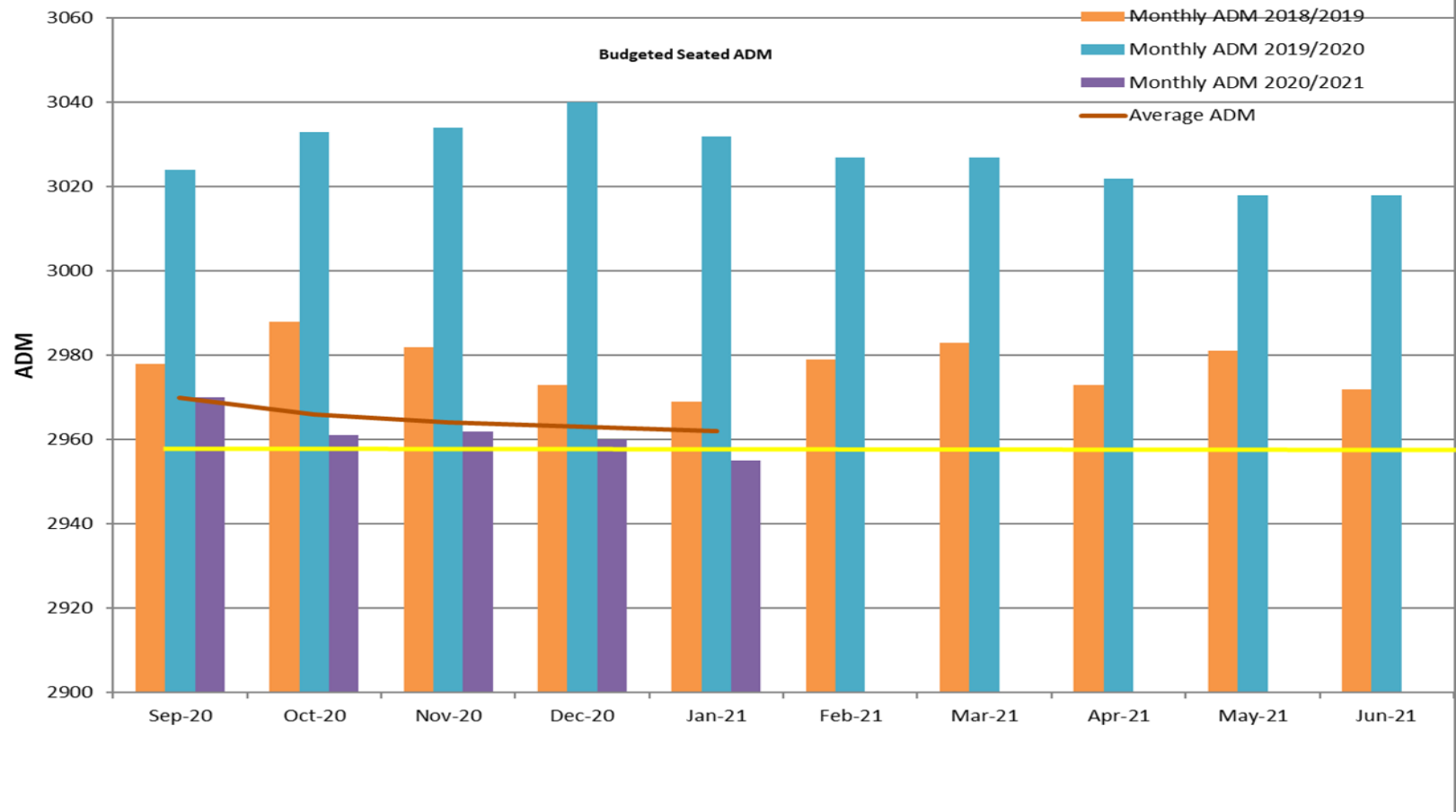
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# Enrollment

- January 4th Seated Enrollment (ADM): 2,955
  - Lost 5 ADM's from December 1st
  - Lost 15 ADM's from 1<sup>st</sup> day of school
  - A few more students left for homeschool in December
  - Other students moved or transferred
- Average Daily Membership (ADM) still slightly above budget
  - If enrollment loss continues, could fall below budget
  - As of Tuesday, January 26<sup>th</sup>, down 2 more students

### 20-21 Monthly, Average, and Budgeted Daily Membership



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# Financial Update

- Budget Revisions to be Approved

**General Fund Revenues: -\$51,708**

- Adjust Title and CRF grant funds and close out Fall athletics/activities

**General Fund Expenditures: -\$241,264**

- Decreased CRF Fund expense revision from Dec 2020
- First staffing revision reflecting staff hired through Dec 2020
- Adjust Title and CRF grant funds and close out Fall athletics/activities

**Food Service Fund Revenues: +\$7,261**

- Transfer eligible CRF grant funds

**Food Service Fund Expenditures: +\$7,261**

- Establish budget for eligible CRF fund expenses

# Budget Revisions

- Budget Revisions to be Approved

**Community Service Fund Revenues: -\$69,219**

- Reduced revenue for tuition for certain programs

**Community Service Fund Expenditures: -\$126,983**

- Fall staffing and other revisions reflected decreased costs due to less programming

**Debt Service Fund Revenue: +\$100,573**

- Transfer in from close out of OPEB Debt Service Fund

# Fund Balance Update

- General Fund Unassigned Fund Balance: \$6,554,326
  - Fund balance improvement of \$154,766
  - Still deficit spending \$994,232
- Total Community Service Fund Balance: \$328,199
  - Fund balance improvement of \$57,764
  - Still deficit spending \$67,648

**ISD #727 2020-2021 Revised Budget**

**January 28th, 2021**

	<b>Audited</b>	<b>Revenue</b>	<b>Expenditure</b>	<b>Projected</b>		<b>Budgeted</b>
	<b>Fund Balance</b>	<b>Budget</b>	<b>Budget</b>	<b>Net Change</b>		<b>Fund Balance</b>
	<b>June 30,2020</b>	<b>20-21</b>	<b>20-21</b>	<b>Incr(Decr)</b>	<b>Transfers</b>	<b>June 30,2021</b>
				<b>in Fund Balance</b>		
<b>General:</b>						
Restricted -						
Long Term Facilities Maintenance	\$ 81,783	\$ 452,080	\$ 345,484	\$ 106,596	\$ -	\$ 188,379
Operating Capital	\$ 455,306	\$ 720,022	\$ 1,028,199	\$ (308,177)	\$ -	\$ 147,129
Capital Projects Levy	\$ 226,670	\$ 519,531	\$ 530,835	\$ (11,304)	\$ -	\$ 215,366
Basic Skills Programs	\$ 76,094	\$ 612,211	\$ 688,305	\$ (76,094)	\$ -	\$ -
Staff Development	\$ 92,814	\$ 434,814	\$ 434,538	\$ 276	\$ -	\$ 93,090
Third Party/Medical Assistance	\$ 230,996	\$ 100,000	\$ 169,737	\$ (69,737)	\$ -	\$ 161,259
Area Learning Center (ALC)	\$ 33,648	\$ 267,086	\$ 300,734	\$ (33,648)	\$ -	\$ -
Scholarships	\$ 16,650	\$ 12,000	\$ 12,000	\$ -	\$ -	\$ 16,650
Student Activities	\$ 10,386	\$ 14,870	\$ 14,577	\$ 293	\$ -	\$ 10,679
Committed for Severance	\$ 620,191	\$ -	\$ 107,420	\$ (107,420)	\$ -	\$ 512,771
Committed for Liberty Shelter	\$ 29,120	\$ -	\$ 29,120	\$ (29,120)	\$ -	\$ -
Assigned for Q Comp	\$ 138,190	\$ 801,115	\$ 804,184	\$ (3,069)	\$ -	\$ 135,121
Assigned for Athletics and Activities	\$ 179,525	\$ 957,409	\$ 957,409	\$ -	\$ -	\$ 179,525
Assigned for Building Level Activities	\$ 122,937	\$ 15,700	\$ 15,844	\$ (144)	\$ -	\$ 122,793
Other Assigned Fund Balances	\$ 156,348	\$ 11,000	\$ 14,279	\$ (3,279)	\$ -	\$ 153,069
Nonspendable for Prepaid Items	\$ 118,522	\$ -	\$ -	\$ -	\$ -	\$ 118,522
Unassigned	\$ 7,548,558	\$ 31,737,595	\$ 32,731,827	\$ (994,232)	\$ -	\$ 6,554,326
Subtotal	\$ 10,137,738	\$ 36,655,433	\$ 38,184,492	\$ (1,529,059)	\$ -	\$ 8,608,679
<b>Food Service:</b>						
Restricted	\$ 38,923	\$ 1,663,111	\$ 1,663,111	\$ -	\$ -	\$ 38,923
Nonspendable for Inventory	\$ 227,522	\$ -	\$ -	\$ -	\$ -	\$ 227,522
Subtotal	\$ 266,445	\$ 1,663,111	\$ 1,663,111	\$ -	\$ -	\$ 266,445
<b>Community Service:</b>						
Restricted -						
Community Education	\$ 359,366	\$ 1,365,719	\$ 1,419,910	\$ (54,191)	\$ -	\$ 305,175
ECFE	\$ 52,390	\$ 243,857	\$ 243,472	\$ 385	\$ -	\$ 52,775
School Readiness	\$ (23,826)	\$ 351,485	\$ 367,430	\$ (15,945)	\$ -	\$ (39,771)
Preschool Screening	\$ 7,917	\$ 17,940	\$ 15,837	\$ 2,103	\$ -	\$ 10,020
Subtotal	\$ 395,847	\$ 1,979,001	\$ 2,046,649	\$ (67,648)	\$ -	\$ 328,199
<b>Building Construction Fund</b>						
Restricted -						
Long-Term Facilities Maintenance	\$ 4,762,317	\$ 9,900	\$ 6,819,823	\$ (6,809,923)	\$ -	\$ (2,047,606)
Referendum Projects	\$ 75,464	\$ 50	\$ 61,965	\$ (61,915)	\$ -	\$ 13,549
	\$ 4,837,781	\$ 9,950	\$ 6,881,788	\$ (6,871,838)	\$ -	\$ (2,034,057)
<b>Debt Service - Restricted</b>	\$ 1,805,961	\$ 5,616,973	\$ 5,807,280	\$ (190,307)	\$ -	\$ 1,615,654
<b>OPEB Irrevocable Trust Fund</b>	\$ 1,606,793	\$ 45,000	\$ 249,142	\$ (204,142)	\$ -	\$ 1,402,651
<b>OPEB Bonds Debt Service Fund</b>	\$ 100,819	\$ -	\$ 100,573	\$ (100,573)	\$ -	\$ 246
Total	\$ 19,151,384	\$ 45,969,468	\$ 54,933,035	\$ (8,963,567)	\$ -	\$ 10,187,817

*Big Lake Schools. Challenge. Educate. Inspire.*

# Update on Compensatory Revenue Funding

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Fiscal Year 20-21: \$575,205

Fiscal Year 21-22: \$314,410

Decrease of \$260,795

*No mention of hold harmless compensatory funding in Governor's budget*

# Other Financial Items

---

## Second Round of COVID Relief Funds: \$800,000

- Funds allowed to be spent fiscal year 2021 to 2023
- More information forthcoming from MDE

## Governor's Education Budget

- Hold harmless due to enrollment loss as a result of pandemic
- General Education Aid: 1% and 2.5% increase over biennium
- No mention of special education or EL cross-subsidy relief

# School Board Action

---

**Approve budget revisions and financial report**

**COMPLIANCE ISSUES**

- |    |   |               |
|----|---|---------------|
| 1) | Preliminary UFARS data loaded to MDE by September 15th, 2020  | In compliance |
| 2) | Revenue and Expenditure Budget published by earlier of one week after school board accepts final audit or November 30, 2020 | In compliance |
| 3) | Final UFARS data to MDE by November 30, 2020  | In compliance |
| 4) | The 2019/2020 audit (electronic copy) received at MDE by December 31st, 2020  | In compliance |
| 5) | Board members having received training in financial matters per statute   | In compliance |

**FISCAL HEALTH - INCOME STATEMENT PARAMETERS**

- 1) Revenue/Expenditure Monitor - *Exp/Rev Summary - FD Report*

	<b>REVENUE</b>			<i>(Calculated)</i>	<b>EXPENDITURES</b>		
	Budget	Actual \$ YTD	Actual % YTD		Budget	Actual \$ YTD	Actual % YTD
General Fund (01,05,09,11 &12)	\$ 36,655,433	\$ 10,916,368		30%	\$ 38,184,492	\$ 14,473,117	38%
Food Service (02)	\$ 1,663,111	\$ 525,927		32%	\$ 1,663,111	\$ 441,439	27%
Community Service (04)	\$ 1,979,001	\$ 774,773		39%	\$ 2,046,649	\$ 865,608	42%
Building Construction (06)	\$ 9,950	\$ 5,627		57%	\$ 6,881,788	\$ 4,309,778	63%
Debt Service (07)	\$ 5,616,973	\$ 428,738		8%	\$ 5,807,280	\$ 749,611	13%
OPEB Irrevocable Trust Fund (45)	\$ 45,000	\$ 86,297		192%	\$ 249,142	\$ 17,673	7%
OPEB Bonds Debt Service Fund (47)	\$ -	\$ -		0%	\$ 100,573	\$ 100,819	100%

- 2) ADM Monitor - *Principals' monthly reporting*

	Original	Revision (1)	Revision (2)
Budgeted Seated ADM	3062	2959	
Tuition ADM	58	58	
Budgeted ADM	3120	3017	

**NOTES**

See budget revisions

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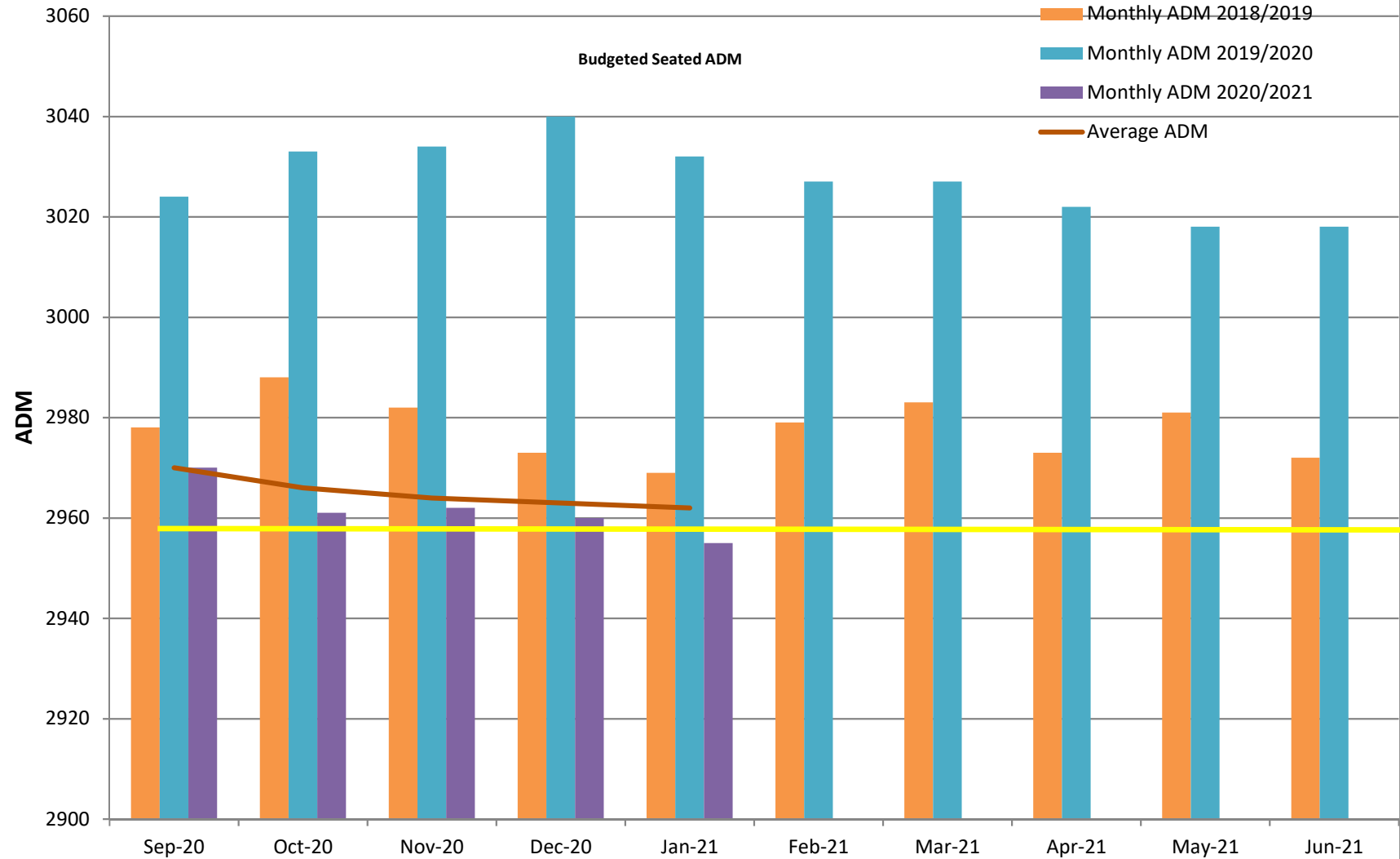


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## 20-21 Monthly, Average, and Budgeted Daily Membership



**ISD #727 2020-2021 Revised Budget**  
**January 28th, 2021**

	Audited Fund Balance June 30,2020	Revenue Budget 20-21	Expenditure Budget 20-21	Projected Net Change Incr(Decr) in Fund Balance	Transfers	Budgeted Fund Balance June 30,2021
<b>General:</b>						
Restricted -						
Long Term Facilities Maintenance	\$ 81,783	\$ 452,080	\$ 345,484	\$ 106,596	\$ -	\$ 188,379
Operating Capital	\$ 455,306	\$ 720,022	\$ 1,028,199	\$ (308,177)	\$ -	\$ 147,129
Capital Projects Levy	\$ 226,670	\$ 519,531	\$ 530,835	\$ (11,304)	\$ -	\$ 215,366
Basic Skills Programs	\$ 76,094	\$ 612,211	\$ 688,305	\$ (76,094)	\$ -	\$ -
Staff Development	\$ 92,814	\$ 434,814	\$ 434,538	\$ 276	\$ -	\$ 93,090
Third Party/Medical Assistance	\$ 230,996	\$ 100,000	\$ 169,737	\$ (69,737)	\$ -	\$ 161,259
Area Learning Center (ALC)	\$ 33,648	\$ 267,086	\$ 300,734	\$ (33,648)	\$ -	\$ -
Scholarships	\$ 16,650	\$ 12,000	\$ 12,000	\$ -	\$ -	\$ 16,650
Student Activities	\$ 10,386	\$ 14,870	\$ 14,577	\$ 293	\$ -	\$ 10,679
Committed for Severance	\$ 620,191	\$ -	\$ 107,420	\$ (107,420)	\$ -	\$ 512,771
Committed for Liberty Shelter	\$ 29,120	\$ -	\$ 29,120	\$ (29,120)	\$ -	\$ -
Assigned for Q Comp	\$ 138,190	\$ 801,115	\$ 804,184	\$ (3,069)	\$ -	\$ 135,121
Assigned for Athletics and Activities	\$ 179,525	\$ 957,409	\$ 957,409	\$ -	\$ -	\$ 179,525
Assigned for Building Level Activities	\$ 122,937	\$ 15,700	\$ 15,844	\$ (144)	\$ -	\$ 122,793
Other Assigned Fund Balances	\$ 156,348	\$ 11,000	\$ 14,279	\$ (3,279)	\$ -	\$ 153,069
Nonspendable for Prepaid Items	\$ 118,522	\$ -	\$ -	\$ -	\$ -	\$ 118,522
Unassigned	\$ 7,548,558	\$ 31,737,595	\$ 32,731,827	\$ (994,232)	\$ -	\$ 6,554,326
Subtotal	\$ 10,137,738	\$ 36,655,433	\$ 38,184,492	\$ (1,529,059)	\$ -	\$ 8,608,679
<b>Food Service:</b>						
Restricted						
Restricted	\$ 38,923	\$ 1,663,111	\$ 1,663,111	\$ -	\$ -	\$ 38,923
Nonspendable for Inventory	\$ 227,522	\$ -	\$ -	\$ -	\$ -	\$ 227,522
Subtotal	\$ 266,445	\$ 1,663,111	\$ 1,663,111	\$ -	\$ -	\$ 266,445
<b>Community Service:</b>						
Restricted -						
Community Education	\$ 359,366	\$ 1,365,719	\$ 1,419,910	\$ (54,191)	\$ -	\$ 305,175
ECFE	\$ 52,390	\$ 243,857	\$ 243,472	\$ 385	\$ -	\$ 52,775
School Readiness	\$ (23,826)	\$ 351,485	\$ 367,430	\$ (15,945)	\$ -	\$ (39,771)
Preschool Screening	\$ 7,917	\$ 17,940	\$ 15,837	\$ 2,103	\$ -	\$ 10,020
Subtotal	\$ 395,847	\$ 1,979,001	\$ 2,046,649	\$ (67,648)	\$ -	\$ 328,199
<b>Building Construction Fund</b>						
Restricted -						
Long-Term Facilities Maintenance	\$ 4,762,317	\$ 9,900	\$ 6,819,823	\$ (6,809,923)	\$ -	\$ (2,047,606)
Referendum Projects	\$ 75,464	\$ 50	\$ 61,965	\$ (61,915)	\$ -	\$ 13,549
	\$ 4,837,781	\$ 9,950	\$ 6,881,788	\$ (6,871,838)	\$ -	\$ (2,034,057)
<b>Debt Service - Restricted</b>	\$ 1,805,961	\$ 5,616,973	\$ 5,807,280	\$ (190,307)	\$ -	\$ 1,615,654
<b>OPEB Irrevocable Trust Fund</b>	\$ 1,606,793	\$ 45,000	\$ 249,142	\$ (204,142)	\$ -	\$ 1,402,651
<b>OPEB Bonds Debt Service Fund</b>	\$ 100,819	\$ -	\$ 100,573	\$ (100,573)	\$ -	\$ 246
<b>Total</b>	\$ 19,151,384	\$ 45,969,468	\$ 54,933,035	\$ (8,963,567)	\$ -	\$ 10,187,817

**SUMMARY OF YTD 20-21 BUDGET ADJUSTMENTS**

*\*Denotes Specific School Board Approval*

**GENERAL FUND:**

**REVENUE:**

Original Budget	\$36,364,281	*	Jun-20
-Adjust gen ed aid for decrease in enrollment	(\$724,625)	*	Dec-20
-Establish budget for CRF federal funds	\$766,916	*	Dec-20
-Revenue rec'd from Big Lake Township and Sherburne County for COVID relief	\$300,569	*	Dec-20
-Transfer eligible CRF funds to food service and community service funds; rev=exp	(\$23,891)		
-Close out of Fall activities and athletics = reduced revenue and expenses	(\$31,966)		
-Adjust Title budget estimates	\$4,149		

AMOUNT	DATE
--------	------

**NET CURRENT REVENUE BUDGET**

\$36,655,433

**GENERAL FUND:**

**EXPENSE:**

Original Budget	\$37,519,840	*	Jun-20
-Establish budget for CRF COVID related expenses	\$766,916	*	Dec-20
-Edgenuity costs (Big Lake Online)	\$139,000	*	Dec-20
-Transfer part of CRF budgeted expenditures to food service and community service funds; rev=exp	(\$23,891)		
-Close out of Fall activities and athletics = reduced revenue and expenses	(\$31,966)		
-Fall staffing revision - revise estimates based on actual hiring through December	\$26,023		
-Adjust Title budget estimates	(\$10,146)		
-Added budget for copier replacement (from Assigned for Copiers fund balance)	\$14,279		
-Amend budget revision in December for CRF related expenses	(\$215,563)		

AMOUNT	DATE
--------	------

**NET CURRENT EXPENSE BUDGET**

\$38,184,492

**SUMMARY OF YTD 20-21 BUDGET ADJUSTMENTS**

*\*Denotes Specific School Board Approval*

**FOOD SERVICE FUND:**

**REVENUE:**

Original Budget	\$1,655,850	* Jun-20
-Establish budget for eligible CRF expenses; rev=exp	\$7,261	

**NET CURRENT REVENUE BUDGET**

\$1,663,111

**EXPENSE:**

Original Budget	\$1,655,850	* Jun-20
-Establish budget for eligible CRF expenses; rev=exp	\$7,261	

**NET CURRENT EXPENSE BUDGET**

\$1,663,111

**COMMUNITY SERVICE FUND:**

**REVENUE:**

Original Budget	\$1,940,459	* Jun-20
-Revenue rec'd from Big Lake Township and Sherburne County for COVID relief	\$107,761	* Dec-20
-Establish budget for eligible CRF expenses; rev=exp	\$16,631	
-Reduced revenue budget for driver's ed and Hive Time tuition	(\$85,850)	

**NET CURRENT REVENUE BUDGET**

\$1,979,001

**EXPENSE:**

Original Budget	\$2,173,632	* Jun-20
-Establish budget for eligible CRF expenses; rev=exp	\$16,630	
-Fall staffing revision - revise estimates based on actual hiring through December	(\$101,313)	
-Reduce expenses for decreased programming (driver's ed)	(\$42,300)	

**NET CURRENT EXPENSE BUDGET**

\$2,046,649

AMOUNT	DATE
--------	------

**BUILDING CONSTRUCTION FUND**

**REVENUE:**

Original Budget	\$9,950	* Jun-20
-----------------	---------	----------

**NET CURRENT REVENUE BUDGET**

\$9,950

**EXPENSE:**

Original Budget	\$6,881,788	* Jun-20
-----------------	-------------	----------

**NET CURRENT EXPENSE BUDGET**

\$6,881,788

**SUMMARY OF YTD 20-21 BUDGET ADJUSTMENTS**

*\*Denotes Specific School Board Approval*

**DEBT SERVICE FUND**

**REVENUE:**

Original Budget	\$5,516,400 *	Jun-20
Transfer in from closing out of OPEB Debt Service fund; Board approved in December	\$100,573	

**NET CURRENT REVENUE BUDGET**

\$5,616,973

**EXPENSE:**

Original Budget	\$5,807,280 *	Jun-20
-----------------	---------------	--------

**NET CURRENT EXPENSE BUDGET**

\$5,807,280

**OPEB Irrevocable Trust Fund**

**REVENUE:**

Original Budget	45,000 *	Jun-20
-----------------	----------	--------

**NET CURRENT REVENUE BUDGET**

45,000

**EXPENSE:**

Original Budget	\$248,355 *	Jun-20
-Fall staffing revision; adjust OPEB benefits based on updated health information	\$787	

**NET CURRENT EXPENSE BUDGET**

\$249,142

AMOUNT	DATE
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AMOUNT	DATE
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## THE GARLAND COMPANY, INC.

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HIGH PERFORMANCE ROOFING AND FLOORING SYSTEMS

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NATIONWIDE: 1-800-321-9336

BRIAN THOMPSON  
Phone: Bus: 800-762-8225 ext.597  
Mobile: (612) 710-0787  
E-Mail: [bthompson@garlandind.com](mailto:bthompson@garlandind.com)

Wednesday, January 27th, 2021

**Big Lake Public Schools - ISD #727**  
**Attn: Terrence Zerwas**  
**Director of Buildings & Grounds**  
**501 Minnesota Ave.**  
**Big Lake, MN 55309**

Dear Mr. Zerwas,

As you are aware, yesterday January 26th, 2021, at 2:00 P.M sealed bids were opened to tally bid results for the 2021 Roof Improvements Project at Big Lake Senior High School. Please find an enclosed copy of the "Bid Results Form" identifying two (2) different contractors depending which "Line Item" is awarded by your School Board.

The following is an Itemized list of apparent "Low Bidders" for each "Line Item":

**BASE BID Line Item #1 - S.H. - Sections K & K1**  
- Peterson Brothers Roofing

**BASE BID Line Item #1 & Add Alternate #1 - S.H. - Sections K, K1 & K2**  
- McDowall Company

Each of the above contractors has successfully supplied their required paperwork including their "Bid Bonds". Both contractors have many years experience installing the specified roof assemblies.

It is our recommendation to your School Board that a motion be approved to either line item as your budget conditions allow. Each of these installers would be scheduled to commence work this Spring 2021.

If you have any questions or are in need of any further information please don't hesitate to contact me.

Thank you again and we look forward to seeing this project through to its completion.

Sincerely,

Brian Thompson  
The Garland Company

**BID RESULTS**  
**2021 ROOF IMPROVEMENTS PROJECT**  
**BIG LAKE PUBLIC SCHOOLS**  
**Tuesday, January 26th, 2021**

<b>BIDDING CONTRACTOR</b>	<b>Peterson Bros. Roofing</b>	<b>PALMER WEST CONSTRUCTION</b>	<b>McDowall Company</b>	<b>BL Dalsin Roofing</b>	<b>McPhillips Bros. Roofing</b>	<b>Berwald Roofing</b>	<b>Granite City Roofing</b>
<b>Bid Bond</b>	YES	YES	YES	YES	YES	YES	YES
<b>Manufacture's Check List</b>	YES	YES	YES	YES	YES	YES	YES
<b>Addenda #1</b>	YES	YES	YES	YES	YES	YES	YES
<b>BASE BID LINE ITEM #1</b> BIG LAKE SENIOR HIGH SCHOOL Roof Sections K & K1	<b>\$268,790</b>	\$272,800	\$273,370	\$282,155	\$305,000	\$327,000	\$348,000
<b>START DATE/CONST. DAYS</b>	<b>TBD/20 DAYS</b>	3/15 - 15 DAYS	Spring - 15 Days	3/15 - 15 Days	6/21 - 20 Days	6/21 - 20 Days	3/15 - 25 Days
<b>ADD ALTERNATE</b> BIG LAKE SENIOR HIGH SCHOOL Roof Sections K2	\$27,800	\$26,000	\$19,700	\$26,312	\$35,000	\$28,000	\$23,000
<b>START DATE/CONST. DAYS</b>	<b>TBD/5 DAYS</b>	3/15 - INCLUDED	Spring - 2 Days	3/15 - 3 Days	6/21 - 6 Days	6/21 - 20 Days	3/15 - 10 Days
<b>TOTAL BASE BID + ADD ALT.</b>	<b>\$296,590</b>	\$298,800	<b>\$293,070</b>	\$308,467	\$340,000	\$355,000	\$371,000
<b>UNIT COST</b> WET INSULATION	<b>\$2.00</b>	\$2.00	\$2.00	\$2.35	\$2.00	\$2.00	\$2.75
<b>UNIT COST</b> NEW DRAIN BOWL	<b>\$1,850</b>	\$1,250	\$2,500	\$1,800	\$1,250	\$2,200	\$1,500
<b>UNIT COST</b> REPLACE BAD DECKING	<b>\$10.00</b>	\$12.00	\$12.00	\$9.85	\$10.00	\$11.00	\$15.00



**Terrence Zerwas**  
**District Office**  
P- 763.262.5148  
F- 763.262.2539  
t.zerwas@biglakeschools.org

January 28, 2021

Dear Members of the School Board,

On Tuesday January 26, 2021 at 2:00pm the sealed bids for the “2021 Roof Improvements Project” were opened and reviewed. After reviewing the results and consideration of the scope of work it is my recommendation that you accept the base bid only for this project. The lowest bidder for the base bid was Peterson Brothers Roofing at \$268,700.00. Peterson Brothers Roofing has experience in our district most recently as the awarded contractor for the west half of Independence roof replacement in 2019. The small section of roof that was bid as an alternate would be best scheduled for replacement in the future when the adjoining sections at the same elevation are replaced.

Sincerely,

Terrence Zerwas  
Buildings and Grounds Manager

# Compliance Report

Jurisdiction: ISD No. 727 - Big Lake  
501 Minnesota Avenue

Report Year: 2021  
Case: 1 - 2020 Data (Shared (Jur and MMB))

Big Lake, MN 55309

Contact: Sue Schmidt

Phone: (763) 262-5194

E-Mail: s.schmidt@biglakeschools.org

The statistical analysis, salary range and exceptional service pay test results are shown below. Part I is general information from your pay equity report data. Parts II, III and IV give you the test results.

For more detail on each test, refer to the Guide to Pay Equity Compliance and Computer Reports.

## I. GENERAL JOB CLASS INFORMATION

	Male Classes	Female Classes	Balanced Classes	All Job Classes
# Job Classes	10	28	4	42
# Employees	14	368	23	405
Avg. Max Monthly Pay per employee	8081.29	7875.93		7810.44

## II. STATISTICAL ANALYSIS TEST

### A. Underpayment Ratio = 74.66666 \*

	Male Classes	Female Classes
a. # At or above Predicted Pay	6	13
b. # Below Predicted Pay	4	15
c. TOTAL	10	28
d. % Below Predicted Pay (b divided by c = d)	40.00	53.57

\*(Result is % of male classes below predicted pay divided by % of female classes below predicted pay.)

### B. T-test Results

Degrees of Freedom (DF) = 380	Value of T = -1.355
-------------------------------	---------------------

- a. Avg. diff. in pay from predicted pay for male jobs = -60
- b. Avg. diff. in pay from predicted pay for female jobs = 545

## III. SALARY RANGE TEST = 0.00 (Result is A divided by B)

- A. Avg. # of years to max salary for male jobs = 0.00
- B. Avg. # of years to max salary for female jobs = 12.08

## IV. EXCEPTIONAL SERVICE PAY TEST = 0.00 (Result is B divided by A)

- A. % of male classes receiving ESP = 0.00 \*
  - B. % of female classes receiving ESP = 25.00
- \*(If 20% or less, test result will be 0.00)

## Pay Equity Implementation Report

### Part A: Jurisdiction Identification

Jurisdiction: ISD No. 727 - Big Lake  
501 Minnesota Avenue

Jurisdiction Type: School

Big Lake, MN 55309

Contact: Sue Schmidt

Phone: (763) 262-5194

E-Mail: s.schmidt@biglakeschools.org

Contact: Gwen Brenteson

Phone: (763) 262-5143

E-Mail: g.brenteson@biglakeschools.org

### Part B: Official Verification

1. The job evaluation system used measured skill, effort responsibility and working conditions and the same system was used for all classes of employees.

The system used was: Consultant

Description:

Decision Band Method

2. Health Insurance benefits for male and female classes of comparable value have been evaluated and:

There is no difference and female classes are not at a disadvantage.

3. An official notice has been posted at:

Big Lake District Office

(prominent location)

informing employees that the Pay Equity Implementation Report has been filed and is available to employees upon request. A copy of the notice has been sent to each exclusive representative, if any, and also to the public library.

The report was approved by:

Big Lake School District, IDS 727

(governing body)

Tonya Reasoner

(chief elected official)

School Board Chairperson

(title)

### Part C: Total Payroll

\$18696005.26

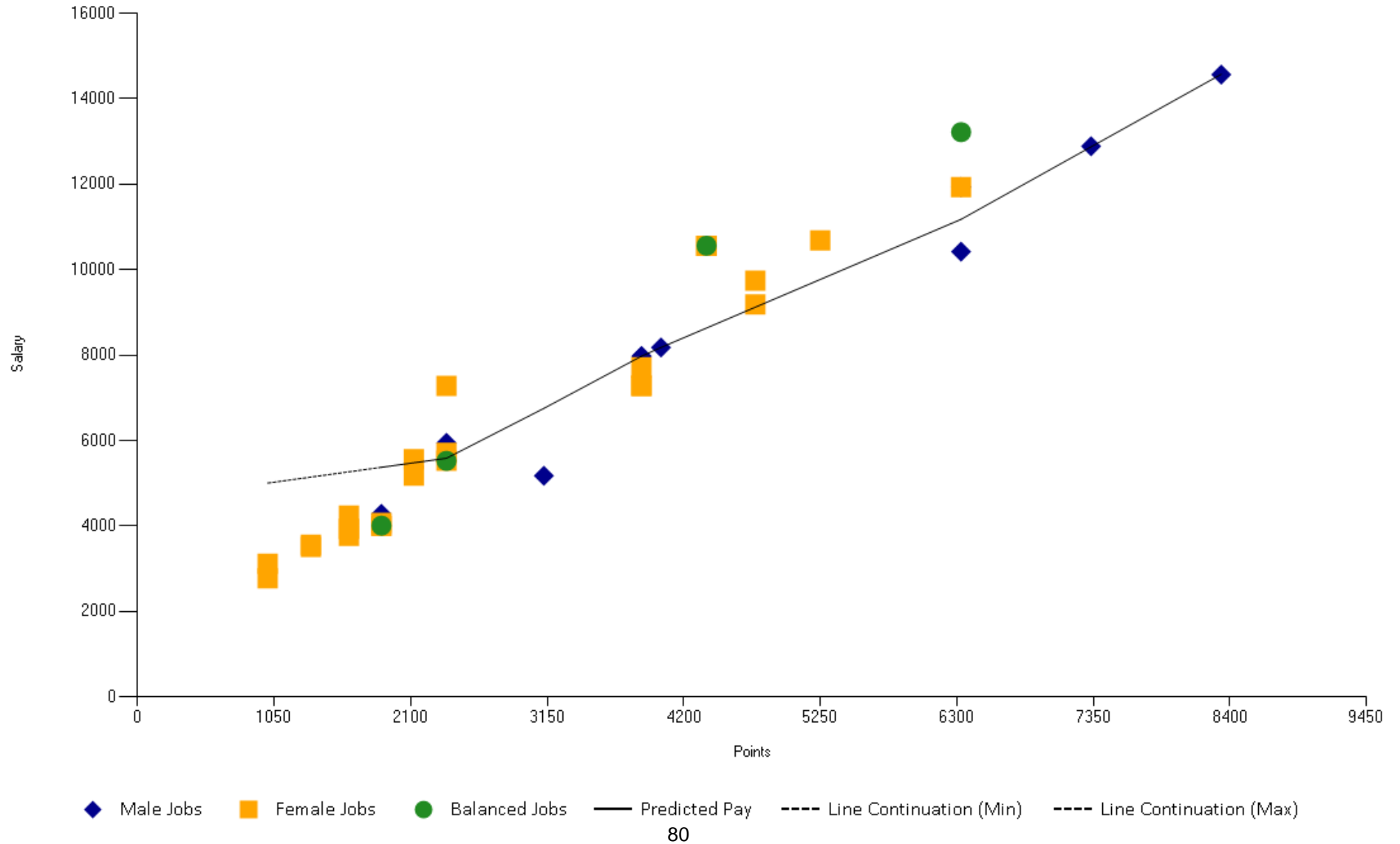
is the annual payroll for the calendar year just ended December 31.

- Checking this box indicates the following:

- signature of chief elected official
- approval by governing body
- all information is complete and accurate, and
- all employees over which the jurisdiction has final budgetary authority are included

Date Submitted: 1/13/2021

## Predicted Pay Report for: ISD No. 727 - Big Lake Case: 2020 Data



## Predicted Pay Report for: ISD No. 727 - Big Lake

### Case: 2020 Data

Job Nbr	Job Title	Nbr Males	Nbr Females	Non-Binary	Total Nbr	Job Type	Job Points	Max Mo Salary	Predicted Pay	Pay Difference
2	Office Assistant	0	4	0	4	Female	1000	3119.0000	5004.7935	-1885.7935
46	Student Monitors	4	15	0	19	Female	1000	2775.0000	5004.7935	-2229.7935
4	Kids' Club Assistant	2	15	0	17	Female	1333	3558.0000	5145.3360	-1587.3360
5	Office Specialist	0	6	0	6	Female	1333	3506.0000	5145.3360	-1639.3360
7	ECFE Assistant	0	2	0	2	Female	1625	3933.0000	5268.5428	-1335.5428
9	Accounts Payable Specialist	0	1	0	1	Female	1625	4241.0000	5268.5428	-1027.5428
10	Program Secretary	0	6	0	6	Female	1625	3771.0000	5268.5428	-1497.5428
11	Health Assistant	0	3	0	3	Female	1875	4010.0000	5374.1044	-1364.1044
12	Administrative Assistant	0	4	0	4	Female	1875	4076.0000	5374.1044	-1298.1044
13	Custodian	10	4	0	14	Balanced	1875	4010.0000	5374.1044	-1364.1044
16	Education Assistant	3	73	0	76	Female	1875	4010.0000	5374.1044	-1364.1044
14	Technology Support Specialist	1	0	0	1	Male	1875	4286.0000	5374.1044	-1088.1044
17	Sr Tech Specialist	0	1	0	1	Female	2125	5565.0000	5479.6660	85.3340
18	Kids' Club Site Supervisor	0	2	0	2	Female	2125	5176.0000	5479.6660	-303.6660
15	Payroll Specialist	0	1	0	1	Female	2375	5710.0000	5585.2276	124.7724
21	School Readiness Instructor	0	3	0	3	Female	2375	7277.0000	5585.2276	1691.7724
47	Campus Supervisor	1	1	0	2	Balanced	2375	5525.0000	5585.2276	-60.2276
49	Secretary of Superintendent	0	1	0	1	Female	2375	5525.0000	5585.2276	-60.2276
22	Maint/Grnds Supervisor	5	0	0	5	Male	2375	5948.0000	5585.2276	362.7724
55	Electronic Data Support	1	0	0	1	Male	3125	5176.0000	6754.1224	-1578.1224
19	Compensation Coord-HR Asst	0	1	0	1	Female	3875	7277.0000	7975.0000	-698.0000
26	Human Resource Manager	0	1	0	1	Female	3875	7277.0000	7975.0000	-698.0000
27	Accountant	0	1	0	1	Female	3875	7715.0000	7975.0000	-260.0000
45	Systems/Network Administrator	1	0	0	1	Male	3875	7975.0000	7975.0000	0.0000
39	Technology Manager	1	0	0	1	Male	3875	7975.0000	7975.0000	0.0000
23	Bldg/Grnds Manager	1	0	0	1	Male	4025	8178.0000	8178.0000	0.0000
25	ECFE Teacher	0	2	0	2	Female	4375	10561.0000	8651.5012	1909.4988
28	Speech Clinician	0	8	0	8	Female	4375	10561.0000	8651.5012	1909.4988
29	Special Ed Teacher	3	29	0	32	Female	4375	10561.0000	8651.5012	1909.4988
30	School Social Worker	0	5	0	5	Female	4375	10561.0000	8651.5012	1909.4988
31	Library Media Specialist	0	1	0	1	Female	4375	10561.0000	8651.5012	1909.4988
32	School Counselor	1	2	0	3	Balanced	4375	10561.0000	8651.5012	1909.4988

## Predicted Pay Report for: ISD No. 727 - Big Lake

### Case: 2020 Data

Job Nbr	Job Title	Nbr Males	Nbr Females	Non-Binary	Total Nbr	Job Type	Job Points	Max Mo Salary	Predicted Pay	Pay Difference
33	Classroom Teacher	45	119	0	164	Female	4375	10561.0000	8651.5012	1909.4988
35	School Nurse/Hlth Coordinator	0	1	0	1	Female	4750	9188.0000	9159.2494	28.7506
36	ECFE Coordinator	0	1	0	1	Female	4750	9741.0000	9159.2494	581.7506
37	Assistant Principal	0	4	0	4	Female	5250	10687.0000	9767.5574	919.4426
48	Director of Business Services	0	1	0	1	Female	6333	11933.0000	11177.5000	755.5000
40	Principal	2	2	0	4	Balanced	6333	13218.0000	11177.5000	2040.5000
34	Activities Director	1	0	0	1	Male	6333	10422.0000	11177.5000	-755.5000
41	Community Ed Director	1	0	0	1	Male	6333	11933.0000	11177.5000	755.5000
54	Director of Teaching & Learnin	1	0	0	1	Male	7333	12888.0000	12875.5920	12.4080
44	Superintendent	1	0	0	1	Male	8333	14565.0000	14571.2029	-6.2029

**Job Number Count: 42**

## Job Class Data Entry Verification List

Case: 2020 Data

ISD No. 727 - Big Lake

LGID: 1782

Job Nbr	Class Title	Nbr Males	Nbr Females	Non-Binary	Class Type	Jobs Points	Min Mo Salary	Max Mo Salary	Yrs to Max Salary	Yrs of Service	Exceptional Service Pay
2	Office Assistant	0	4	0	F	1000	2010.00	3119.00	5.00	0.00	Longevity
46	Student Monitors	4	15	0	F	1000	2154.00	2775.00	0.00	0.00	
4	Kids' Club Assistant	2	15	0	F	1333	1733.00	3558.00	0.00	0.00	
5	Office Specialist	0	6	0	F	1333	2452.00	3506.00	5.00	0.00	Longevity
7	ECFE Assistant	0	2	0	F	1625	1733.00	3933.00	0.00	0.00	
9	Accounts Payable Specialist	0	1	0	F	1625	2937.00	4241.00	0.00	10.00	
10	Program Secretary	0	6	0	F	1625	2747.00	3771.00	5.00	0.00	Longevity
11	Health Assistant	0	3	0	F	1875	2970.00	4010.00	5.00	0.00	Longevity
12	Administrative Assistant	0	4	0	F	1875	3033.00	4076.00	5.00	0.00	Longevity
13	Custodian	10	4	0	B	1875	2970.00	4010.00	5.00	0.00	Longevity
14	Technology Support Specialist	1	0	0	M	1875	3256.00	4286.00	0.00	1.00	
16	Education Assistant	3	73	0	F	1875	2970.00	4010.00	5.00	0.00	Longevity
17	Sr Tech Specialist	0	1	0	F	2125	4187.00	5565.00	0.00	19.00	
18	Kids' Club Site Supervisor	0	2	0	F	2125	3570.00	5176.00	0.00	0.00	
21	School Readiness Instructor	0	3	0	F	2375	5021.00	7277.00	0.00	0.00	
22	Maint/Grnds Supervisor	5	0	0	M	2375	4187.00	5948.00	0.00	0.00	
15	Payroll Specialist	0	1	0	F	2375	4187.00	5710.00	0.00	18.00	
47	Campus Supervisor	1	1	0	B	2375	4187.00	5525.00	0.00	0.00	
49	Secretary of Superintendent	0	1	0	F	2375	4187.00	5525.00	0.00	5.00	
55	Electronic Data Support	1	0	0	M	3125	3885.00	5176.00	0.00	6.00	
45	Systems/Network Administrator	1	0	0	M	3875	5021.00	7975.00	0.00	2.00	
39	Technology Manager	1	0	0	M	3875	5021.00	7975.00	0.00	6.00	
26	Human Resource Manager	0	1	0	F	3875	5021.00	7277.00	0.00	1.00	
27	Accountant	0	1	0	F	3875	5320.00	7715.00	0.00	10.00	
19	Compensation Coord-HR Asst	0	1	0	F	3875	5021.00	7277.00	0.00	28.00	
23	Bldg/Grnds Manager	1	0	0	M	4025	5641.00	8178.00	0.00	1.00	
25	ECFE Teacher	0	2	0	F	4375	4780.00	10561.00	20.00	0.00	
28	Speech Clinician	0	8	0	F	4375	4780.00	10561.00	20.00	0.00	
29	Special Ed Teacher	3	29	0	F	4375	4780.00	10561.00	20.00	0.00	
30	School Social Worker	0	5	0	F	4375	4780.00	10561.00	20.00	0.00	
31	Library Media Specialist	0	1	0	F	4375	4780.00	10561.00	20.00	0.00	
32	School Counselor	1	2	0	B	4375	4780.00	10561.00	20.00	0.00	

## Job Class Data Entry Verification List

Case: 2020 Data

ISD No. 727 - Big Lake

LGID: 1782

Job Nbr	Class Title	Nbr Males	Nbr Females	Non-Binary	Class Type	Jobs Points	Min Mo Salary	Max Mo Salary	Yrs to Max Salary	Yrs of Service	Exceptional Service Pay
33	Classroom Teacher	45	119	0	F	4375	4780.00	10561.00	20.00	0.00	
35	School Nurse/Hlth Coordinator	0	1	0	F	4750	6209.00	9188.00	0.00	20.00	
36	ECFE Coordinator	0	1	0	F	4750	6584.00	9741.00	0.00	5.00	
37	Assistant Principal	0	4	0	F	5250	9329.00	10687.00	7.00	0.00	Longevity
48	Director of Business Services	0	1	0	F	6333	8064.00	11933.00	0.00	14.00	
40	Principal	2	2	0	B	6333	11193.00	13218.00	7.00	0.00	Longevity
41	Community Ed Director	1	0	0	M	6333	8064.00	11933.00	0.00	1.00	
34	Activities Director	1	0	0	M	6333	7041.00	10422.00	0.00	4.00	
54	Director of Teaching & Learnin	1	0	0	M	7333	8592.00	12888.00	0.00	3.00	
44	Superintendent	1	0	0	M	8333	14000.00	14565.00	0.00	1.00	

**Job Number Count: 42**



**Sue Schmidt**  
**District Office**  
P- 763.262.5194  
F- 763.262.2539  
s.schmidt@biglakeschools.org

January 28, 2021

### Pay Equity Report Approval - 2021

- Pay Equity is a method of eliminating discrimination against women who are paid less than men for jobs requiring comparable levels of expertise. It is strictly gender based.
- MN State law requires all public jurisdictions including school districts to eliminate any gender-based wage inequities in compensation and submit reports to the state every 3 years to be audited.
- We've reviewed the compliance report that was received after putting in the data and it shows that we are within the acceptable ranges according to the "Guide for Understanding Pay Equity Compliance". The data is through December 31, 2020.
- The Pay Equity Report will be submitted electronically and requires approval of the governing body.

## TRANSPORTATION OF PUBLIC SCHOOL STUDENTS

### **I. GENERAL STATEMENT OF POLICY**

- A. The policy of the school district is to provide for the transportation of students in a manner which will protect their health, welfare, and safety.
- B. The school district recognizes that transportation is an essential part of the school district services to students and parents but further recognizes that transportation by school bus is a privilege and not a right for an eligible student.

### **II. DEFINITIONS**

- A. "Child with a disability" includes every child identified under federal and state special education law as deaf or hard of hearing, blind or visually impaired, deafblind, or having a speech or language impairment, a physical impairment, other health disability, developmental cognitive disability, an emotional or behavioral disorder, specific learning disability, autism spectrum disorder, traumatic brain injury, or severe multiple impairments, and who needs special education and related services, as determined by the rules of the Commissioner of Education. A licensed physician, an advanced practice nurse, or a licensed psychologist is qualified to make a diagnosis and determination of attention deficit disorder or attention deficit hyperactivity disorder for purposes of identifying a child with a disability. In addition, every child under age three, and at the school district's discretion from age three to seven, who needs special instruction and services, as determined by the rules of the Commissioner, because the child has a substantial delay or has an identifiable physical or mental condition known to hinder normal development is a child with a disability. A child with a short-term or temporary physical or emotional illness or disability, as determined by the rules of the Commissioner, is not a child with a disability. (Minn. Stat. § 125A.02)
- B. "Home" is the legal residence of the child. In the discretion of the school district, "home" also may be defined as a licensed day care facility, school day care facility, a respite care facility, the residence of a relative, or the residence of a person chosen by the student's parent or guardian as the home of a student for part or all of the day, if requested by the student's parent or guardian, or an afterschool program for children operated by a political subdivision of the state, if the facility, residence, or program is within the attendance area of the school the student attends. Unless otherwise specifically provided by law, a homeless student is a resident of the school district if enrolled in the school district. (Minn. Stat. § 123B.92, Subd. 1(b)(1); Minn. Stat. § 127A.47, Subd. 2)
- C. "Homeless student" means a student, including a migratory student, who lacks a fixed, regular, and adequate nighttime residence and includes: students who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; are awaiting foster care placement; have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings; are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings, and migratory children who qualify as homeless because they are living in any of the preceding listed circumstances. (42 U.S.C. § 11434a)

- D. "Nonpublic school" means any school, church, or religious organization, or home school wherein a resident of Minnesota may legally fulfill the compulsory instruction requirements of Minn. Stat. §120A.22, which is located within the state, and which meets the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d, *et seq.*). (Minn. Stat. §123B.41, Subd. 9)
- E. "Nonresident student" is a student who attends school in the school district and resides in another district, defined as the "nonresident district." In those instances when the divorced or legally separated parents or parents residing separately share joint physical custody of a student and the parents reside in different school districts, the student shall be a resident of the school district designated by the student's parents. When parental rights have been terminated by court order, the legal residence of a student placed in a residential or foster facility for care and treatment is the district in which the student resides. (Minn. Stat. § 123B.88, Subd. 6; Minn. Stat. § 125A.51; Minn. Stat. § 127A.47, Subd. 3)
- F. "Pupil support services" are health, counseling, and guidance services provided by the public school in the same district where the nonpublic school is located. (Minn. Stat. § 123B.41, Subd. 4)
- G. "School of origin," for purposes of determining the residence of a homeless student, is the school that the student attended when permanently housed or the school in which the student was last enrolled. (42 U.S.C. § 11432(g)(3)(G))
- H. "Shared time basis" is a program where students attend public school for part of the regular school day and who otherwise fulfill the requirements of Minn. Stat. § 120A.22 by attendance at a nonpublic school. (Minn. Stat. § 126C.01, Subd. 8)
- I. "Student" means any student or child attending or required to attend any school as provided in Minnesota law and who is a resident or child of a resident of Minnesota. (Minn. Stat. § 123B.41, Subd. 11)

### III. ELIGIBILITY

- A. Upon the request of a parent or guardian, the school district shall provide transportation to and from school, at the expense of the school district, for all resident students who reside two miles or more from the school, except for those students whose transportation privileges have been revoked or have been voluntarily surrendered by the student's parent or guardian. (Minn. Stat. § 123B.88, Subd. 1)
- B. The school district may, in its discretion, also provide transportation to any student to and from school, at the expense of the school district, for any other purpose deemed appropriate by the school board.
  - 1. Transportation State Requirement  
In accordance with Minnesota Statute 123B.88, bus transportation to and from school is required to be provided by the district to students residing two miles or more from their assigned school. However, the Big Lake School Board has approved free transportation for students in grades K-5 who live one or more miles from their assigned school.
  - 2. District Provided Transportation  
In calculating district-provided transportation eligibility, the distance is measured from the school building entrance, designated by the district for student use, and the distance to the student's resident property (where the front of the property meets the street) along public roadways. If any portion of the front of the resident property as identified by the

street address that meets the street is outside this distance, the student will be provided bus transportation to and from school.

3. Non-Public and Charter School Students  
Non-public and charter school students attending schools within the district boundary will follow the same eligibility.
4. Assigned Bus  
Students may only ride their assigned bus. Other arrangements may be accommodated on an emergency basis if/when a parent contacts the transportation company to secure approval. Legal Reference: 123B.88

- C. In the discretion of the school district, transportation along regular school bus routes may also be provided, where space is available, to any person where such use of a bus does not interfere with the transportation of students. The cost of providing such transportation must be paid by those individuals using these services or some third-party payor. Bus transportation also may be provided along school bus routes when space is available for participants in early childhood family education programs and school readiness programs if these services do not result in an increase in the school district's expenditures for transportation. (Minn. Stat. § 123B.88, Subd. 10, 11, 12, and 13)
- D. For purposes of stabilizing enrollment and reducing mobility, the school district may, in its discretion, establish a full-service school zone and may provide transportation for students attending a school in that full-service school zone. A full-service school zone may be established for a school that is located in an area with higher than average crime or other social and economic challenges and that provides education, health or human services, or other parental support in collaboration with a city, county, state, or nonprofit agency.

#### IV. TRANSPORTATION OF NONRESIDENT STUDENTS

- A. The school district will provide transportation from home to school to nonresident students who open enroll to the Big Lake School District and who live within five miles of the district boundary. All other open enrolled students must find transportation to the nearest bus stop within one mile of the district boundary or to a location directed them by the Superintendent or his designee. If requested by the parent of a nonresident student, the school district shall provide transportation to a nonresident student within its borders at the same level of service that is provided to resident students. (Minn. Stat. § 124D.04, Subd. 7; Minn. Stat. § 123B.92, Subd. 3) For the 2020-2021 school year: If a non-resident student is already receiving transportation outside of five miles, that transportation will continue for the remainder of the 2020-21 school year. Beginning in the 2021-2022 school year, transportation for non-resident students will only be provided within five miles of the district boundary.
- B. If the school district decides to transport a nonresident student within the student's resident district, the school district will notify the student's resident district of its decision, in writing, prior to providing transportation. (Minn. Stat. § 123B.88, Subd. 6)
- C. When divorced or legally separated parents or parents residing separately reside in different school districts and share physical custody of a student, the parents shall be responsible for the transportation of the student to the border of the school district during those times when the student is residing with the parent in the nonresident school district. (Minn. Stat. § 127A.47, Subd. 3(b))
- D. The school district may provide transportation to allow a student who attends a high-need English language learner program and who resides within the transportation attendance area of the program to continue in the program until the student completes the highest grade level offered by the program. (Minn. Stat. § 123B.92, Subd. 3(b))

## **V. TRANSPORTATION OF RESIDENT STUDENTS TO NONDISTRICT SCHOOLS**

- A. In general, the school district shall not provide transportation between a resident student's home and the border of a nonresident district where the student attends school under the Enrollment Options Program. A parent may be reimbursed by the nonresident district for the costs of transportation from the pupil's residence to the border of the nonresident district if the student is from a family whose income is at or below the poverty level, as determined by the federal government. The reimbursement may not exceed the pupil's actual cost of transportation or 15 cents per mile traveled, whichever is less. Reimbursement may not be paid for more than 250 miles per week. (Minn. Stat. § 124D.03, Subd. 8). Applications for reimbursement must be received in writing at the school business office prior to November 30 of the forthcoming school year. Exceptions to this date will be made for special cases such as move-ins. The application must include the names of the children and the name of the non-public school.
- B. Resident students shall be eligible for transportation to and from a nonresident school district at the expense of the school district, if in the discretion of the school district, inadequate room, distance to school, unfavorable road conditions, or other facts or conditions make attendance in the resident student's own district unreasonably difficult or impracticable. The school district, in its discretion, may also provide for transportation of resident students to schools in other districts for grades and departments not maintained in the district, including high school, for the whole or a part of the year or for resident students who attend school in a building rented or leased by the school district in an adjacent district. (Minn. Stat. § 123B.88, Subds. 1 and 4)
- C. In general, the school district is not responsible for transportation for any resident student attending school in an adjoining state under a reciprocity agreement but may provide such transportation services at its discretion. (Minn. Stat. § 124D.041)

## **VI. SPECIAL EDUCATION STUDENTS/STUDENTS WITH A DISABILITY/ STUDENTS WITH TEMPORARY DISABILITIES**

- A. Upon a request of a parent or guardian, the board must provide necessary transportation, consistent with Minn. Stat. § 123B.92, Subd. 1(b)(4), for a resident child with a disability not yet enrolled in kindergarten for the provision of special instruction and services. Special instruction and services for a child with a disability not yet enrolled in kindergarten include an individualized education program (IEP) team placement in an early childhood program when that placement is necessary to address the child's level of functioning and needs. (Minn. Stat. § 123B.88, Subd. 1)
- B. Resident students with a disability whose handicapped conditions are such that the student cannot be safely transported on the regular school bus and/or school bus route and/or when the student is transported on a special route for the purpose of attending an approved special education program shall be entitled to special transportation at the expense of the school district or the day training and habilitation program attended by the student. The school district shall determine the type of vehicle used to transport students with a disability on the basis of the handicapping condition and applicable laws. This provision shall not be applicable to parents who transport their own child under a contract with the school district. (Minn. Stat. § 123B.88, Subd. 19; Minn. Rules Part 7470.1600)
- C. Resident students with a disability who are boarded and lodged at Minnesota state academies for educational purposes, but who also are enrolled in a public school within the school district, shall be provided transportation, by the school district to and from said board and lodging facilities, at the expense of the school district. (Minn. Stat. § 125A.65)

- D. If a resident student with a disability attends a public school located in a contiguous school district and the school district of attendance does not provide special instruction and services, the school district shall provide necessary transportation for the student between the school district boundary and the educational facility where special instruction and services are provided within the school district. The school district may provide necessary transportation of the student between its boundary and the school attended in the contiguous district, but shall not pay the cost of transportation provided outside the school district boundary. (Minn. Stat. § 125A.12)
- E. When a student with a disability or a student with a short-term or temporary disability is temporarily placed for care and treatment in a day program located in another school district and the student continues to live within the school district during the care and treatment, the school district shall provide the transportation, at the expense of the school district, to that student. The school district may establish reasonable restrictions on transportation, except if a Minnesota court or agency orders the child placed at a day care and treatment program and the school district receives a copy of the order, then the school district must provide transportation to and from the program unless the court or agency orders otherwise. Transportation shall only be provided by the school district during regular operating hours of the school district. (Minn. Stat. § 125A.15(b); Minn. Stat. § 125A.51(d))
- F. When a nonresident student with a disability or a student with a short-term or temporary disability is temporarily placed in a residential program within the school district, including correctional facilities operated on a fee-for-service basis and state institutions, for care and treatment, the school district shall provide the necessary transportation at the expense of the school district. Where a joint powers entity enters into a contract with a privately owned and operated residential facility for the provision of education programs for special education students, the joint powers entity shall provide the necessary transportation. (Minn. Stat. § 125A.15(c) and (d); Minn. Stat. § 125A.51(e))
- G. Each driver and aide assigned to a vehicle transporting students with a disability will be provided with appropriate training for the students in their care, will assist students with their safe ingress and egress from the bus, will ensure the proper use of protective safety devices, and will be provided with access to emergency health care information as required by law. (Minn. Rules Part 7470.1700)
- H. Any parent of a student with a disability who believes that the transportation services provided for that child are not in compliance with the applicable law may utilize the alternative dispute resolution and due process procedures provided for in Minn. Stat. Ch. 125A. (Minn. Rules Part 7470.1600, Subd. 2)

## **VII. HOMELESS STUDENTS**

- A. Homeless students shall be provided with transportation services comparable to other students in the school district. (42 U.S.C. § 11432(e)(3)(C)(i)(III)(cc) and (g)(4)(A))
- B. Upon request by the student's parent, guardian, or homeless education liaison, the school district shall provide transportation for a homeless student as follows:
  1. A resident student who becomes homeless and is residing in a public or private shelter location or has other non-shelter living arrangements within the school district shall be provided transportation to and from the student's school of origin and the shelter or other

non-shelter location on the same basis as transportation services are provided to other students in the school district. (42 U.S.C. § 11432(g)(1)(J)(iii)(I))

2. A resident student who becomes homeless and is residing in a public or private shelter location or has other non-shelter living arrangements outside of the school district shall be provided transportation to and from the student's school of origin and the shelter or other non-shelter location on the same basis as transportation services are provided to other students in the school district, unless the school district and the school district in which the student is temporarily placed agree that the school district in which the student is temporarily placed shall provide transportation. (Minn. Stat. § 125A.51(f); 42 U.S.C. § 11432(g)(1)(J)(iii)(II))
3. If a nonresident student is homeless and is residing in a public or private homeless shelter or has other non-shelter living arrangements within the school district, the school district may provide transportation services between the shelter or non-shelter location and the student's school of origin outside of the school district upon agreement with the school district in which the school of origin is located. (Minn. Stat. § 125A.51(f))
4. A homeless nonresident student enrolled under Minn. Stat. § 124D.08, Subd. 2a, must be provided transportation from the student's district of residence to and from the school of enrollment. (Minn. Stat. § 123B.92, Subd. 3(c)).

## **VIII. AVAILABILITY OF SERVICES**

Transportation shall be provided on all regularly scheduled school days or make-up days. Transportation will not be provided during the summer school break. Transportation may be provided for summer instructional programs for students with a disability or in conjunction with a learning year program. Transportation between home and school may also be provided, in the discretion of the school district, on staff development days. (Minn. Stat. § 123B.88, Subd. 21)

## **IX. MANNER OF TRANSPORTATION**

The scheduling of routes, establishment of the location of bus stops, manner and method of transportation, control and discipline of school children, the determination of fees, and any other matter relating thereto shall be within the sole discretion, control and management of the school board. The school district may, in its discretion, provide room and board, in lieu of transportation, to a student who may be more economically and conveniently provided for by that means. (Minn. Stat. § 123B.88, Subd. 1)

## **X. RESTRICTIONS**

Transportation by the school district is a privilege and not a right for an eligible student. A student's eligibility to ride a school bus may be revoked for a violation of school bus safety or conduct policies, or violation of any other law governing student conduct on a school bus pursuant to the school district's discipline policy. Revocation of a student's bus riding privilege is not an exclusion, expulsion, or suspension under the Pupil Fair Dismissal Act. Revocation procedures for a student who is an individual with a disability under 20 U.S.C. § 1415 (Individuals with Disabilities Act), 29 U.S.C. § 794 (the Rehabilitation Act), and 42 U.S.C. § 12132, (Americans with Disabilities Act) are governed by these provisions. (Minn. Stat. § 121A.59)

## **XI. FEES**

- A. In its discretion, the school district may charge fees for transportation of students to and from extracurricular activities conducted at locations other than school, where attendance is optional. (Minn. Stat. § 123B.36, Subd. 1(10))

- B. The school district may charge fees for transportation of students to and from school when authorized by law. If the school district charges fees for transportation of students to and from school, guidelines shall be established for that transportation to ensure that no student is denied transportation solely because of inability to pay. The school district also may waive fees for transportation if the student's parent is serving in, or within the past year has served in, active military service as defined in Minn. Stat. § 190.05. (Minn. Stat. § 123B.36, Subds. 1(11) and 6)
- C. The school district may charge reasonable fees for transportation of students to and from post-secondary institutions for students enrolled under the post-secondary enrollment options program. Families who qualify for mileage reimbursement may use their state mileage reimbursement to pay this fee. (Minn. Stat. § 123B.36, Subd. 1(13))
- D. Where, in its discretion, the school district provides transportation to and from an instructional community-based employment station that is part of an approved occupational experience vocational program, the school district may require the payment of reasonable fees for transportation from students who receive remuneration for their participation in these programs. (Minn. Stat. § 123B.36, Subd. 3)

**Rationale:** *The purpose of this policy is to provide for the transportation of students consistent with the requirements of law.*

**Legal References:** Minn. Stat. § 120A.22 (Compulsory Instruction)  
Minn. Stat. §§ 121A.40-121A.56 (Pupil Fair Dismissal Act)  
Minn. Stat. § 121A.59 (Bus Transportation is a Privilege Not a Right)  
Minn. Stat. § 123B.36 (Authorized Fees)  
Minn. Stat. § 123B.41 (Educational Aids for Nonpublic School Children; Definitions)  
Minn. Stat. § 123B.44 (Provision of Pupil Support Services)  
Minn. Stat. § 123B.88 (Independent School Districts, Transportation)  
Minn. Stat. § 123B.92 (Transportation Aid Entitlement)  
Minn. Stat. § 124D.03 (Enrollment Options Program)  
Minn. Stat. § 124D.04 (Enrollment Options Programs in Border States)  
Minn. Stat. § 124D.041 (Reciprocity with Adjoining States)  
Minn. Stat. § 124D.08 (School Board's Approval to Enroll in Nonresident District)  
Minn. Stat. Ch. 125A (Children With a Disability)  
Minn. Stat. § 125A.02 (Children With a Disability, Defined)  
Minn. Stat. § 125A.12 (Attendance in Another District)  
Minn. Stat. § 125A.15 (Placement in Another District; Responsibility)  
Minn. Stat. § 125A.51 (Placement of Children Without Disabilities; Education and Transportation)  
Minn. Stat. § 125A.515 (Placement of Students; Approval of Education Program)  
Minn. Stat. § 125A.65 (Attendance at Academies for the Deaf and Blind)  
Minn. Stat. § 126C.01 (General Education Revenue - Definitions)  
Minn. Stat. § 127A.47 (Payments to Resident and Nonresident Districts)  
Minn. Stat. § 190.05 (Definitions)  
Minn. Rules Part 7470.1600 (Transporting Pupils with Disability)  
Minn. Rules Part 7470.1700 (Drivers and Aides for Pupils with Disabilities)  
20 U.S.C. § 1415 (Individuals with Disabilities Education Improvement Act of 2004)  
29 U.S.C. § 794 (Rehabilitation Act of 1973, § 504)  
42 U.S.C. § 2000d (Prohibition Against Exclusion from Participation in, Denial of Benefits of, and Discrimination under Federally Assisted Programs on Ground of Race, Color, or National Origin)  
42 U.S.C. § 11431 *et seq.* (McKinney-Vento Homeless Assistance Act of 2001)  
42 U.S.C. § 12132 *et seq.* (Americans With Disabilities Act)

**Cross References:** MSBA/MASA Model Policy 708 (Transportation of Nonpublic School Students)  
MSBA/MASA Model Policy 709 (Student Transportation Safety Policy)  
MSBA/MASA Model Policy 710 (Extracurricular Transportation)  
MSBA Service Manual, Chapter 2, Transportation